

Thurrock - An ambitious and collaborative community which is proud of its heritage and excited by its diverse opportunities and future

## Cabinet

The meeting will be held at **7.00 pm** on **12 June 2019**

**Committee Rooms 2 & 3, Civic Offices, New Road, Grays, Essex, RM17 6SL**

### Membership:

Councillors Robert Gledhill (Chair), Shane Hebb (Deputy Chair), Mark Coxshall, James Halden, Deborah Huelin, Barry Johnson, Susan Little, Ben Maney and Aaron Watkins

### Agenda

Open to Public and Press

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Agenda published on: **4 June 2019**

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# DECLARING INTERESTS FLOWCHART – QUESTIONS TO ASK YOURSELF

Breaching those parts identified as a pecuniary interest is potentially a criminal offence

## Helpful Reminders for Members

- *Is your register of interests up to date?*
- *In particular have you declared to the Monitoring Officer all disclosable pecuniary interests?*
- *Have you checked the register to ensure that they have been recorded correctly?*

## When should you declare an interest at a meeting?

- **What matters are being discussed at the meeting?** (including Council, Cabinet, Committees, Subs, Joint Committees and Joint Subs); or
- If you are a Cabinet Member making decisions other than in Cabinet **what matter is before you for single member decision?**



Does the business to be transacted at the meeting

- relate to; or
- likely to affect

any of your registered interests and in particular any of your Disclosable Pecuniary Interests?

Disclosable Pecuniary Interests shall include your interests or those of:

- your spouse or civil partner's
- a person you are living with as husband/ wife
- a person you are living with as if you were civil partners

where you are aware that this other person has the interest.

A detailed description of a disclosable pecuniary interest is included in the Members Code of Conduct at Chapter 7 of the Constitution. **Please seek advice from the Monitoring Officer about disclosable pecuniary interests.**

**What is a Non-Pecuniary interest?** – this is an interest which is not pecuniary (as defined) but is nonetheless so significant that a member of the public with knowledge of the relevant facts, would reasonably regard to be so significant that it would materially impact upon your judgement of the public interest.

### **Pecuniary**

If the interest is not already in the register you must (unless the interest has been agreed by the Monitoring Officer to be sensitive) disclose the existence and nature of the interest to the meeting

If the Interest is not entered in the register and is not the subject of a pending notification you must within 28 days notify the Monitoring Officer of the interest for inclusion in the register

**Unless you have received dispensation upon previous application from the Monitoring Officer, you must:**

- **Not participate or participate further in any discussion of the matter at a meeting;**
- **Not participate in any vote or further vote taken at the meeting; and**
- **leave the room while the item is being considered/voted upon**

**If you are a Cabinet Member you may make arrangements for the matter to be dealt with by a third person but take no further steps**

### **Non- pecuniary**

Declare the nature and extent of your interest including enough detail to allow a member of the public to understand its nature



**You may participate and vote in the usual way but you should seek advice on Predetermination and Bias from the Monitoring Officer.**

## Our Vision and Priorities for Thurrock

An ambitious and collaborative community which is proud of its heritage and excited by its diverse opportunities and future.

1. **People** – a borough where people of all ages are proud to work and play, live and stay
  - High quality, consistent and accessible public services which are right first time
  - Build on our partnerships with statutory, community, voluntary and faith groups to work together to improve health and wellbeing
  - Communities are empowered to make choices and be safer and stronger together
  
2. **Place** – a heritage-rich borough which is ambitious for its future
  - Roads, houses and public spaces that connect people and places
  - Clean environments that everyone has reason to take pride in
  - Fewer public buildings with better services
  
3. **Prosperity** – a borough which enables everyone to achieve their aspirations
  - Attractive opportunities for businesses and investors to enhance the local economy
  - Vocational and academic education, skills and job opportunities for all
  - Commercial, entrepreneurial and connected public services

**Minutes of the Meeting of the Cabinet held on 13 March 2019 at 7.00 pm**

**The deadline for call-ins is Wednesday 27 March 2019 at 5.00pm**

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**Present:** Councillors Robert Gledhill (Leader), Gary Collins, Deborah Huelin, Barry Johnson, Susan Little and Aaron Watkins

**Apologies:** Councillors Shane Hebb (Deputy Leader), Mark Coxshall and James Halden

**In attendance:** Tim Hallam, Deputy Head of Legal  
Roger Harris, Corporate Director of Adults, Housing and Health  
Rory Patterson, Corporate Director of Children's Services  
Julie Rogers, Director of Environment and Highways  
Karen Wheeler, Director of Strategy, Communications and Customer Service  
Lucy Tricker, Democratic Services Officer

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Before the start of the Meeting, all present were advised that the meeting may be filmed and was being recorded, with the audio recording to be made available on the Council's website.

## **109. Minutes**

The minutes of the Cabinet meeting held on 12 February 2019 were approved as a correct record.

## **110. Items of Urgent Business**

There were no items of urgent business.

## **111. Declaration of Interests**

Councillor Johnson declared a non-pecuniary interest for Item 11 as he was the Deputy Chair of Governors for Benyon Primary School, and stated that he would refrain from voting on this item.

## **112. Statements by the Leader**

The Leader began his statement by reminding Members that the Council was currently in a period of purdah due to the by-election in Aveley and Uplands ward. He reminded Members of the purdah guidance that party political statements should not be made through Council channels.

