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**Chief Executive**

## **CABINET AGENDA**

**Date:** Wednesday 18th January 2017

**Time:** 7.00pm

**Venue:** Council Chamber

**This meeting will be webcast live on the internet.**

### **Membership:**

<b>Councillor Riley</b>	<b>Chairman - Leader of the Council</b>
<b>Councillor Stanley</b>	<b>Finance and Resources</b>
<b>Councillor Dick</b>	<b>Health &amp; Wellbeing</b>
<b>Councillor Mrs Egan</b>	<b>Homes and Customer Engagement</b>
<b>Councillor Howard</b>	<b>Waste, Floods and Water Management</b>
<b>Councillor Isaacs</b>	<b>Neighbourhoods, Safer Communities and Leisure</b>
<b>Councillor Sharp</b>	<b>Strategic Partnership Working</b>
<b>Councillor Skipp</b>	<b>Environment, Street Scene &amp; Halls</b>
<b>Councillor Smith</b>	<b>Regeneration &amp; Business Liaison</b>

**Cabinet Enquiries:**  
**Reference:**  
**Publication Date:**

**John Riley Ext 2417/Ann Horgan ext. 2413**  
**6/2016/2017**  
**Tuesday 10th January 2017**

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**AGENDA  
PART I  
(Business to be taken in public)**

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**1. Apologies**

**2. Members' Interests**

**3. Minutes**

To approve the Minutes of the meeting held on 16th November 2016.

**4. Forward Plan**

To review the Forward Plan

**5. Public Health and Wellbeing**

**6. Environment**

**6(a) Hadleigh and Thundersley Cricket Club Extension – responsibility for cleaning the externally accessible public toilet**

*(Report of the Cabinet Member for Neighbourhoods Safer Communities and Leisure)*

**6(b) Highways Maintenance and Street Lighting Responsibility**

*(Report of the Cabinet Member for Finance and Resources and Regeneration & Business Liaison)*

**7. Transforming Our Community**

**7(a) Regeneration of Hadleigh Town Centre - Hadleigh Island Site**

*(Report of the Cabinet Member for Regeneration & Business Liaison)*

**7(b) Construction of Two Bungalows at Lawns Court**

*(Report of the Cabinet Member for Homes and Customer Engagement)*

**8. Efficient and Effective Customer Focused Services**

**8(a) Spending Review - High Level Update**

*(Report of the Cabinet Member for Finance and Resources)*

**9. Matters to be referred from /to Policy & Scrutiny Committees**

**10. Matters to be referred from /to the Standing Committees**

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**PART II  
(Business to be taken in private)**

**(Item to be considered with the press and public excluded from the meeting)**

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**7(a) Regeneration of Hadleigh Town Centre - Hadleigh Island Site** *(Report of the Cabinet Member for Regeneration & Business Liaison) (Exempt Information under Paragraph 3 Schedule 12A Local Government Act 1972 as amended)*



## **CABINET**

**16TH NOVEMBER 2016**

### **PRESENT:**

Councillor Riley, Chairman	Leader of the Council
Councillor Stanley	Finance and Resources
Councillor Dick	Health and Wellbeing
Councillor Mrs Egan	Homes and Customer Engagement
Councillor Howard	Waste, Floods and Water Management
Councillor Isaacs	Neighbourhoods, Safer Communities and Leisure
Councillor Skipp	Environment ,Street Scene & Halls
Councillor Smith	Regeneration & Business Liaison

### **APOLOGIES:**

Councillor Sharp.

### **ALSO PRESENT:**

Councillors: Acott, Bayley, Blackwell, Hart, Ladzrie, Palmer and Taylor.

## **42. MEMBERS' INTERESTS:**

Councillor Howard declared an interest under Minute 45 as a County Councillor and a County Council representative on the Castlepoint Regeneration Partnership.

## **43. MINUTES:**

The Minutes of the Cabinet meeting held on 19.10.2016 were approved and signed by the Chairman as a correct record.

## **44. FORWARD PLAN:**

To comply with regulations under the Localism Act 2011, the Leader of the Council presented a revised Forward Plan to the meeting which outlined key decisions likely to be taken within the next quarter 2016. The Plan was reviewed each month.

**Resolved** – To note and approve the Forward Plan.

#### **45. REGENERATION OF HADLEIGH TOWN CENTRE - HADLEIGH ISLAND SITE**

The Cabinet received a report updating the Cabinet on the work undertaken to date in taking forward the redevelopment of the Hadleigh Town Centre Island site, with Essex County Council, the Homes & Communities Agency and the preferred development partner Hollybrook Ltd.

##### **Resolved:**

1. To note the content of this report and the progress made in taking forward the redevelopment of the Hadleigh Town Centre Island site with Essex County Council, the Homes & Communities Agency and the preferred development partner Hollybrook Ltd.
2. To agree to receive further update reports as appropriate project milestones are reached.

#### **46. FINANCIAL UPDATE**

The Cabinet considered a report presenting the latest medium term financial forecast in respect of the General Fund; updating Cabinet on developments of a financial nature, which could impact on the Council's financial plans in respect of either the General Fund or Housing Revenue Account and updating Cabinet on the financial implications of work completed within the remit of the Council's Austerity & Commercial Council Strategy (Balancing the Books).

**Resolved: To note the report.**

#### **47. ARRANGEMENTS FOR THE APPOINTMENT OF THE COUNCIL'S EXTERNAL AUDITOR**

The Cabinet considered a report providing an update on the provisions of the Local Audit & Accountability Act 2014 regarding the appointment of the External Auditor to the Council.

