

Minutes of the meeting of the Full Council, held in the Council Chamber at County Hall, Chelmsford on Thursday, 9 February 2023.

Present: Chairman: Cllr Eddie Johnson
Vice-Chairman: Cllr Jillian Reeves

Cllr Barry Aspinell	Cllr Dave Harris	Cllr Mark Platt
Cllr Tony Ball	Cllr Anthony Hedley	Cllr Ross Playle
Cllr Lewis Barber	Cllr Ivan Henderson	Cllr Chris Pond
Cllr Susan Barker	Cllr Jeff Henry	Cllr Stephen Robinson
Cllr Kevin Bentley	Cllr Paul Honeywood	Cllr Peter Schwier
Cllr Lynette Bowers-Flint	Cllr Michael Hoy	Cllr Lee Scordis
Cllr Malcom Buckley	Cllr John Jowers	Cllr Lee Scott
Cllr Graham Butland	Cllr Sam Kane	Cllr Laureen Shaw
Cllr Mark Cory	Cllr David King	Cllr Andrew Sheldon
Cllr Simon Crow	Cllr Dan Land	Cllr Mick Skeels
Cllr Tom Cunningham	Cllr Sue Lissimore	Cllr Kerry Smith
Cllr Beverley Egan	Cllr Derrick Louis	Cllr Clive Souter
Cllr Jane Fleming	Cllr Mike Mackrory	Cllr Wendy Stamp
Cllr Martin Foley	Cllr Peter May	Cllr Mike Steel
Cllr Paul Gadd	Cllr Aidan McGurran	Cllr Mark Stephenson
Cllr Alan Goggin	Cllr Jaymey McIvor	Cllr Mike Steptoe
Cllr Marie Goldman	Cllr Louise McKinlay	Cllr Marshall Vance
Cllr Ray Gooding	Cllr Anthony McQuiggan	Cllr Lesley Wagland
Cllr Ian Grundy	Cllr Dr Richard Moore	Cllr Chris Whitbread
Cllr Carlo Guglielmi	Cllr James Newport	Cllr Holly Whitbread

Not present but attended the meeting online (these members did not vote on any items):

Cllr Dave Blackwell Cllr Chris Siddall
Cllr June Lumley

Chairman's Welcome and Introduction

The Chairman informed those present that the meeting would be broadcast live over the internet by way of the ECC Democracy YouTube Channel.

The opening remarks, together with the broadcast of the entire meeting may be found on the [ECC Democracy YouTube Channel](#).

Prayers

The meeting was preceded by prayers led by The Reverend Canon Ivor Moody, Vice Dean and Canon Pastor, Chelmsford Cathedral and Workplace Chaplain, Essex County Council.

Councillor Johnson formally opened the meeting.

1. Apologies for Absence

Apologies for absence were received on behalf of Cllr Mike Garnett, Cllr John Spence, Cllr Bob Massey, Cllr Mark Durham, Cllr Luke Mackenzie, Cllr Paul Thorogood, Cllr Michael Hardware and Cllr Jude Deakin.

2. Declarations of Interest

Members were reminded by the Chairman of the need to declare any interests and to do so immediately or at the start of the consideration of any relevant item of business.

The Chairman also reminded members of the advice they had been given by the Monitoring Officer relating to the budget debate:

- ‘(a) that any member who may have any arrears of Council Tax outstanding for two months or more must make a declaration of interest and you not entitled to vote on the Annual Budget but are not prevented from taking part in the discussion; and
- (b) members must also make declarations of interest relating to the Budget debate in accordance with the detailed advice given by the Monitoring Officer in his email to you on 20 January.’

3. Confirmation of the minutes of the meeting of Council held on 13 December 2022

Resolved:

That the minutes of the meeting held on 13 December 2022 be approved as a correct record and signed by the Chairman.

4. Public Speakers

The Chairman noted that there was one member of the public registered to speak, Mr Kelly from Maldon.

Mr Kelly, having been invited to speak, said:

'What action will the County Council take to prevent the risk of a serious accident being caused by repeated pavement obstruction and dangerous parking in the 'up lane' of London Road, Maldon, in the vicinity of the junction with Beacon Hill and the bridge over the Maldon bypass?'

In response Cllr Lee Scott, Cabinet Member for Highways Maintenance and Sustainable Transport thanked Mr Kelly for the question and meeting regarding this issue and said:

'SEPP are currently carrying out site assessments and a review of parking in the area. Cllr Carlie Mayes (Maldon Joint Committee Member) submitted an application form to SEPP in December which was also supported by Essex County Councillor Jane Fleming.