He moved on to discuss the recent occurrence in Purfleet whereby two off-duty enforcement officers caught two men attempting to fly-tip hundreds of tyres. He stated that the would-be fly-tippers were now facing prosecution and

a £50,000 fine due to the actions of the off-duty enforcement officers, and stated that the council would be looking into ways to take legal action regarding the proceeds of crime, if they were found guilty. The Leader added that fly-tipping in Thurrock would not pay and is not a victimless crime as it costs the council money, which could be better used elsewhere. He then asked residents to always check waste carrier licences if they saw an advert for cheap waste clearance, as residents could face a fine if their rubbish ended up fly-tipped, as it could promote criminal activity. The Leader stated that much money had been invested into the Linford Waste and Recycling Centre, and over 3000 van permits had been issued since the scheme began last year. He stated that those people who had applied for van permits when the scheme was announced would soon have to reapply free of charge, and reminded those residents to do so. He added that those residents who would like a permit should apply two weeks before they wish to visit the Centre. He mentioned that ANPR cameras were being installed at the site to make the system more efficient. He also stated that at the recent Environment Agency inspection the site had received no breaches of usage.

The Leader then described how the 4<sup>th</sup> round of the CEDF fund was now available to residents to use to deliver community projects, for example installing fencing, painting, clearing undergrowth and improving walkways. He stated that it was up to residents to decide what to use the money for and he was looking forward to receiving applications. He added that four events would be held across the borough to give residents ideas on what to apply for, and to make the system fair. He finally stated that the CEDF grant was open until 17 May 2019.

The Leader moved on to the Clean It, Cut It, Fill It Update and stated that since April 2018: 3225 potholes had been filled, with 98% in target time; 1230 acres of grass had been cut; 1871 fly-tips had been cleared; 1015 tonnes of rubbish had been removed; and 3660 fixed penalty notices had been issued for offences such as littering and spitting. The Leader also commented on Councillor Hebb and Councillor Coxshall's non-attendance at the meeting as they were currently attending the Local Government Chronicle Awards where Thurrock Council had been nominated for 'Most Entrepreneurial Council' and had been nominated for an award regarding the work the Council had undertaken on the 'Head Start Housing' project. He added that the Chief Executive and two other senior officers were currently at the MIPIN Conference doing business worldwide. He stated that this had been funded solely through sponsorship and had zero cost for the taxpayer. He added that at the MIPIN Conference in 2018, over £100,000 in pre-planning money had been given to Thurrock due to the trade made there.

**113. Briefings on Policy, Budget and Other Issues**

There were no briefings on policy, budget and other issues.

**114. Petitions submitted by Members of the Public**

No petitions had been submitted by members of the public.



**115. Questions from Non-Executive Members**

No questions had been received from non-Executive Members.

**116. Matters Referred to the Cabinet for Consideration by an Overview and Scrutiny Committee**

No matters had been referred to the Cabinet for consideration by an Overview and Scrutiny Committee.

**117. New Council Home Building Programme (Decision 110507)**

Councillor Johnson introduced the report and stated he was very pleased to see this coming to Cabinet. He described how the report outlined plans for 500 new council homes within the next 5-10 years, funded through the HRA. He added that Thurrock currently provided roughly 500 council tenants with monetary advice to stop homelessness across the borough, and the proposed 500 houses could also stop the rise of homelessness. He mentioned that this project would be supported by Thurrock Regeneration Limited, who would be well placed to assist with the delivery. He then described how a high-level financial model had been undertaken to ensure the self-financing of the project, which had taken into account current government legislation, and found that the project could be self-financing if weekly rent was 57% of current market value. He added that Thurrock needed new council homes as well as infrastructure, and stated that the council would continue to work with landlords and Thurrock Regeneration Limited to meet the council home target. He stated that the next step in the project would be to identify the types of homes needed and their location, and challenges would be identified. He summarised that this was only possible due to the removal of the HRA borrowing cap by central government, which allowed local council's to increase their social housing stock, and ensured all residents could be provided with suitable and safe housing. He finally mentioned that this project, if agreed by Cabinet, would be going to the Housing Overview and Scrutiny Committee and then on for consultation.

Councillor Watkins thanked Councillor Johnson for the report and stated that he felt this was good work. He stated that this put the council on the right path towards building new council homes, and looked forward to the comments from Housing Overview and Scrutiny Committee. The Leader added that this was a good first step in providing council homes, as there were 1500 new cases of homelessness in the borough every year, which costs taxpayers money. He stated that the council would not be advertising how much they would spend on the project, as Thurrock wanted developers to meet their criteria, but the figure would run into the billions.

**RESOLVED: That Cabinet:**

**1. Approved that a housing development pipeline be prepared to seek to deliver up to 500 new Council homes for Thurrock residents over the**

**next 5 to 10 years to be funded within the Housing Revenue Account.**

**2. Delegated authority to the Corporate Director of Place in consultation with the Corporate Director of Adults, Health and Housing and the Director of Finance and IT, as well as the Cabinet Member for Housing, to ensure the Council Homes Delivery Programme is adequately resourced in accordance with the Council's Procurement Regulations and to enter into appropriate agreements as may be necessary to seek to secure the necessary statutory consents to deliver 500 new Council homes.**

**3. Agreed to refer this decision to Housing Overview and Scrutiny for its consideration and advice on ensuring the successful delivery of a New Council Homes Programme through the HRA.**

Reason for Decision – as stated in the report  
This decision is subject to call in

**118. School Capital Programme Update 2019/20 (Decision 110508)**

The Leader stated that he would be presenting this report on behalf of Councillor Halden, and reiterated that Councillor Johnson would not be partaking in the vote due to his non-pecuniary interest. He drew Members attention to paragraph 3 of the executive summary and stated that this showed the council were always looking for alternatives, rather than placing small bulge classes and demountables across the borough. He stated that the recommendations were asking for a £2m investment into expanding Benyon Primary School, as the population of Ockendon was growing and the buildings in the current school were nearing end of life. He commented that it was good to see money being set aside for the expansion as Benyon was a very good school, which had an excellent reputation in the borough. He added that there was also a deficit of 800 places between primary and secondary education, and projects were being put forward to alleviate this deficit. He commented that whilst these projects were being undertaken, the council were looking into long-run permanent solutions, which were part of the local plan. He then reaffirmed the council's commitment to infrastructure first and expansion second.

