

CHELMSFORD CITY COUNCIL

MINUTES OF THE MEETING OF THE COUNCIL

held on 22 February 2022 at 7pm

PRESENT:

The Deputy Mayor (Councillor L Mascot), who chaired the meeting in the absence of the Mayor

Councillors L Ashley, H Ayres, K Bentley, M W Bracken, D J R Clark, P H Clark, W A Daden, A E Davidson, C K Davidson, S M Dobson, N A Dudley, J A Frasca, I D Fuller, J Galley, R Gisby, M C Goldman, S M Goldman, I S Grundy, P V Hughes, D G Jones, J C S Lager, R J Lee, M J Mackrory, R Massey, L A Millane, R J Moore, G H J Pooley, R J Poulter, S Rajesh, J M C Raven, I C Roberts, S J Robinson, T E Roper, C M Shaw, M Sismey, A B Sosin, J E Sosin, M S Steel, A Thorpe-Apps, C R Tron, N M Walsh, R T Whitehead and S Young

1. Apologies for Absence

Apologies for absence had been received from Councillors R H Ambor, J A Deakin (Mayor), N Gulliver, R J J Hyland, A John, G B R Knight, J S Lardge, J A Potter, E J Sampson, T N Willis and I Wright.

2. Deputy Mayor's Announcements

The Deputy Mayor informed the Council that she and the Mayor had attended 227 engagements during their current year in office, most of them in person. Forthcoming events included a Mothering Sunday afternoon tea at the Community Station in Moulsham Lodge on 27 March, a show at the Cramphorn Theatre on 10 April and a Quiz Night on 23 April. All funds raised would benefit the Mayor's Charities and members of the Council were invited to attend if they could.

3. Declarations of Interest

Members were reminded to declare at the appropriate time any personal and prejudicial interests in the business on the meeting's agenda.

4. Minutes

The minutes of the meeting held on 8 December 2021 were confirmed as a correct record.

5. Public Question Time

A member of the public asked whether the Council was willing to support the provision of a memorial in the city to commemorate those who were tried in Chelmsford during the Essex Witch Trials in the 16th and 17th centuries.

The Cabinet Member for Connected Chelmsford said that she would be more than willing to meet the questioner to discuss the idea and what the Council could do to help take it forward.

6. Cabinet Question Time

There were no questions to Cabinet Members.

7.1 Local Council Tax Support Scheme for 2022-23

The Council was required to approve a Local Council Tax Support Scheme for 2022-23. The Cabinet on 25 January 2022 had recommended that the 2021-22 scheme be retained in its current form.

RESOLVED that the Local Council Tax Scheme for 2021-22 be retained and adopted as the Scheme for 2022-23.

(7.08pm to 7.10pm)

7.2 Capital, Treasury and Investment Strategies for 2022-23

The Council received a report setting out a proposed approach to the management of its cash, capital investments (the capital expenditure programme) and other types of investment, including property, which the Cabinet on 25 January 2022 had recommended be adopted.

During the discussion of the report, a member of the Council observed that the capital strategy involved borrowing internally a large sum of money from Council Tax reserves, Community Infrastructure Levy (CIL) and other sources to finance planned capital schemes. Whilst not wishing to criticise the proposed capital strategy, the member said that the amount borrowed would need to be recovered in future years, which may be difficult and

place at risk those funding sources. In response, the Cabinet Member for Fairer Chelmsford said that the Council needed to consider what financial resources it had and how best to use them until they were needed. CIL and other resources were currently available: at present, they would realise only a small return if invested, and borrowing externally would be more expensive. It was considered that the temporary use of those resources to finance capital schemes such as investing in the purchase of properties to provide temporary housing for homeless persons would be prudent and cost-effective. The main point to consider was whether the capital programme was affordable in terms of the interest paid and the Minimum Revenue Provision paid to capital each year to meet any borrowing costs. The Cabinet Member was of the view that it was and that the strategy was a commitment to future investment in Chelmsford.

RESOLVED that the Capital, Treasury and Investment Strategies 2022-23 as submitted to the meeting be approved.