##### **Resolved:**

1. To note the requirements relating to the appointment of the Council's External Auditor for 2018/19 and beyond.
2. To report and recommend to Council to approve arrangements to opt into the arrangements led by Public Sector Audit Appointments, for a national collective scheme for auditor appointments.

#### **48. LOCAL COUNCIL TAX SUPPORT (LCTS) SCHEME FOR 2017/18**

The Cabinet considered a report presenting an update in respect of the results of consultation on proposed changes for the 2017/18 scheme and recommended changes to the Local Council Tax Support Scheme for 2017/18

**Resolved:**

1. To note, carefully consider the consultation results, impacts assessment and Stage 2 Equality Impact Assessment appended to the report.
2. To recommend to Council the proposed changes to the Local Council tax Support Scheme as set out in Section 6 of the report.

#### **49. CORPORATE SCORECARD QUARTER 2 2016/17**

The Cabinet considered the performance figures for the Corporate Performance Scorecard for quarter 2, 1st July to 30th September 2016. Each Cabinet Member was invited to comment on the performance figures reported falling within the remit of their Cabinet responsibilities. Members acknowledged the work undertaken by Pinnacle to address fly tipping within the Borough noting that Castle Point was not only Council affected by this problem recently.

Cabinet noted the pressures in dealing with homelessness applications. Councillor Smith, the Cabinet liaison member on the Development Control Committee was pleased to report on the progress being made following reorganisation within the planning service which was continuing to enhance delivery and performance of the planning service.

**Resolved:**

To note the reported performance.

#### **50. MATTERS TO BE REFERRED FROM/TO POLICY SCRUTINY COMMITTEES:**

There were no matters.

#### **51. MATTERS TO BE REFERRED FROM /TO THE STATUTORY COMMITTEES:**

There were no matters.

Chairman



# **Castle Point Borough Council**

## **Forward Plan**

**JANUARY 2017**

# **CASTLE POINT BOROUGH COUNCIL**

## **FORWARD PLAN**

**JANUARY 2017**

This document gives details of the key decisions that are likely to be taken. A key decision is defined as a decision which is likely:-

- (a) Subject of course to compliance with the financial regulations, to result in the local authority incurring expenditure which is, or the savings which are, significant having regard to the local authority's budget for the service or function to which the decision relates subject to a threshold of £100,000; or
- (b) To be significant in terms of its effects on communities living or working in an area comprising two or more Wards in the area of the local authority.

The Forward Plan is a working document which is updated continually.

<b>Date</b>	<b><u>Item</u></b>	<b>Council Priority</b>	<b>Decision by Council/ Cabinet</b>	<b>Lead Member(s)</b>	<b>Lead Officer(s)</b>
January 2017	<u>Hadleigh Island Regeneration Update Report</u>	Transforming Our Community	Cabinet	Regeneration & Business Liaison	Local Plan and Regeneration Adviser
January 2017	<u>Regeneration Update Report</u>	Transforming Our Community	Cabinet	Regeneration & Business Liaison	Local Plan and Regeneration Adviser
January 2017	<u>New Local Plan 2016 update report (if required)</u>	Transforming Our Community	Cabinet	Leader of the Council	Local Plan and Regeneration Adviser
January 2017	<u>Hadleigh Cricket Club Variation of Grant Terms</u>		Cabinet	Finance and Resources	Head of Environment
January 2017	<u>Construction of Two Bungalows Lawns court</u>	Transforming Our Community	Cabinet	Homes & Customer Engagement/ Finance & Resources	Head of Housing and Communities Head of Performance
January 2017	<u>Financial Settlement</u>	Efficient and Effective Customer Focussed Services	Cabinet	Finance and Resources	Head of Resources



February 2017	<u>Housing Revenue Account Rent Levels 2017/2018 Housing Capital Programme etc</u>	Transforming Our Community Efficient and Effective Customer Focussed Services	Cabinet	Homes & Customer Engagement/ Finance & Resources	Head of Resources
February 2017	<u>Budget and Policy Framework</u> To make recommendations to Council on the Council tax and budget setting.	All	Cabinet/ Council	Finance and Resources	Head of Resources

**CABINET**

**18th January 2017**

**Subject: Hadleigh and Thundersley Cricket Club Extension – responsibility for cleaning the externally accessible public toilet**

**Cabinet Member: Councillor Isaacs – Neighbourhoods, Safer Communities and Leisure**

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**1. Purpose of Report**

**To reconsider the ongoing responsibility for, and cost of, cleaning the externally accessible public toilet at the Hadleigh and Thundersley Cricket Club Pavilion.**

**2. Links to Council Priorities and Objectives**

**The provision of recreational facilities at the John H Burrows Recreation Ground supports the Council's priorities of (1) public health and wellbeing and (2) environment.**

**3. Recommendation**

**That Cabinet determines whether it wishes to stand by its original decision or to vary the condition to make a £40k contribution towards the Hadleigh and Thundersley Cricket Club Pavilion extension on the basis that the cricket club makes the externally accessible toilet available to the public at specified times and retains responsibility for the repair and maintenance of the toilet whilst the Council takes on the ongoing responsibility of cleaning the toilet at an additional cost to the Council of £4k per annum.**

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**4. Background**

**Since the demise of J H Burrows Hall and the enforced closure of the public toilet which was integral to the building, the Hadleigh and Thundersley Cricket Club has made the toilet facilities in the pavilion available for public use whenever possible and in return the Council has made an annual payment of £3k to the cricket club. The pavilion is a Council-owned asset which is subject to a lease to the Club.**

At its meeting on 16 September 2015 Cabinet considered a request from the cricket club for a financial contribution towards its clubhouse extension on the basis that the extension would provide additional changing facilities and an externally accessible toilet which would be available to other site users.