**RESOLVED: That Cabinet (excluding Councillor Johnson):**

**1. Approved a £2.2m budget for the expansion of Benyon Primary School to be funded from the School's Basic Need capital funding 2019/20**

**2. Approved a budget of up to £1m for works to be undertaken to enable construction of additional classrooms in current secondary schools.**

**3. Progressed the procurement process to secure design and construction for the expansion of Benyon Primary School to take**

**forward the proposed schemes.**

Councillor Johnson stated that now recommendations had been agreed, in which he had not voted, he felt the school was excellent and the staff worked very hard. He felt that the school had an excellent reputation in Ockendon and local residents cared about its wellbeing.

Reason for Decision – as stated in the report  
This decision is subject to call-in

**119. Adult Mental Health Service Transformation (Decision 110509)**

Councillor Little presented the report on behalf of Councillor Halden and stated that before she introduced the report, she wished to congratulate Collins House for their 'good' rating by OFSTED on all five points. She then introduced the report and stated that Councillor Halden had worked in collaboration with the Director for Public Health, and he had been pleased this report was coming in front of Cabinet. She added that the report had also been to Health Overview and Scrutiny and the Health and Wellbeing Board, both of whom had been supportive. She affirmed that an expert peer review had been undertaken in April 2018, as well as a survey by a Joint Strategic Needs Analyst and HealthWatch, all of which had considered the effectiveness of mental health diagnosis and treatment across the borough, and both had said change was needed. She commented that they had found a need for increased integration with primary care, and this was what the report was recommending.

The Leader stated that mental health issues could affect anybody, old or young, and these issues had been widely covered in national news. He felt this report was long overdue and was pleased to see work being undertaken. He thanked Councillor Halden, the Corporate Director of Children's Services and his team for their hard work and hoped this report would show what steps were needed to transform mental health services across the borough.

**RESOLVED: That Cabinet:**

**1. Approved the direction of travel in terms of adult mental health system transformation and the action plan outlined to deliver that service transformation.**

**2. Approved the proposals set out in section 7.14 to 7.16 of the report to develop a new Section 75 Agreement with EPUT from 1 April 2019 based on a longer term contract, with a revised performance and budget framework, subject to the agreement from the Director of Public Health, Corporate Director for Adults, Housing and Health, in consultation with the Cabinet Member for Health.**

**3. Approved the proposals set out in section 10 of this report in relation to suicide prevention.**

Reason for Decision – as stated in the report  
This decision is subject to call-in

## **120. Revenue Budget Monitoring - Quarter 3 2018/19 (Decision 110510)**

The Leader introduced this report on behalf of Councillor Hebb and drew Members attention to the executive summary. He stated that this report covered quarter 3, which had ended 3 months ago, and did not give up-to-date statistics for this year. He confirmed that quarter 3 had seen an increase spend by the waste team due to unforeseen circumstances that had been out of the council's control, but this overspend had been absorbed by other services and the corporate budget. He stated that Councillor Hebb and the Director of Finance and IT believed the council would be on target to spend the budget by the end of the financial year, and would not be using reserves or one-off reserves. He mentioned that in the 2018/19 financial year, general fund reserves had increased by 4% and overspend had been managed.

The Leader commented that homelessness was still an issue within the borough, as landlords were increasing rents and renting to families faced with homelessness from London boroughs. He stated that this meant the council had to spend more on temporary accommodation, which cost the taxpayers money. He reaffirmed that the council were doing all they could to help people who had been made homeless, such as pressuring central government and meeting regularly with Leaders across Essex to discuss the problem of London borough's housing their homeless people outside of London. He added that the council were currently looking into initiatives to stop temporary accommodation such as building more houses for a permanent solution, as outlined in Item 10 of the agenda. He stated that last year 1556 Thurrock residents had been made homeless, which was a 40% increase from the year before. He summarised and stated that the council were looking into every service to find efficiencies, such as Children's Services who had saved £3.5m, most of which had been re-invested in the service.

Councillor Collins thanked Councillor Hebb and his team for all their hard work on balancing the budget and stated that he felt concerned over the number of homeless people across the borough and hoped the figure could decrease. The Leader thanked Councillor Collins as his portfolio of Central Services usually underspent, which helped those services who had overspent.

Councillor Johnson reassured Cabinet that his housing team are very proactive when looking for solutions for homelessness, such as building new homes and new houses of multiple occupancy. He stated that he had attended a seminar last week regarding the Homelessness Reduction Act, and felt that no other council were doing more than Thurrock to prevent homelessness. He stated that he was constantly looking for improvements, but often the headline figures gave a bad impression. The Leader reiterated the point that the council were constantly looking for solutions, and always looked to see if they could use ideas from other councils. He added that the

council were currently looking into temporary housing, which would be erected in weeks and had a watertight guarantee of 50 years. He stated that this temporary housing would not be prefab, but would be of well-designed concrete and would be dismantled and moved elsewhere when needed. He then stated that he felt it was good to see other services such as Children's minimise their overspend, but knew this could change quickly if even a few children needed the council's help.