(7.10pm to 7.22pm)

7.3 Budget for 2022-23

The Deputy Mayor reminded members that whilst each had a Disclosable Pecuniary Interest in this item, the Governance Committee had granted a general dispensation to allow councillors to speak and vote on the revenue estimates and level of Council Tax for 2022-23.

The Council had before it a report and recommendations from the Cabinet on the revenue budget for 2022-23 and its capital investments for that year. The proposed Council Tax resolution for the 2022-23 budget was included as part of the report to the meeting.

In introducing the report, the Cabinet Member for Fairer Chelmsford said that this was the second budget produced during the Covid pandemic and it continued to reflect the challenges associated with it. The government had failed, as promised, fully to recompense local authorities for the financial impact of that crisis and this, coupled with the continued reduction in the government's grant settlement, the lack of long-term certainty over future settlements, and cost and inflationary pressures facing the Council had made it difficult to achieve a balanced budget. However, the Council had managed to do so whilst maintaining spending on its key priorities of meeting housing need in Chelmsford and addressing the climate and ecological emergency, investing in the refurbishment, improvement and maintenance of its facilities, and maintaining services without the need for emergency government funding or drastic reductions in services. Whilst he wished it was not necessary to increase Council Tax, the Cabinet Member said that the reduction in Government funding as defined by the Governments Core Spending power calculation and economic pressures on the Council left no other choice.

Asked whether now was the right time to invest in a new crematorium given the number of new facilities provided or planned by commercial operators in and around Chelmsford, the Cabinet Member for Fairer Chelmsford reminded members that this was a scheme originally agreed by the previous administration which now reflected additional land acquisition and

other costs. The time to consider whether it was appropriate to proceed with the scheme was when the business case for it was considered.

Another member questioned whether the proposed improvement of the Theatres should go ahead whilst the future effect of the pandemic on attendances was uncertain; pointed out that no business case had yet been produced for the Galleywood industrial units; and asked whether better value for money could have been achieved for the tree planting schemes if steps had been taken to ensure greater survival rates.

In response to those points the relevant Cabinet Members said that:

- Spending of the provision on the Galleywood industrial units would be dependent on the production of a satisfactory business case.
- The Council wished to improve its cultural offer in Chelmsford and the improvement of the Theatres, currently an under-rated strategic asset, was a key element of that.
- The tree planting strategy was being carried out over a number of years and losses were to be expected, especially as the emphasis was on naturalised planting schemes that would increase biodiversity by boosting the number and variety of species benefitting from the planting. Gapping up to replace losses would continue.

It was moved as an amendment by Councillor I Roberts, seconded by Councillor K Bentley, that the proposed budget be amended as follows:

- In Appendix 1 to the report, Revenue Funded New Service Investment, Table 4, add "Additional Street Cleansing Provision in the City Council area £31,000 per year"
- In Section 6 of the Budget report, Balanced Revenue Budget, amend by the addition of the following: "Increase the Use of Unearmarked Reserves by £31,000. Officers are asked during 2022/23 to identify savings to fund the additional ongoing spend."
- In Section 10 of the Budget report, Capital Asset Rolling/Replacement Programme, add "An additional Electric Van for the Street Care Team funded by leasing £30k."

Those who spoke in favour of the amendment emphasised the benefits to Chelmsford of ensuring that its urban environment was maintained to a high standard by investing in street care. The Cabinet Member for Chelmsford did not disagree with that view but said that cost pressures meant that choices had to be made to ensure that the Council met its statutory duty to achieve a balanced budget. Street care would be kept under review in the coming months and if additional funding became available consideration could be given to enhancing the service.

On being put to the vote, the amendment was lost, with the voting being as follows:

For the motion: Councillors Bentley, P Clark, Daden, Dobson, Galley, Gisby, Grundy, Hughes, Massey, Millane, Poulter, Raven, Roberts, Roper, Sismey, Thorpe-Apps, Steel and Whitehead

Against the motion: Councillors Ashley, Ayres, Bracken, D Clark, A Davidson, C Davidson, Dudley, Frasca, Fuller, M Goldman, S Goldman, Jones, Lager, Lee, Mackrory, Moore, Pooley, Rajesh, Robinson, Shaw, A Sosin, J Sosin, Tron, Walsh and Young