The application seeks to implement a No Waiting and No Loading parking restriction within the two areas identified on the map sent to Mr Kelly, to prevent double parking and parking on the pavement.

The SEPP Technicians will review the area against the implementation policy and make a report with recommendations for the Maldon Lead Officer and Maldon Joint Committee Member to consider and approve.

If it is considered necessary to implement a parking restriction along this section of road, the scheme will be submitted for funding to enable a permissions to be requested.

I will continue to update Mr Kelly regarding this.'

5. Chairman's Announcements and Communications

New Year's Honours

The Chairman informed Members that 20 Essex people were awarded honours in the King's New Year honours list.

The honours included services to the community, charities and voluntary groups as well as to public services including health, wellbeing and social care, education, policing, veterans, the Windrush generation, Parliament and international search and rescue.

The Chairman congratulated on behalf of the council, all those in Essex who had received an award.

Awards

Local Authorities Pension Fund Investment Awards

The Chairman informed Members that in December 2022 at the Local Authorities Pension Fund Investment Awards, Essex was announced as the

Winner of the Local Government Pension Scheme Investment Strategy of the Year award.

At the invitation of the Chairman, Cllr Susan Barker, Chairman of the Essex Pension Fund Strategy Board spoke about the award.

Essex Housing Awards

The Chairman informed Members that Essex Housing had received a further award. At the invitation of the Chairman, Cllr Lesley Wagland, Cabinet Member for Economic Renewal, Infrastructure and Planning spoke about the award.

Earthquakes in Turkey and Syria

The Chairman invited Members to take a moment to reflect on the terrible devastation caused by the earthquakes in Turkey and Syria. The Chairman noted that many Essex residents may have had connections with individuals caught up in the devastation, he said that thoughts were with everyone who was impacted and wished those from the county who were supporting the rescue and humanitarian mission the very best and the Council's thanks.

6. Petitions

The Chairman invited Cllr Anthony Hedley to present a petition relating to supporting residents and Brightside School who were asking for a zebra crossing outside the entrance to the school. Cllr Lee Scott responded to accept the petition.

7. Executive Statements

At the invitation of the Chairman, Cllr Kevin Bentley, Leader of the Council gave a statement on 'Financing Everyone's Essex'.

The Executive Statement is published on the ECC website and the broadcast of the meeting may be found on the [ECC Democracy YouTube Channel](#).

8. Everyone's Essex Annual Plan and Budget 2023-24

The Council received the report Everyone's Essex Annual Plan and Budget 2022-23 that was in two parts, Part 1 being the Section 151 Officer's report and Part 2 being the Budget and Plan.

There were also four appendices:

- Appendix A – Essex County Council Annual Plan 2023-24
- Appendix B – Equality Impact Assessment 2023-24
- Appendix C – Pay Policy Statement 2023-24
- Appendix D – Budget Consultation Report

It was noted that there had been an addendum report and replacement recommendations. This was produced following the supply of further information relating to the final local government finance settlement, the final council tax base, the deficit/surplus from the prior year, and the Non Domestic Rates (NNDR) information from all 12 billing authorities.

It was moved by Cllr Martin Foley and seconded by Cllr Michael Hoy that the recommended budget be amended as follows:

‘That the net effect of the budget resolution be amended as set out for the reasons and purposes below:

1. Supporting the mental health needs of children and young people:

- 1.1 **A one-off increase of £120,000 for the Emotional Wellbeing and Mental Health Service** (Children’s Services and Early Years portfolio) to support the delivery of the recommendations from the Mental Health Services for Young People joint Task and Finish Group, which was set up following the carried motion at Council in May 2022.
- 1.2 The mental health of children and young people has worsened in recent years. The review has shown that there is a lot of good, positive and helpful support available to young people requiring mental health support, however what is less clear, is how they can access this and also determine the right service that they need. The review set out a number of recommendations including a single contact hub for young people requiring mental health support, lobbying for additional funding and support, and further training and guidance for schools, as well as addressing recruitment and retention issues.
- 1.3 The cross-party Task and Finish Group will work together to determine the priorities for the funding at their next meeting on 10 February 2023. They will also monitor the outcomes and effectiveness of the funding.
- 1.4 It is not expected to add any pressure to funding gap in 2024/25 onwards. If there is a need for additional one-off or ongoing funding, a separate case will be made.
- 1.5 It is proposed **to be funded by reducing the Children’s Transformation reserve by £120,000 to £3.4m** at the end of 2023/24.