**RESOLVED: That Cabinet:**

**1. Noted the forecast outturn position for 2018/19 and that further mitigation is required to outturn within the agreed budget envelope.**

Reason for Decision – as stated in the report  
This decision is subject to call-in

**121. 2018/19 Capital Monitoring Report - Quarter 3**

The Leader stated that he would be presenting this report on behalf of Councillor Hebb and stated that capital projects were now running on time and on-budget. He thanked all Cabinet Members for their part in ensuring capital projects were run efficiently, particularly Councillor Little for her work on Collins House and Councillor Watkins for his work on the Linford Recycling Centre. He stated that sometimes he felt frustrated as projects could take time, and often the council were reliant on outside partners and government agencies which could delay proceedings. The Leader mentioned that he, Councillor Coxshall and Thurrock MP Jackie Doyle-Price had recently been to see the new Harris Academy in Purfleet, which was part of the Purfleet regeneration scheme and would be open in time for the new school year in September.

The Leader then drew Members attention to page 79 of the agenda and £50m which was being used to develop infrastructure, not just expansion across the borough. He finally stated that the report contained a number of appendices which broke down the figures for each directorate and outlined where the £50m would be going, such as the Purfleet regeneration; a number of schools across the borough; the Grays South regeneration; and more money for care homes. He summarised and stated that they money had already been set aside for these projects and Thurrock would continue to deliver across the borough.

Councillor Johnson drew Members attention to page 81 of the agenda and stated he felt it was good to see that 4 housing projects would be completed in 2020. The Leader reiterated that the council was committed to providing new council homes, and these were not just plans as they were being delivered on. He then mentioned that he often travelled past the former Tops Club site, and felt that there was visible progress being made each day.

**RESOLVED: That Cabinet:**

**1. Noted the General Fund capital programme is projected to have available resources of £16.154m as at 31 March 2019 with this funding carried forward to 2019/20 to fund schemes currently in progress.**

**2. In addition, there is further £50.546m in the approved programme that is under development and/or dependent on third party actions as set out in paragraph 3.5**

**3. Noted the Housing Revenue Account capital programme is projected to breakeven by 31 March 2019, which will be funded from the Housing capital receipts.**

## **122. Quarter 3 Corporate Performance Report 2018/19**

Councillor Huelin introduced the report and stated that quarter 3 ran up until December 2018, and felt that the report showed some excellent figures. She stated that the council had maintained 70% of services meeting their targets, compared to 2 years ago when only 45% had been passing. She stated that some new measures had been put in place, such as how the council measured the removal of abandoned vehicles. She also highlighted the number of new apprentices being hired by Thurrock, and felt this was good to see. She added that weekly bin collections had been maintained, and although the 98.5% target had not been hit, this was a very high target. She stated this missed target had been due to vehicle repairs and poor weather conditions.

Councillor Watkins stated that he felt this report was good news. He added that the bin collection was measured on a year to date figure, and although was below target, in January the target had been exceeded. He also added that although there had been a missed target in household waste, there was lots of behind the scenes work to improve this, such as work with the Cleaner, Greener and Safer Overview and Scrutiny Committee and internal work with the communications team to release a new strategy. He added that the KPI regarding street cleanliness was good to see, and this was due to the Clean It, Cut It and Fill It Scheme. He added that Keep Britain Tidy also monitored street cleanliness around the borough, and produced independent results.

Councillor Little added that she felt pleased to see the time taken to adopt children had decreased, and described how she had recently sat on a panel which had adopted 3 children in one day, all of whom were now going to their 'forever homes'. She stated that this service had only recently been brought back in-house and felt lots more children were now going to their forever homes. The Leader stated that under the previous contract only 5 children had been adopted in one year, and now the in-house service were adopting 3 children in one day, which he felt was good to see. He also felt that it was good to see 70% of targets being achieved with the new green/red scale and the removal of amber. He added that there would always be fluctuations in bin collections due to factors outside of the council's control such as poor weather or people parking inconsiderately so bin lorries could not access streets, but

these were still counted as missed targets. He added that the council were still pushing for all targets to be met, and thanked the officers for all their hard work. He stated that residents and Members were often out on the weekends and during their free time to tidy up Thurrock and thanked residents for all their hard work. He then summarised and highlighted the hard work the environment team had put in during the windy weather over the weekend, as two crews including the new apprentice, had been out across the borough clearing fallen trees.

**RESOLVED: That Cabinet:**

- 1. Noted and commented upon the performance of the key corporate performance indicators in particular those areas which are off target.**
- 2. Identified any areas which require additional consideration.**

**The meeting finished at 7.57 pm**

Approved as a true and correct record

**CHAIR**

**DATE**

**Any queries regarding these Minutes, please contact  
Democratic Services at [Direct.Democracy@thurrock.gov.uk](mailto:Direct.Democracy@thurrock.gov.uk)**

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<b>12 June 2019</b>	<b>ITEM: 10</b>
<b>Cabinet</b>	
<b>2018/19 Financial Outturn Report</b>	
<b>Wards and communities affected:</b> All	<b>Key Decision:</b> No
<b>Report of:</b> Councillor Shane Hebb, Deputy Leader and Cabinet Member for Finance and Transformation	
<b>Accountable Assistant Director:</b> Jonathan Wilson, Assistant Director of Finance	
<b>Accountable Director:</b> Sean Clark, Director of Finance and IT	
<b>This report is</b> Public	

## **Executive Summary**

The 2018/19 financial year saw Thurrock Council achieve, for the first time, the start of five years self-sufficiency which now means a balanced budget up to, and including, the 2022/23 financial year.

Furthermore, over the course of the 2018/19 municipal year, the Council maintained the General Fund Balance at £11m. The Housing Revenue Account Balance has been maintained at £2.175m.

Members should note that these Balances are arguably the most important reserves a Council holds as they are set aside for unplanned impacts on the budget such as unmitigated over spends, income short falls, etc. These are different from Earmarked Reserves that, by definition, are set aside for planned expenditure and are often restricted to specific terms. As such, the rationale of using these for financial resilience judgements is a flawed approach.