Abstained: Councillor Mascot

On being put to the vote, the budget proposed in the report to the meeting was approved, with the voting being as follows:

For the motion: Councillors Ashley, Ayres, Bentley, Bracken, D Clark, Daden, A Davidson, C Davidson, Dudley, Frasca, Fuller, M Goldman, S Goldman, Jones, Lager, Lee, Mackrory, Moore, Pooley, Rajesh, Roberts, Robinson, Shaw, A Sosin, J Sosin, Tron, Walsh and Young

Against the motion: Councillors P Clark, Dobson, Galley, Gisby, Grundy, Hughes, Massey, Millane, Poulter, Raven, Roper, Sismey, Thorpe-Apps, Steel and Whitehead

Abstained: Councillor Mascot

RESOLVED that

1. the Budget Forecast in Section 6 and the report of the Section 151 Officer on the risks and robustness of the budget in Section 7 be noted.

2. the following be approved:

A. The budget report in Appendix 1, including:

- i. The new Capital and Revenue investments in Council Services shown in Section 4
- ii. The Revenue Budgets in Section 9 and Capital Budgets in Section 10
- iii. The delegations to undertake capital schemes identified in Section 4, Table 5
- iv. An increase to the average level of Council Tax for the City Council increasing the average annual Band D Council Tax to £208.86 in Section 8
- v. The movement in reserves shown in Section 6
- vi. Special expenses, Parish and Town Councils precepts as identified in Section 8, Table 11.
- vii. A delegation to the Chief Executive to agree after consultation with the Leader of the Council the pay award for 2022/23 within the normal financial delegations.
- viii. a delegation to the Section 151 Officer after consultation with the Cabinet Member for Fairer Chelmsford that should a surplus level of reserves be determined at 31st March 2022 then if appropriate an additional revenue contribution to capital is made in the financial year 2021/22.

B. The Council Tax Resolution in Appendix 2, which fulfils the legal requirements to set a Council Tax for 2022/23.

(7.22pm to 8.15pm)

8. Appointment of External Auditor

At its meeting on 19 December 2021 the Audit and Risk Committee had considered the options for the appointment of the Council's external auditor following the expiry of the current Public Sector Audit Appointments Ltd (PSAA) contract on 31 March 2023. It had recommended that the Council should continue to opt into the national auditor appointment scheme administered by PSAA.

RESOLVED that the Council joins the national PSAA scheme for appointing external auditors for the period 1st April 2023 to April 2028.

(8.15pm to 8.17pm)

9. Pay Policy Statement for 2022-23

The Council was requested formally to approve the annual Pay Policy Statement in accordance with section 38 of the Localism Act 2011.

RESOLVED that the Pay Policy Statement for 2022-23 be approved.

(8.17pm to 8.18pm)

10. Community Governance Review – Amendment to Terms of Reference

The Council was requested to approve an amendment to the terms of reference for the Community Governance Review to reflect changes to the timetable for the review.

RESOLVED that the changes to the terms of reference for the Community Governance Review set out in the appendix to the report to the meeting be approved.

(8.18pm to 8.19pm)

11. Authorised Absence of Councillor Shepherd

This report had been withdrawn as Councillor Shepherd had recently attended a qualifying meeting for the purpose of continued attendance.

12. Notice of Motion – Housing Strategy and Responding to Housing Need

In accordance with notice duly given, it was moved by Councillor C K Davidson, seconded by Councillor G H J Pooley, that:

“Council notes that

- The housing charity Shelter said, “we live in a country that is feeling the effects of 40 years of failure in housing policy” and believes there are “six million households whose right to a home is either denied or under threat”.
- The Government acknowledges that we have nowhere near enough homes in the right places and that housing is becoming increasingly expensive.
- While supply is of critical importance, so is affordability (as the House of Commons Library has reported).
- In Chelmsford:
 - The national housing crisis has led to the price of an average house in Chelmsford rising by 54% in the last 8 years, far higher than general inflation at just over 15%. The price of an average home in Chelmsford is now £380,000. And market rents have responded, rising by nearly one-fifth over the last two years.
 - Rising market prices for both buying and renting reflect the shortage of supply – Chelmsford does not have enough homes. These market options have become unaffordable for an increasing number of residents, especially as the local housing allowance is at least of £150 per month lower, making benefits insufficient.
 - This and reduced re-letting by social landlords have led to over 300 Chelmsford households now being in temporary accommodation arranged by the City Council; over 850 households are on our Housing Register, waiting for a permanent home that meets their needs to become available.
 - Insufficient supply of homes of the right type becoming available means that, at best, a family needing a 4-bedroom home is likely to wait more than 3 years in temporary accommodation after becoming homeless, and a similar family that is overcrowded or in otherwise unsuitable accommodation will wait far longer on the Housing Register before they can hope that their needs will be met.