Cabinet resolved to make a one off financial contribution of £40k towards the cost of the extension subject to a new lease agreement being drawn up for the enlarged Hadleigh and Thundersley Cricket Club pavilion which would make it a requirement that;

- The externally accessible toilet is available for public use at specified times;
- The changing facilities are available for hire when not being used by the cricket club. Hire would be subject to the terms and conditions set by the cricket club;
- The ongoing cost of maintaining the public toilet and the changing facilities will rest with the cricket club; and that
- Hire charges for the changing facilities must remain affordable to football teams.

In total the club has secured £230k funding from the Council, Veolia North Thames Trust, ECC Community Initiatives Fund, Essex and Southend Sports Trust (EASST) and from club members and friends towards the cost of the extension project. Works commenced in March 2016 and were initially expected to take 16 weeks; however due to a number of complications it is anticipated that the works will now be completed in time for the start of the next cricket season.

Lease negotiations with the cricket club have been ongoing and the one off capital contribution towards the building works has been withheld pending the signing of the lease agreement.

The Council has offered to clean the externally accessible toilet on the club's behalf at a cost to them of £4k per annum. The cleaning would be scheduled to coincide with the cleaning of the nearby Rectory Road toilets. This cost covers the additional staffing costs and consumables that would be required. The cost of locking/unlocking the facility is not covered within the £4k proposal. The club has indicated that it intends to install an electronic system at its expense.

The new lease has yet to be signed because the cricket club is reluctant to take on responsibility for the ongoing cleaning of the toilet. Several meetings have taken place between club representatives and various Cabinet members which have resulted in a request for Cabinet to reconsider the ongoing cleaning arrangements for the toilet.

## **5. Corporate Implications**

### **a) Financial Implications**

To reflect the community benefit that this new facility provides the annual lease rental for the enlarged clubhouse has not increased.

If the Council were to take on the responsibility of cleaning the externally accessible toilet this would cost the Council an additional £4k per year. No budgetary provision has been made for these additional cleaning costs and from 2017/18 onwards the building cleansing budget would need to be increased by £4k to cover these costs. The responsibility for the ongoing repair and maintenance of the public toilet would remain the responsibility the cricket club.

The cricket club hire out their existing changing facilities during the winter season to football clubs hiring pitches at the recreation ground. They will be able to benefit from additional income once they are able to offer for hire their new changing rooms and clubhouse facilities. Increased usage will also most likely result in increased bar income

**b) Legal Implications**

The new lease agreement will need to reflect Cabinet's decision in respect of responsibility for cleaning the externally accessible public toilet. The club will remain responsible for the repairs and maintenance of the public toilet which forms part of the pavilion pursuant to the terms of the new lease to the club. The club will also be responsible for ensuring they have in place public liability insurance which no doubt they already have in place for the pavilion.

**c) Human Resources and Equality Implications**

At the time when the original Cabinet decision was made regarding the funding contribution towards the extension works, it was not intended that the Council would have any ongoing responsibility in respect of the enlarged leased facility. Additional staff resource will be needed if the Council is to take on the responsibility for cleaning the externally accessible public toilet.

**6. Timescale for Implementation and Risk Factors**

It is unlikely that the new public toilet will be available for use before April 2017. Adequate toilet cleaning arrangements will need to be in place for when the facility becomes operational.

**Background Papers:**

Cabinet Report 16 September 2015 – John H Burrows Recreation Ground

**Report Author:** Trudie Bragg, Head of Environment

**CABINET**

**18th January 2017**

**Subject: Highways Maintenance and Street Lighting Responsibility**

**Cabinet Member: Councillor Stanley - Finance and Resources;  
Councillor Smith - Regeneration & Business Liaison**

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**1. Purpose of Report**

**To update Members on the current position that the Borough Council has reached with Essex County Council Highways Authority in relation to highways maintenance and street lighting on unadopted roads.**

**2. Links to Council Priorities and Objectives**

**Environment**

**Efficient and Effective Customers Focused Services**

**3. Recommendations**

**Cabinet is recommended to:  
Note the content of this report;**

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**4. Background**

As Members are aware the Borough Council is experiencing an increase in the number of complaints from members of the public in relation to the poor condition of many of the roads around the Borough and the lack of street lighting maintenance and repairs.

To remind Members there are 3 classifications of “road”, i.e. publically maintained highways, private streets and private roads. The Borough Council does not make decisions regarding the road classifications; this is a matter for Essex County Council as the Highways Authority.

A small working group of Borough Council officers lead by the Chief Executive has been investigating the increased number of complaints and has identified that:

- Some of the roads in the Borough that were previously considered to be adopted highways maintained at public expense have had their status changed from “unclassified” (adopted and maintained at public expense) to private roads or private streets.

- Essex County Council Highways Authority are directing complaints with regard to roads which are listed as private streets or private roads on the S36 Highways List to the Borough Council stating incorrectly that these roads are the responsibility of the Borough Council to maintain.
- Essex County Council Highways Authority no longer appear to be maintaining roads that they have hitherto been repairing for many years and indicating that unless evidence can be provided that they are adopted highways then the Highways Authority does not have a responsibility to maintain them.
- Essex County Council Highways Authority are also refusing to maintain and repair street lighting on private roads or private streets even where they have previously done so in the mistaken belief that the Borough Council was responsible for their installation and not the County Council.

Despite attempts to persuade the County Council that their S36 Highways List is inaccurate the Borough Council has been met with an intransigent stance by the County Council. The Borough Council has provided historical information to demonstrate that in the case of at least 2 roads, they have been previously maintained at public expense.