Services continue to be protected and Members continue to have flexibility to identify additional funding for priority areas such as the reduction of anti-social behaviour. Service Reviews remain a critical component of the self-sufficiency agenda; as well as providing an ability to improve the quality of the services that council provide.

The council has benefited from a recent history of prudent financial management to meet the financial challenges arising that have predominantly related to demand-led social care pressures and meet the ongoing demands within Environmental Services. Mitigation has included managing demand, further income generation, improving efficiency and reducing non-essential spend. These challenges have

been achieved while continuing to build financial resilience and delivering improved services in more efficient and innovative ways.

This report provides a high level summary on the outturn for 2018/19 for the General Fund, Housing Revenue Account and Capital.

In summary, expenditure has been achieved within the overall budget envelope and enabled an increase to balances to mitigate future financial risk and ensure capital funding is available to support housing and regeneration programmes.

## **1. Recommendations**

**That the Cabinet:**

- 1.1 Note that the General Fund net expenditure has been met within the overall budget envelope and the General Fund Balance has been maintained at £11.000m;**
- 1.2 Note that the balance on the Housing Revenue Account Reserve has been maintained at £2.175m; and**
- 1.3 Note that there was a total of £65.945m in capital expenditure and some of the key projects have been set out in section 5.**

## **2. Introduction and Background**

- 2.1 Members have received financial reports throughout the year. The month 9 report showed that the Council still had a deficit of £0.35m due to pressures in Children's Social Care and Environment & Highways. These pressures have been fully mitigated by further improvements to the council's treasury position and savings within the support service Directorates. These pressures were all recognised within the budget setting for 2019/20 with additional funding being allocated to each. Through this, the Council has maintained the General Fund balance at £11m while increasing reserves to support improvements to services in future periods and ensure financial resilience against planned changes to the funding of local authorities.
- 2.2 The table below summarises the outturn position in line with financial reporting requirements, including the movement in reserves, and the prior year position to allow year on year comparison.

## Net expenditure chargeable to the GF and HRA balances

2017/18 £'000	Directorate	2018/19 £'000
35,351	Adults; Housing and Health	38,465
37,471	Children's Services	37,678
488	Commercial Services	650
20,813	Environment and Highways	21,972
4,681	Place	3,798
9,449	Finance, IT and Legal	10,296
3,446	HR; OD and Transformation	3,504
3,751	Schools	-188
1,723	Corporate Costs	2,292
2,285	Corporate Strategy & Communications	2,187
<b>119,458</b>	<b>Net Cost of General Fund Services</b>	<b>120,654</b>
(1,878)	Housing Revenue Account	(2,730)
<b>117,580</b>	<b>Net Cost of Services</b>	<b>117,924</b>
(120,970)	Other Income & Expenditure	(131,169)
<b>(3,390)</b>	<b>(Surplus)/Deficit</b>	<b>(13,245)</b>
(18,581)	Opening General Fund and HRA Balance	(21,971)
(3,390)	(Surplus)/Deficit in year (per table above)	(13,245)
(21,971)	Closing General Fund and HRA Balance	(35,216)

- 2.3 The table above shows the total opening and closing usable reserves of the Council. This can be misleading as a number of reserves are for specific use and those relating to schools include the end of year balances specific to individual maintained schools.
- 2.4 There has been a lot in the press about financial resilience and how levels of reserves have been reported as a means to determine the resilience of any one authority. Members should be aware of the key points for Thurrock:
- The figures used were the change in reserves, including earmarked reserves, between 1 April 2015 and 31 March 2016. There was an exceptional planned expenditure in this financial year that was circa £13m to exit the Serco contract that resulted in ongoing savings in excess of £3m per annum;
  - Another significant reduction related to the end of year balances of individual schools. These are not usable by Thurrock Council. As more schools transfer to Academy Status, these reserves reduce as the balances are paid over;
  - The main balance that is not earmarked is the General Fund Balance. During the period in question, this stayed stable at £8m but has since been increased by 38% to £11m and subsequently maintained; and

- The position as at 31 March 2019 includes increased reserves for Transformation purposes to further manage costs and a financial resilience reserve of £4m to manage changes relating to accounting, funding and economic factors.

2.5 The table below sets out the Council's reserves by category:

<b>31-Mar-18 £'000</b>	<b>Reserve Category</b>	<b>31-Mar-19 £'000</b>
2,193	Education and Schools	909
(1,867)	Adults, Community and Health	(1,635)
(200)	Grant Carried Forward	(93)
(2,453)	Other Earmarked Reserves	(4,574)
0	Transformation Reserve	(3,450)
0	Financial Resilience Reserve	(4,000)
(11,000)	General Fund Balance	(11,000)
(8,644)	HRA Related	(11,373)
<b>(21,971)</b>	<b>TOTAL</b>	<b>(35,216)</b>

- Education and Schools – Primarily individual schools balances and Dedicated Schools Grant which are ring-fenced for specific use. This reflects the current deficit DSG position;
- Adults, Community and Health – Primarily Public Health grant and Better Care fund which are ring-fenced for specific use;
- Grant carried forward – ring-fenced grant allocations for specific use as per grant conditions;
- Other earmarked reserves – this includes identified surplus funding that Members allocated in December 2018. This also captures all other earmarked reserves including ring-fenced accounts such as building control, planning and salix;
- Transformation Reserve – balances set aside to enable specific transformation projects and manage the funding and delivery of these between financial periods;
- Financial Resilience Reserve – This reserve has primarily been established to manage the funding implications associated with the transition into the new system of business rates retention. This anticipates a potential reduction in funding available from historic growth in the system when the business rate baselines are reset alongside wider changes to the system of funding. The reserve also enables wider financial resilience to offset any wider impacts of the introduction of new financial accounting guidance on the treatment of investment balances;

- The General Fund Balance – the balance has been maintained to protect the Council from unmitigated budget pressures; and
- HRA Related – a balance of £2.175m to protect the council from unmitigated budget pressures. The remaining balance represent the capital reserves supporting existing Council programmes.