In addressing these challenges, Council therefore:

- Welcomes its emerging Housing Strategy and Actions, published today and expected to be adopted by its Cabinet next month following consideration at the Policy Board on 3 March, and endorses the Vision to address the housing needs of all Chelmsford residents so everyone can reasonably aspire to having a home that meets their needs.
- Looks forward to seeing an increase in the availability in Chelmsford of affordable housing of the right size and tenure as a consequence of the actions set out in this Strategy.

However, Council notes that the housing crisis reflects failures by governments over many years to address the underlying causes and shape government policy and legislation to

ensure sufficient housing is available. It is concerned by reports of local house-building being limited by shortages of building contractors and materials. It therefore:

- Calls on the Government to
 - Refocus planning law to enable local authorities to respond to local housing need, abandoning its First Homes policy which will make little or no contribution to meeting housing need in Chelmsford and permitting land to be allocated for social housing
 - Provide more resources to support the acquisition of land for social housing
 - Empower local authorities such as Chelmsford, with no directly owned social housing stock, to influence the allocation of grants to housing associations and others so they better meet local housing needs
 - Allocate Chelmsford to the same Local Housing Allowance area as Brentwood, increasing the current levels of Local Housing Allowance so they more closely reflect Chelmsford's housing costs
 - Urgently introduce measures to address the shortages of skilled construction workers so that the building of new homes is not limited by this factor”

In moving the motion, Councillor C Davidson referred to the national shortfall in housing supply, the crisis this was causing and the effect lack of suitable housing had on people's lives. Chelmsford itself was in the grip of a housing crisis that was leaving some less well-off residents without a safe, decent home that was suitable for their needs and that they could genuinely afford. The City Council had worked hard to help them by improving temporary accommodation, bringing forward sites it owned for more affordable homes, and, through the review of the Local Plan, would use the planning framework to increase the amount of affordable family homes developers must deliver as a requirement for being granted planning permission.

The Council's recently published housing strategy set out a range of actions and a vision to enable everyone to dream, one day, of a having home that met their needs. However, this would only be possible if the Government took the issue seriously and acted to address it. As an example, the government's First Homes policy was not meeting a need in Chelmsford, as cheaper market homes were available. It simply created additional supply when the real the real need was for more affordable housing. It would be better to abandon the First Homes policy and use this 9% quota to mandate more homes for affordable rent.

In discussing the motion, several members expressed sympathy with its sentiments but said that they could not support it whilst it contained the reference calling on the government to abandon the First Homes policy. They believed that the policy helped first-time buyers who would otherwise be unable to afford a home of their own. By assisting them, the policy freed up properties available for rent. There was also a contradiction between opposition to the policy and the reference in the new housing strategy to maximising the provision of First Homes sites to meet local need.

In response to that and other comments made during the debate, Cabinet Members and the seconder of the motion said that the First Homes policy was not achieving what was intended or needed, i.e., an increase in the supply of affordable homes. The reference in the housing strategy to maximising the provision of First Homes sites reflected a requirement to

respond to the national policy and was not an indication that the Council supported that policy. The challenge in Chelmsford had become more acute as house and rental prices had increased and whilst the Council was working with a number of partners on several initiatives to ease the housing problems locally, it needed the co-operation of the Government and increased powers and funding in order to make a real difference. Unlocking the land that was available and ensuring it came forward for affordable housing was an important step.

Although a formal vote was not taken on the motion, it was apparent from the feeling of the meeting that the majority of members present supported it and it was therefore

RESOLVED that the above motion on the Housing Strategy and Responding to Housing Need be agreed.

The meeting closed at 8.50pm

Mayor