Members will recall that the County Council Highways Authority had a highways agency agreement with the Borough Council but this was ended at short notice in 2006. During the existence of the agency arrangements the County Council's agency officers worked out of the Borough Council's offices in Kiln Road, but worked under the strict control and guidance of the County Council and were not technically part of the Borough Council. Claims are being made by the County Council Highways Authority that the installation of street lighting and certain estate roads during the existence of the highways agency are the responsibility of the Borough Council.

Following the departure of the Essex County Council Highways Officers, all highways records were transferred to Essex County Council.

In order to obtain information from the County Council it has been necessary for the working group to make requests for information under the Freedom of Information Act. This has resulted in some interesting results in particular understanding who is currently paying some of the electricity bills for street lighting in roads that the County Council claim belong to the Borough Council. It is certainly not the Borough Council. In addition 2 old registers which formed the basis of the first S36 Highways List show a number of roads as adopted, but this classification is not upheld on the current list.

At its meeting on 20<sup>th</sup> July 2016 Cabinet received a report explaining the current impasse with ECC on highway matters and resolved to:

- 1) Note the content of this report;
- 2) Require that negotiations continue in an attempt to resolve the current impasse with Essex County Council Highways Authority; and

- 3) If negotiations are not successful to authorise the Head of Law to issue a notice on Essex County Council pursuant to Section 56 of the Highways Act 1980.

In mid November a meeting was held with Essex Legal Services and a senior representative from the Highways Department in the hope that a satisfactory way forward could be agreed which would meet Members' expectations. The thrust of Essex County Council's (ECC's) argument is that the Borough Council whilst operating as the Highways Agency by undertaking works on non adopted highways had exceeded the powers given to it under the agency agreement and in so doing its actions were ultra vires. There was no evidence provided to support this accusation.

The Borough Council maintains that this was not the case and that a schedule detailing all the works that were done each year had to be signed off by the Highways Authority before the annual payment to this Council could be authorised. Therefore the Highways Authority would have had to approve any works that were done on private roads and private streets before any payment was made to us. Subsequent to the November meeting with ECC, Castle Point officers have been collating information and gathering evidence to support this Council's stance. Several requests from this Council for a further meeting in order to discuss the information and evidence gathered and to progress this matter have been ignored.

In the absence of any response or any real commitment from ECC to resolve this matter, this Council has no choice but to proceed with the issue a notice on Essex County Council pursuant to Section 56 of the Highways Act 1980.

Section 56 enables the Borough Council to serve a notice on the County Council alleging that a highway maintainable at public expense is out of repair and requiring the County Council to admit whether the road is a highway which it is liable to maintain. Therefore Section 56 can be used where the status of a highway is in dispute.

## **5. Corporate Implications**

### **a) Financial Implications**

If the County Council fails to accept responsibility for highways in the Borough where they had previously been considered by the County Council as "unclassified" and maintained at public expense, the Borough Council will need to undertake a piece of work to fully assess the costs of maintaining those streets upon which the Borough Council has land and properties fronting it to understand what the likely costs will be to contribute towards the maintenance and upkeep of those highways.

### **b) Legal Implications**

If the County Council fails to accept responsibility for highways in the Borough where these are:

- Listed as Private Streets, the responsibility for the maintenance and upkeep of these streets will be for the landowner or those fronting the street. This may come as some surprise to local residents particularly if the status of the street has changed from “unclassified” to Private Street. It is not for the Borough Council to be responsible for the repairs and maintenance of private streets, although the Borough Council may own land and properties which front such streets as a result of which, as with all others fronting these roads will have to pay their contribution towards the maintenance and upkeep of these streets.
- Listed as Private Roads, this is private land and therefore private property and those who gain access to their properties will need to check their title deeds to ensure that they have a right of way over the roadway or have gained a right of way through prescriptive rights e.g. long user.

Failure to maintain private streets/roads will lead to these streets falling into further disrepair and increase the risk of liability to those fronting these streets of trips and falls by members of the public due to the disrepair. Also there is a danger of lighting columns becoming unstable and falling over with devastating damage to people and property if they are not regularly checked and maintained.

#### **c) Human Resources and Equality Implications**

The working group of officers led by the Chief Executive will continue work on finding a resolution.

An Equality Impact Assessment has not been completed however there is a potential for a positive impact on all members of the public particularly those with mobility difficulties if those highways currently in poor condition are properly maintained. Failure to repair these highways will have a negative impact on those members of the public with mobility difficulties.

#### **6. Timescale for Implementation and Risk Factors**

Further communications with the County Council will take place within the next four weeks in an attempt to resolve the current impasse. If such attempts are not successful then the Borough Council will proceed with the service of a notice or notices pursuant to Section 56 of the Highways Act 1980. The County Council can within one month of the date of service, serve a counter notice admitting that the County Council is liable to maintain the highway referred to in the notice.

If the County Council admits liability an application can be made by the Borough Council for a repair order to the Magistrates Court, if the County Council fails to repair the highway referred to.

If the County Council does not admit liability, an application for a repair order will need to be made to the Crown Court by the Borough Council. If the Borough Council is successful the Crown Court can issue an order requiring the County Council to put the highway referred to in proper repair within a reasonable period of time.