### **3. Front Line Service Commentary**

#### **Adults, Housing & Health**

Adults Social Care received additional in-year funding from Central Government in an attempt to ease a number of nationally recognised issues related to increased demand for care over the winter period and to further support efforts being undertaken to reduce delayed transfers of care from hospitals.

In conjunction with Health colleagues the Directorate identified and implemented a number of short-term initiatives which increased capacity within the domiciliary care market and improved pathways for patients leaving hospital who require ongoing social care support.

As in previous years, residential placements and support packages for people with learning disabilities, autism, challenging behaviours and mental health issues remained a significant financial risk. The directorate were able to utilise the Adult Social Care Support Grant to partly offset these pressures.

Funds held within the pooled Better Care Fund further supported the directorate in their efforts to stabilise the domiciliary care market following a full tender exercise for the service in 2017-18. This area remains a high risk and requires a new approach to the ways in which the services are delivered to ensure they are sustainable long-term. In the absence of the Social Care Green Paper there is still uncertainty surrounding future funding levels and proposed national reforms to the sector which makes long term planning difficult.

#### **Housing General Fund**

The implementation of the Homelessness Reduction Act in April 2018 has brought about significant changes to the delivery of services by the Housing Solutions Team. The requirement to provide homelessness services to everyone who is eligible and considered homeless (regardless of priority need and intentional homelessness) has resulted in considerably more people being provided with assistance and this has had a significant impact on the budget. Additional funding released in the fourth quarter helped mitigate part of this.

## **Children's Services**

In line with the challenging circumstances being experienced nationally, Children's Services faced a number of budget pressures throughout the year.

An ongoing heavy reliance on agency staff continued to have significant impact on the budget alongside the implementation of a new staffing structure which increased caseload capacity amongst social workers.

Services for vulnerable children are demand led by nature and although the number of looked after children reduced, the associated costs remained high due to the ever changing mix of placement tenure. The teams carried out regular reviews of the high cost out of borough placements and recommissioned alternative provision where possible whilst ensuring appropriate outcomes for individuals. Payments for special guardianship, adoption and fostering arrangements were thoroughly reviewed but remained a cost pressure.

The Brighter Futures Board closely monitored the delivery of the Troubled Families Recovery Plan throughout the year and the one-off funding amount was reduced in line with the levels of successful payment-by-results outcomes demonstrated.

School transport pressures have been contained within the overall budget but further ongoing work in this area is required.

## **Environment and Highways**

Environment and Highways received additional investment in 2018/19 in an attempt to support the increase in demand for services across the borough, yet a number of budgetary pressures were still identified and reported on throughout the year.

As in financial year 2017/18, waste collection remained a significant cost pressure for the directorate due to the reliance on agency staff, high fuel costs and the introduction of an additional refuse round.

Action was taken to manage budgets and control spend; this included budget challenge sessions with all budget holders to reduce discretionary spend, a freeze on all non-essential recruitment and an ongoing exercise to review agency personnel and award fixed term/permanent contracts where appropriate. There was also considerable challenge of spend on the waste disposal contracts as well as a communications campaign to further support residents in reducing contamination within their recycling waste.

Following a detailed review of the Street Lighting service, additional and ongoing maintenance and electricity costs were identified.

Highways relied heavily on agency staff to carry out pothole repairs which remains an ongoing priority area for both residents and members.

Action was taken to manage budgets and control spend; this included budget challenge sessions with all budget holders to reduce discretionary spend, a freeze on all non-essential recruitment and an ongoing exercise to review costly agency personnel and award fixed term contracts where appropriate. There was also considerable challenge of spend on the waste disposal contracts as well as a communications campaign to further support residents in reducing contamination within their recycling waste.

A mild winter resulted in a lower need for gritting services than anticipated which also helped further mitigate a number of cost pressures.

## **Place**

Rental income for commercial properties performed well and alongside this there was a reduction in the anticipated spend on property maintenance in the last quarter.

Conditions surveys were initiated in-year on a number of assets; this is the first stage of the development of a schedule of the required repairs and maintenance works going forward and this remains an area of focus for future years.

The theatre and museum service once again delivered a self-financing position for the year, largely facilitated by the success of the pantomime over the festive period.

## **Dedicated Schools Grant (DSG)**

Nationally, all local authorities and the education system have struggled to meet the additional demand for payments in support of children with statements/Education and Health Care (EHC) plans; for out of borough placements; for independent special school residential placements and for special educational needs and disabilities SEN(D) top up payments.

The high needs block remains a significant issue for Thurrock due to the increased efforts to maintain pupils within mainstream provision with additional externally commissioned specialist support.

The early years block exceeded the funding received from the Education and Skills Funding Authority (ESFA) and this area will undergo a review of the ways in which the policy is being applied across the borough with the intention to present a report to the schools forum in 2019/20.

The DSG has a carried forward deficit of £3.8m. A plan to address the deficit was agreed as part of the 2019/20 budget setting process. A return will be made to the ESFA by the 30th June that outlines the reason the deficit occurred and actions taken to contain expenditure within the funding envelope provided.

## **Other Income and Expenditure**

The Council's investment approach and continued commercial focus has yielded additional returns in 2018/19 enabling greater investment in services and improved the level of useable reserves.

## **Housing Revenue Account**

The HRA General Reserve has once again been maintained to expected levels in line with the HRA business plan.

As in previous years budget pressures were caused by the responsive repairs and maintenance service, these were mitigated by part year staff vacancies and in-year slippage to projects led by the Housing Operations service.

Rental income exceeded expectation due to a reduction in Right-To-Buy sales. This was used to offset a requirement to increase bad debt provision due to a rise in the number of tenants receiving Universal Credit and falling into arrears.

Additional resources have been allocated to the Development Reserve to fund a programme of adaptation works to Sheltered Housing properties and to offer continued support to the New Build Programme and Estate Regeneration work streams being carried out in 2019/20.

## **4. Capital Programme**

- 4.1 Total capital expenditure for 2018/19 amounted to £65.945m. A summary of this expenditure analysed by service, is set out below and also shows the source of financing.



<b>Service</b>	<b>Budget £000s</b>	<b>Total £000s</b>	<b>Variance £000s</b>
Adults; Housing and Health	1,725	1,085	(640)
Children's Services	7,244	5,813	(1,431)
Environment and Highways	11,409	10,308	(1,101)
Finance and Information Technology	2,250	1,604	(646)
Housing General Fund	92	47	(45)
Housing Revenue Account	23,897	21,303	(2,594)
HR; OD & Transformation	2,508	2,077	(431)
Corporate Strategy & Communications	15	12	(3)
Place	24,795	23,696	(1,098)
<b>Total</b>	<b>73,934</b>	<b>65,945</b>	<b>(7,989)</b>

  

<b>Source of Finance</b>	<b>Budget £000s</b>	<b>Total £000s</b>	<b>Variance £000s</b>
Prudential Borrowing	21,916	15,517	(6,399)
Usable Capital Receipts	3,610	6,196	2,586
Earmarked Usable Capital Receipts	4,405	3,639	(766)
Major Repairs Reserve	10,668	10,015	(653)
Grants	8,982	7,122	(1,860)
Other Grants	20,295	20,082	(213)
Developers Contributions	3,484	3,353	(132)
Revenue Contribution to Capital	0	0	0
Reserves	574	22	(552)
<b>Total</b>	<b>73,934</b>	<b>65,945</b>	<b>(7,989)</b>

4.2 The capital outturn position includes the delivery of the following projects in 2018/19:

- £25.6m spent on improvements to the highways infrastructure, including design, land acquisition, land clearance costs for the widening of the A13 between Orsett Cock and Manorway interchanges, cycle and bus improvements to Tilbury station, Buckingham Road junction modifications, HGV control measures on the A1014 - and works to the Thurrock cycle network.
- £9.8m spent on transforming council homes, with the replacement of kitchens, bathrooms, electrics, boilers, windows and roofs.
- £1.0m spend on environmental improvements including works to war memorials, improvements to burial grounds and open spaces.

- Completion of expansion works to Ockendon Academy School in South Ockendon, with a gross spend of £1.0m over the period 2016/17 to 2018/19.
- Works in progress - During the year a number of projects commenced which are expected to be completed during the current or next financial year.

4.3 As at 31 March 2019, the Council had authorised expenditure in future years of £7.9m. In addition a further £183.4m had been previously authorised for use in 2019/20 to 2021/22, giving a total future years' commitment of £191.3m.

4.4 This includes:

- £49.0m on widening of the A13;
- £22.9m on housing new build developments;
- £16.8m on school expansions;
- £12.4m on the Purfleet redevelopment;
- £9.7m on improvements to Grays South;
- £9.7m on improvements to Stanford Le Hope rail/bus interchange; and
- £8.2m on a 21st Century Care Home.

## **5. Reasons for Recommendation**

5.1 The report presents the financial outturn position for 2018/19. The position will inform the preparation of the financial statements.

## **6. Consultation (including Overview and Scrutiny, if applicable)**

6.1 There has been no consultation on this report. The figures are a matter of fact.

## **7. Impact on corporate policies, priorities, performance and community impact**

7.1 This report presents the financial outturn for 2018/19 which supported delivery of the council's priorities.

## **8. Implications**

### **8.1 Financial**

Implications verified by: **Jo Freeman**  
**Finance Manager**

Council officers have a legal responsibility to ensure that the Council can contain spend within its available resources. Regular budget monitoring reports will continue to come to Cabinet and be considered by the Directors' Board and management teams in order to maintain effective controls on expenditure during this period of enhanced risk.

### **8.2 Legal**

Implications verified by: **David Lawson**  
**Assistant Director Law & Governance, and  
Monitoring Officer**

There are no direct legal implications arising from this report. This report provides an update and allows members to review the management of existing budgets.

### **8.3 Diversity and Equality**

Implications verified by: **Natalie Warren**  
**Community Development and Equalities  
Manager**

There are no specific diversity and equalities implications as a result of this report.

### **8.4 Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

- NA

## **9. Background papers used in preparing the report**

- N/A

## **10. Appendices to the report**

- NA

**Report Author**

Jo Freeman

Finance Manager

Management Accounting

Corporate Finance

<b>13 June 2019</b>	<b>ITEM: 11</b>
<b>Cabinet</b>	
<b>Appointments to Outside Bodies, Statutory and Other Panels</b>	
<b>Wards and communities affected:</b> None	<b>Key Decision:</b> Non-key
<b>Report of:</b> Councillor Robert Gledhill, Leader of the Council & Portfolio Holder for Public Protection and Anti-Social Behaviour	
<b>Accountable Assistant Director:</b> David Lawson, Assistant Director for Law and Governance and Monitoring Officer	
<b>Accountable Director:</b> Lyn Carpenter, Chief Executive	
<b>This report is Public</b>	

## Executive Summary

This report requests the Cabinet to consider the nominations made by Group Leaders to Outside Bodies, Statutory and Other Panels for those appointments that are to be made by the Cabinet.