#### **Background Papers:**

Cabinet report 20 July 2016



**Report Author:** Trudie Bragg, Head of Environment

**CABINET**

**18th January 2017**

**Subject: Regeneration of Hadleigh Town Centre -  
Hadleigh Town Centre Island Site**

**Cabinet Member: Councillor Smith - Regeneration and Business Liaison**

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**1. Purpose of Report**

To update the Cabinet on the work undertaken to date in taking forward the redevelopment of the Hadleigh Town Centre Island Site, to seek the necessary authorities to enter into contracts with Hollybrook and Essex County Council to facilitate the redevelopment, and to agree to the disposal of relevant Council assets.

**2. Links to Council's Priorities and Objectives**

The Regeneration of Hadleigh Town contributes directly towards the Council's priorities of transforming our community and Public Health and Wellbeing.

**3. Recommendations**

It is recommended that Cabinet

- Note the process being made in taking forward the redevelopment of the Hadleigh Island Site;
- Agree the principle of the Council entering into:
  - 1) a funding agreement with Essex County Council to obtain a £2,000,000 grant towards the Hadleigh Gateway Scheme
  - 2) a development agreement with Hollybrook based on the terms set out in Appendix 1 in Part 2 of the agenda;
  - 3) a property agreement with Essex County Council to enable the Hadleigh Old Fire Station and Hadleigh Library sites to be redeveloped;
- Agree to dispose of Homestead Car Park as part of the development agreement with Hollybrook;

- **Agree to write off the financial contribution of £280,000 that the Council contributed towards the purchase of the Crown Public House.**
  - **Agree to allocate an additional £100,000 from reserves to procure the necessary legal and professional expertise to see the project through to fruition.**
  - **The final contractual arrangements to be approved by the Chief Executive in consultation with the Leader and Deputy Leader**
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#### **4. Background**

- 4.1 At its meeting in November 2016, the Cabinet received a progress report on the redevelopment of the Hadleigh Town Centre Island Site, and agreed to receive further reports as required.
- 4.2 Cabinet is reminded that the Castle Point Regeneration Partnership, through its Regeneration Framework, identified the regeneration of Hadleigh Town Centre as a key project. The Hadleigh Town Centre Master Plan showed the Town Centre Island Site as suitable for comprehensive redevelopment.
- 4.3 The Town Centre Island Sites comprises, from west to east, the former Hadleigh Fire Station and associated premises, the Hadleigh Library and the former Crown Public House. The first two sites are owned by Essex County Council whilst the third site is owned by the Borough Council. The Homes and Communities Agency also has an interest in the former Fire Station and the former Crown Public House. The Essex Fire Authority has a residual interest in the former Fire Station.
- 4.4 Through a competitive marketing process the Partnership agreed that Hollybrook should be selected as the preferred development partner for the site. This decision was agreed by Cabinet in June 2015.
- 4.5 The proposals prepared by Hollybrook show the retention of the former fire station building, its extension and conversion to residential apartments, the redevelopment of the former fire station tower, cottage and library to residential flats, and a new library, community meeting space and artists' studios. The architects have produced a high quality scheme that is wholly appropriate for this prominent site. The latest plans are available in the regeneration office for viewing by appointment.

## **5. Proposals**

- 5.1 Although providing a fine regeneration solution for Hadleigh, the Hollybrook proposals envisaged a range of public buildings and a town square that resulted in a cost for the public works that significantly exceeded the residual value of the land. The Hollybrook proposal also had a number of uncoded elements that either required further work or that the developer was anticipating that the Council would fund. The Council also wished to ensure that the scheme was phased to enable continuity of operation for the library, community facilities and artists' studios.

In short, the scheme potentially required a large amount of additional funding if it was to be delivered. Officers, supported by specialist advisors, have, over a number of months, been seeking to value engineer the scheme to reduce the cost of the public works. Significant savings have been identified without reducing the quality of the scheme. However there has also been the need to seek some additional grant funding and offer up additional Council land in order that the cost of the public elements of the scheme can be met.

We are now in a position where officers have negotiated a potential solution and therefore the time is right to seek Cabinet approval to going ahead with the scheme, although there are still some points of detail to be resolved.

- 5.2 The County Council has been a key player in these negotiations because they own a significant area of the site, operate the Library and are currently responsible for housing the existing community facilities and artists' studios in the Old Fire Station Complex. It is envisaged that the County Council will both own and operate the new public buildings around the proposed town square.

In order to help meet the identified funding gap and, in recognition of the improved facilities and in support of the regeneration scheme as a whole, the County Council has formally offered a grant £2,000,000 to the Council to assist in the delivery of the project. The funding has been made available on the basis that the County Council provide no further funding to the scheme and are able to move in and operate from the new premises. Some elements of the detailed specification are still awaited from the library service.

- 5.3 The proposed Heads of Terms of any contractual arrangement between Hollybrook and the Council are set out in Appendix 1 in Part 2 of the agenda. The Heads of Terms indicate the projected cost of the public works. This is a fixed cost predicated against an exchange of contracts by the end of January 2017 and is priced with the assumption of completion of the public works by July 2018 and of the overall development being finished before July 2019. Any delays are likely to add to the cost of the project.

The public works are envisaged to be funded through Hollybrook paying for the land and the County Council providing a grant. However it should be noted that items 9 & 10 of the Heads of Terms set out some elements that

have not been priced into this arrangement and, if there are some implications arising from the consideration of these items, then there may be an increase to costs that are currently unfunded.

- 5.4 Both Councils and Hollybrook have been keen to understand if there are likely to be any future implications arising from these unbudgeted items. Hollybrook have undertaken detailed site survey and ground investigation work to satisfy itself as to ground conditions prior to contract. These investigations have not uncovered anything untoward and the indications are that there will not be any funding implications. There is also the assumption that there will be no costs to the scheme from the planning process (affordable housing allocation; S106 contributions etc). Hollybrook are seeking to place any costs arising from any planning impositions on the Council reasoning that it is within both Councils' ambit to ensure that there are no planning obligations that impact the viability of the scheme and that these costs would normally be reflected in land value. It is suggested that any planning requirements are resolved through a formal pre-application planning meeting prior to exchange of contracts. Finally, the County Council is being asked to provide a specification for the fitting out in order that we can identify any additional costs for making the library and associated community facilities operational.
- 5.5 The residential element of Hollybrook's scheme envisages a dense form of development and a massing that is appropriate for this key gateway site. It also maximises the number of residential units on the site thereby driving value. However this approach has resulted in a potential shortfall of car parking spaces and Hollybrook have been seeking offsite car parking provision. It is therefore proposed that the Council agree to transfer Homestead Car Park to Hollybrook for the use as private parking in support of the overall scheme.
- 5.6 Members will recall that The Castle Point Regeneration Partnership received a grant from the Homes and Communities Agency (HCA) to support their efforts in regenerating Hadleigh. To protect their interest, the HCA placed restrictions on both the Crown Public house site and the Hadleigh Old Fire Station property. These restrictions prevent disposal without the HCA's consent and will need to be lifted prior to the transfer of land to Hollybrook. The HCA has requested that a business case be prepared setting out the case for the lifting of the restrictions. Given that the *raison d'être* for the HCA providing the grant was to facilitate the regeneration of Hadleigh, it is not envisaged there will ultimately be a problem in achieving the lifting of the restrictions. However the process might take some time, potentially delaying the implementation of the scheme.
- 5.7 Similarly when the Essex Fire Authority sold Hadleigh Old Fire Station to Essex County Council it placed a restriction on the property protecting an overage provision on future sale. This overage provision still applies and efforts are being made to negotiate this provision away although there could be a residual funding implication on the scheme.

## **6. Corporate Implications**

### **(a) Financial Implications**

The financial implications to the Council are set out in Appendix 2 in Part 2 of the agenda.

### **(b) Legal Implications**

The selection of Hollybrook as a preferred development partner was taken following a competitive procurement process which also tested and met the Council's requirement to achieve best consideration pursuant to Section 123 Local Government Act 1972 in relation to disposal of land. The land disposals facilitate the Council's priority to support the economic regeneration of its town centres.

Freeths, (Solicitors) have been appointed to assist the Council with preparing the suite of documents required to facilitate this development once the outstanding negotiating points are resolved and the necessary approvals obtained from Members.

### **(c) Human Resources and Equality Implications**

#### **Human Resources**

There are no human resources implications associated with the recommendations in this report.

#### **Equality Implications**

The equality implications associated with the recommendations in this report are not significant to the decision to be taken; however an assessment of the development's impact on equality will be undertaken as part of the planning process.

### **(d) IT and Asset Management Implications**

The asset management implications are addressed in this report.

## **7. Timescale for implementation and Risk Factors**

- 7.1 It has taken some time for Officers and the County Council to remodel the proposal from Hollybrook to make it viable and yet remain acceptable in design terms. Although Hollybrook are firmly committed to the project they are now wishing to bring some urgency to the decision making

process and to factor in any further delay into the costs of the scheme. The proposed sequence of events is set out in item 18 of the proposed Heads of Terms with Hollybrook and a clear timetable is being put in place to take forward the programme.

- 7.2 Although we are reaching an important milestone for the scheme in having potentially agreed heads of terms with Hollybrook, there are still several issues that remain to be addressed before conditional contracts can be entered into and a further raft of items to be addressed before those contracts become unconditional. It is anticipated that these issues will be addressed in such a way as to reduce the exposure of the Council to further cost or risk, although it will be impossible to negate risk with a project of this nature completely. However, put simply, the Council will not enter into any conditional contracts where there is the prospect of any additional costs beyond those identified in this report.

## **8. Background Papers**

Equality Impact Assessment

Hadleigh Gateway Central Island Site Revised Scheme Proposals produced by Proctor and Matthews Architects July/ August 2016

**Report Author:** Mark Evershed, Regeneration Delivery Manager

**CABINET**

**18th January 2017**

**Subject: Construction of two Bungalows at Lawns Court**

**Cabinet Member: Councillor Mrs B Egan - Homes and Customer  
Engagement.**

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**1. Purpose of Report**

**To request Cabinet consent for a budget of £356,000 for the construction of two new Bungalows at Lawns Court and associated ancillary works.**

**2. Links to Council's priorities and objectives**

**The construction of new homes is linked to the 'Transforming our Community' priority.**

**3. Recommendation**

**That Cabinet consents for a budget of an estimated £356,000 for the construction of two new bungalows, to include ancillary works and costs.**

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**4. Background**

- 4.1** Housing Services have undertaken a programme of housing development and acquisition in recent years. This includes the purchase of a block of flats in Long Road, Canvey Island, and the development of three new homes at a previous garage site in St Christopher's Mews. Further work has also included the additional acquisition and refurbishment of a House in Multiple Occupation at Camperdown Road in Canvey, to help provide temporary accommodation for homeless people and the development of previous warden accommodation at sheltered housing schemes into further residential accommodation for tenants.
- 4.2** Despite the financial restrictions resulting from the changes to the Housing Revenue Account the service continues to progress a small programme of development. Funding sources such as financial contributions from Section 106 agreements, as well as receipts from sale of HRA properties has enabled this.