### 1. Recommendation(s)

**1.1 That the nominations to Outside Bodies, Statutory and Other Panels be approved, as set out in Appendix 1 to this report (to be tabled when nominations are received).**

### 2. Introduction and Background

2.1 Both the Full Council and the Cabinet have powers to appoint Members, officers and others to serve on Outside Bodies in a variety of capacities. Chapter 12, Part 2, of the Council's Constitution provides details of those Outside Bodies, Statutory and Other Panels where appointments are to be made by either Full Council or by the Cabinet.

### 3. Issues, Options and Analysis of Options

3.1 Nominations have been sought from Group Leaders for the appointments to Outside Bodies, Statutory and Other Panels that are required to be made by the Cabinet. Those nominations are set out in **Appendix 1** to this report, which will be tabled when nominations have been received.

- 3.2 Any changes to the appointments made will require the approval of the appointing body, be this Full Council or Cabinet.
- 3.3 There is an expectation that Members appointed to represent the Council on Outside Bodies will report back to the Council at least annually.

**4. Reasons for Recommendation**

- 4.1 The Cabinet should ensure that it continues to nominate representatives to sit on Outside Bodies, Statutory and other Panels so that its interests can be properly represented, together with those of the wider community.

**5. Consultation (including Overview and Scrutiny, if applicable)**

- 5.1 In the course of seeking nominations, consultation has been undertaken with the Leaders of each of the political groups represented on the Council.

**6. Impact on corporate policies, priorities, performance and community impact**

- 6.1 It is important for the Council to nominate to such bodies in order to ensure that it continues to represent the interests of both the Authority and the wider community.

**7. Implications**

**7.1 Financial**

Implications verified by: **Dammy Adewole**  
**Management Accountant – Central Services**

There are no financial implications arising from this report.

**7.2 Legal**

Implications verified by: **David Lawson**  
**Assistant Director of Law & Governance and Monitoring Officer**

It is important that Members are correctly appointed, through the relevant Council meeting, to ensure they are indemnified in certain circumstances.

### 7.3 **Diversity and Equality**

Implications verified by:

**Rebecca Price**

**Community Development and Equalities  
Officer**

The Council is under a statutory duty to ensure that equality and diversity is a key part of the decision making process of the Council. Therefore attention is drawn to the importance of ensuring that appointments to Outside Bodies, Statutory and Other Panels are underpinned by appropriate training on the statutory equality framework.

### 7.4 **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

- None.

### 8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- None.

### 9. **Appendices to the report**

- Appendix 1 - Nominations of political groups to Outside Bodies, Statutory and Other Panels

### **Report Author:**

Lucy Tricker

Democratic Services Officer

Legal & Democratic Services

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**Cabinet appointments to Outside Bodies,  
Statutory and Other Panels 2019-20**

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Organisation	No. to be appointed by Cabinet	Appointees
<b>Anglian (Eastern) Regional Flood &amp; Coastal Committee</b> (1 seat held jointly, bi-annually, with Southend)  <b>Essex Forum</b> (for a 2 year term of office)	1	<b>1. Councillor Insert Name</b> (2018 – Councillor G Rice)
<b>Association for Public Services Excellence</b>	1	<b>1. Councillor Insert Name</b> (2018 – Councillor Gledhill)
<b>Basildon and Thurrock University Hospitals NHS Foundation Trust Board of Governors</b>	1	<b>1. Councillor Insert Name</b> (2017 – previously Councillor Ojetola)
<b>Essex Partnership for Flood Management</b>	1	<b>1. Councillor Insert Name</b> (2018– Councillor Collins)
<b>Essex Pension Fund Advisory Board</b>	1	<b>1. Councillor Insert Name</b> (2018 – Councillor Hebb)
<b>Essex County Traveller Unit</b>	1	<b>1. Councillor Insert Name</b> (2018 – Councillor Gledhill)
<b>Groundwork Trust</b>	1	<i>Body currently reviewing structure of representatives. No nomination is required at present.</i> (2016 – Councillor Huelin)
<b>Local Government Association</b>	2	<b>1. Councillor Insert Name</b> (2018 – Councillor G Rice)  <b>2. Councillor Insert Name</b> (2018 – Councillor Spillman)
<b>Opportunity South Essex (Leader and Chief Executive)</b>	1	<b>1. Councillor Gledhill (Leader of the Council)</b> <i>(Leader and Chief Executive appointed for a 5 year term in 2016)</i>
<b>South East Local Enterprise Partnership – Strategic Board</b>	1	<b>1. Councillor Insert Name</b> (2018 – Councillor Gledhill)
<b>South East Local Enterprise Partnership – Accountability Board</b>	1	<b>1. Councillor Insert Name</b> (2018 – Councillor Gledhill)

Organisation	No. to be appointed by Cabinet	Appointees
Thurrock Arts Council	1	1. Councillor <b>Insert Name</b> (2018 – Councillor MacPherson)
Thurrock Sports Council	1	1. Councillor <b>Aaron Watkins</b> (2018 – Councillor Huelin)
Thames Estuary 2100 Strategic Programme Board	1	1. Councillor <b>Insert Name</b> (2018 – Councillor Coxshall)

### STATUTORY AND OTHER PANELS TO BE APPOINTED

Organisation	No. to be appointed by Cabinet	Appointees
Thurrock Community Safety Partnership	1	1. Councillor <b>Insert Name</b> (2018 – Councillor Watkins)