## **5. Report**

### **5.1 Lawn's Court**

- 5.1.1 In December, the Development Control Committee gave permission for the demolition of the garage site and the construction of two new bungalows at Lawns Court. The development will meet an increasing need for good quality supported accommodation and will be constructed to meet all disability requirements from the outset.
- 5.1.2 Ward Councillors have been briefed on the development for some time and there was a residents meeting at the scheme about 18 months ago. This will be followed up with a further residents meeting in January or February, and consultation was also undertaken as part of the planning application process in the autumn of last year.
- 5.1.3 Whilst there are relatively few issues that have arisen for residents, concerns have been raised regarding the lack of secure parking for mobility scooters. There is parking available for separate bungalows at the scheme, but mobility scooter parking for the flats at the scheme is lacking and two of the current garages identified for demolition are used for mobility scooter parking. One is used by Housing Services to provide general mobility scooter parking for residents, whilst another is hired separately by a resident of the scheme.

### **5.2 Costs of Development**

- 5.2.1 The bungalows will be fully compliant with the Disability Discrimination Act (DDA) e.g. width of doors, bathroom access, kitchen access etc. and as a consequence costs will be slightly increased.
- 5.2.2 Costs are further increased as there are a number of other factors to consider. For example:
- Connection of services such as gas, electricity, water, drainage, telecommunications etc.
  - Connection of TV aerial system
  - Construction of Bin Store
  - Construction of mobility scooter storage in the scheme
  - Landscaping and wider DDA works such as dropped kerbing
  - Construction of fencing
  - Some adaptations to be undertaken to reduce rainwater flooding at part of the scheme in heavy rain

In addition there are the normal professional fees that are incurred in this type of construction, such as architectural fees, structural engineering, health and safety etc.

5.2.3 Financial implications are summarised as follows:

<b>Costs</b>	<b>Amount (£000's)</b>
<b>Demolition works</b>	<b>38</b>
<b>Construction (including contingency)</b>	<b>252</b>
<b>Connection of services</b>	<b>35</b>
<b>Professional fees</b>	<b>31</b>
<b>Total Cost</b>	<b>356</b>
 <b>Funded by</b>	
<b>Section 106</b>	<b>(216)</b>
<b>Right to buy 1for1 replacement fund</b>	<b>(107)</b>
<b>Right to buy debt compensation fund</b>	<b>(33)</b>
<b>Total Funding</b>	<b>(356)</b>

5.2.4 The Lawns Court scheme is made up of 30 properties consisting of 15 one bedroom bungalows, 4 two bedroom flats and 1 three bedroom warden's flat within Lawns Court and 10 properties in Eversley Road all 1 bedroom bungalows. Currently the social rent, including service charges on the 1 bedroom bungalows is £104.89 or £5,454.28 per annum. Thus it is anticipated there will be a minimum increase in income of around £11k per annum dependent upon the basis that the properties are rented. Whilst there would be limited increase in overhead costs excluding any additional maintenance on the new properties.

5.2.5 The sum does not include the potential need to upgrade the call alarm system at Lawns Court. The system is old and investigation is currently being undertaken to establish whether this is necessary. It is currently assumed that the two new properties will simply be connected to the current Tunstall System, but if further works are required the decision will be undertaken in liaison with the Cabinet portfolio holder for Homes and Customer Engagement.

5.2.6 The construction of the two new bungalows is consequently being used to undertake some wider improvements to the scheme at Lawns Court which should see greater benefits to residents.

## **6. Corporate Implications**

### **a. Financial implications**

These are detailed in the body of the report, and total an estimated budget of £356k, met by monies obtained from Section 106 agreements and receipts from HRA property sales. This project is not yet included in the draft budget report due to be presented to Cabinet in February 2017.

### **b. Legal implications**

There are a range of legal implications to this project, such as the tender and procurement process and appointment of a suitable contractor to undertake the

work. The Head of Law is a member of the project team to ensure that all legal aspects are considered appropriately.

**c. Human resources and equality**

The project will require the support of a range of officers from Housing, Legal and Finance, as well as specialist support. These have been factored and considered as part of the project planning.

**d. Timescale for implementation and risk factors**

The works are expected to be completed by the end of October 2017.

**7. Background Papers:**

None

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**CABINET**

**18th January 2017**

**Subject: Spending Review – High Level Update**

**Cabinet Member: Councillor Stanley – Finance & Resources**

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**1. Purpose of Report**

On 15<sup>th</sup> December 2016, the Secretary of State for the Department for Communities and Local Government made a statement to Parliament on the provisional local government finance settlement 2017/18. At the same time, the Government's response to the New Homes Bonus consultation which was undertaken earlier in the year was announced.

This report is a precursor to the budget and council tax setting report which will be presented to Cabinet and Council in February, and provides Cabinet with a summary of the key elements from both the financial settlement and the New Homes Bonus consultation outcome, as well as an indication of the financial implications specific to Castle Point.

**2. Links to Council's Priorities and Objectives**

This report is linked to the Council's priority of Efficient and Effective Customer Focused Services.

Sound and strategic financial management is essential in order to ensure that resources are available to support the Council's priorities and maintain or improve services.

**3. Recommendation**

That Cabinet note the report.

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**4. National Level Summary – Funding excluding New Homes Bonus**

4.1 The following paragraphs relate to allocations of Revenue Support Grant (RSG) and Business Rates (BR) determined by Central Government for the forthcoming three financial years. A period of consultation now follows but is unlikely to result in material changes to individual authorities.

4.2 As previously reported to Cabinet, Castle Point accepted the Government's offer of a four year financial settlement which means that the respective figures already adopted within the financial forecast are unchanged.

- 4.3 At a national level, for the period 2016/17 to 2019/20, there is a reduction to the England Settlement Funding Assessment (SFA) of **21.6%** as shown in the table on the following page.

<b>Settlement Funding Assessment (SFA) - National Level</b>				
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
SFA	18,601	16,632	15,599	14,584
Change %		-10.6%	-6.2%	-6.5%
Cumulative %		-10.6%	-16.1%	-21.6

*Note: The overall reduction to the England Settlement Funding Assessment (SFA) for the four years of the financial settlement (base year 2015/16) is 31.4%.*

- 4.4 The SFA consists of both Revenue Support Grant (RSG) and National Business Rates. The RSG element is the focus of funding reductions identified as required by Central Government through the annual spending assessment.
- 4.5 Rather than all local authorities receiving the same percentage reduction in RSG, the government take into account the amount that can be raised locally from Council Tax, thereby increasing the reduction in RSG funding for higher tax base authorities (in terms of the ratio of tax base income to SFA) and lowering the reduction for lower than average tax base authorities.
- 4.6 The methodology favours upper tier services and results in higher funding reductions for district councils. The following table shows the accumulative reductions in RSG from 2016/17 to 2019/20, alongside the actual reduction specifically for Castle Point which is described in more detail in section 5 below.

<b>SFA accumulative reductions by authority type 2016/17 to 2019/20</b>	
	<b>%</b>
England	-21.6
Inner London Boroughs including City	-16.3
Outer London Boroughs	-23.0
Metropolitan Districts	-18.7
Shire Unitaries	-23.6
Shire Counties	-31.5
<b>Shire Districts</b>	<b>-32.4</b>
<b>Castle Point Borough Council</b>	<b>-41.6</b>

- 4.7 The Council Tax referendum limit remains at **2%**; this applies to local authorities and fire authorities. However, authorities with social care responsibilities will be able to increase council tax by up to **4%**, providing that **2%** is for social care.

## 5. Application at Local Level – Castle Point

- 5.1 The following table shows the settlement for Castle Point consisting of Revenue Support Grant (RSG) and National Business Rates (NBR). Business Rates figures used by government are based on the average of previous years and do not take into account the future impact of successful rating appeals which are likely to reduce the figures shown.

<b>Castle Point's Settlement Funding Assessment (SFA)</b>				
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
RSG / (Tariff Adjustment)	918	287	0	(515)
Business Rates	2,071	2,114	2,182	2,259
<b>Total Funding</b>	<b>2,989</b>	<b>2,400</b>	<b>2,182</b>	<b>1,744</b>
£ Net (Reduction)		(589)	(218)	(438)
£ Accumulative (Reduction)		(589)	(807)	(1,245)
% Net Reduction		-19.7%	-9.1%	-20.0%
% Accumulative Reduction		-19.7%	-27.0%	-41.6%

- 5.2 The table indicates negative RSG from 2018/19 which reflects the government's intention that authorities continue to contribute to the funding reductions required at a national level. Whilst Castle Point's RSG is shown as withdrawn from 2018/19, this varies between authorities.
- 5.3 Castle Point's accumulative reduction over the period shown is **£1.2m** or **41.6%** (**£2m** or **54.2%** since 2015/16) compared to the average reduction for a Shire District of **44.2%**.

## 6. National Level Summary – New Homes Bonus (NHB)

- 6.1 There has been a reduction in the New Homes Bonus funding allocation for 2017/18 of **£241m**, reducing the allocations from **£1,493m** to **£1,252m**. The **£241m** has been used to fund a new grant for Adult Social Care. This is a grant for 2017/18 only, to be paid based on the Adult Social Care Relative Need Formula to authorities providing Social Care.
- 6.3 Future year allocations of **£938m** in 2018/19 and **£900m** in 2019/20 remain unchanged at this point.
- 6.4 For 2017/18 onwards, only growth above **0.4%** will attract New Homes Bonus payments (and these will be made as before, based on Band D equivalents, the national average council tax and a fixed amount for social housing) and allocations will be made for four consecutive years, a reduction from the original six.
- 6.5 For 2018/19 onwards, the government are yet to decide whether to enforce further reductions on allocations where there is no local plan in place or houses are built following a successful appeal.

## **7. New Homes Bonus – Application at a local level**

7.1 NHB is a material source of local authority funding. In many respects it has replaced RSG and the majority of authorities, Castle Point included, utilise NHB to support ongoing revenue spending plans.

7.2 The table below shows the allocation to Castle Point under the new methodology and based on the existing tax base (i.e. not including future new build).

	<b>2016/17 £000's</b>	<b>2017/18 £000's</b>	<b>2018/19 £000's</b>	<b>2019/20 £000's</b>
Settlement December 2016	1,172	975	686	552

7.3 It should be noted that without a local plan, should the government decide to enforce further reductions on allocations where there is no local plan in place, or houses are built following a successful appeal, the Council stands to forfeit significant levels of funding.

## **8. Corporate Implications**

### **a) Financial & Legal implications**

As indicated in the main body of the report.

### **b) Human Resources and equality implications**

There are no Human Resource or equality implications arising directly from this report.

## **9. Timescale for implementation and risk factors**

The financial settlement is traditionally announced annually in December and provides authorities with an indication of their allocations for the forthcoming financial year. Under the four year funding arrangement, allocations up to and including 2019/20 are already known and not subject to annual confirmation.

New Homes Bonus is a material funding stream. Reduction and / or removal of the funding stream will represent a material loss in funding for the Council and subsequently increase pressure on services.

15<sup>th</sup> February - Budget and Council Tax for 2017/18 considered by Cabinet and recommendations made to Council.

### **Background Papers:**

- The Provisional Local Government Finance Settlement 2017-18.

**Report Author:** Chris Mills, Head of Resources