2. Section 151 Officer’s Commentary on Independent Group Budget Amendment

- 2.1 It is proposed that the amendment is to be funded from reserves in 2023/24 and therefore there will be no overall impact on the budget in this financial year. The investment will amend the following tables in the Annual plan and Budget 2023/24.

Children's Services and Early Years Revenue Budget

2021/22	2022/23	2022/23			2023/24	
Actuals	Original	Latest		Gross	Income	Specific
£000	£000	£000		Expenditure	£000	Grants
				£000	£000	£000
1,940	2,008	2,008	Emotional Wellbeing and Mental Health Service	2,135	(7)	2,128

Other Operating costs

2021/22	2022/23	2022/23			2023/24	
Actuals	Original	Latest		Gross	Income	Specific
£000	£000	£000		Expenditure	£000	Grants
				£000	£000	£000
			Approps To/(From) Reserves and Restricted Use Funds (i)			
5,873		(503)	Childrens Transformation Reserve		(120)	(120)

Reserves

			2023/24			2024/25	2025/26	2026/27
	Balance as at	Balance as at	Budgeted	Assumed	Closing			
	1 April 2022	1 April 2023	(Contributions)/	usage	balance	£000	£000	£000
	£000	£000	Withdrawals	£000	£000			
Reserves earmarked for future use								
Childrens Transformation Reserve	(7,188)	(6,016)	120	2,496	(3,400)	(2,887)	(2,887)	(2,887)

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It was moved by Cllr Ivan Henderson and seconded by Cllr Aidan McGurran that the recommended budget be amended as follows:

'That the net effect of the budget resolution be amended for the reasons and purposes set out below:

1. Highways Quality Assurance

Increase to the 2023/24 Highways Maintenance and Sustainable Transport revenue budget of **£50,000**, on a one-off basis to support an independent review of the criteria assessment used by Ringway Jacobs. The review will assess the quality criteria applied when approving maintenance and repairs, carried out under the existing Ringway Jacobs contract to quality assure their remedial work.

This would require an increase in the budget for the Highways Maintenance and Sustainable Transport portfolio of **£50,000** which will be funded through a withdrawal from the earmarked Ambition Fund reserve.

Increase to the annual Highways Maintenance and Sustainable Transport revenue budget for three years, from 2023/24 to 2025/26, of **£43,000** per annum. This is to fund twice yearly, independent inspections of highway

repair work carried out under the existing Ringway Jacobs contract, sampling a range of completed repairs across the county.

This would require an increase in the budget for the Highways Maintenance and Sustainable Transport portfolio of **£43,000** per annum which will be funded through withdrawals from the Ambition Fund Reserve for 2023/24 through to 2025/26, a total reduction to the reserve of **£129,000**.

2. Youth Service

An increase to the Youth Service revenue budget of **£500,000** to enable the setup of a dedicated team to target specific areas of high deprivation and mental health in young people. This will fund one Senior Targeted Youth Advisor, ten Targeted Youth Advisors and ancillary costs.

This would require an increase to the Community, Equality, Partnerships and Performance portfolio budget of **£500,000** per annum and a reduction of the same sum to the budgeted appropriation to the Transformation Reserve.

3. Careers Advice

An increase to the Schools revenue budget of **£262,000** per annum to enable creation of a taskforce of careers advisors up to 2025 (2 years). It is proposed that this be funded from reserves for a two year period after which time the impact will be assessed and decision made about whether it should become base budget.

This would require an increase to the Education Excellence, Life Long Learning and Employability portfolio budget of **£262,000** and a reduction of the same sum in the Transformation Reserve.

4. Adult Community Learning Nursery Provision

An increase to the Adult Community Learning revenue budget of **£139,000** to reverse the proposed saving regarding removal of nursery provision.

This would require an increase to the Education Excellence, Life Long Learning and Employability portfolio budget of **£139,000** per annum and a reduction in the budgeted appropriation to the Transformation Reserve of the same amount.

5. Promotion of Adult Community Learning Take up

An increase to the Adult Community Learning revenue budget of **£50,000** to fund one-off promotional activity that will increase the take up of Adult Community Learning courses.

This would require a one-off increase to the Education Excellence, Life Long Learning and Employability portfolio budget of **£50,000** and a reduction of the same sum in the Ambition Fund Reserve.

6. Street Lighting

An increase to the Street Lighting revenue budget of **£675,000** to reverse the proposed saving regarding reducing the hours of operation of some of our streetlights.

This would require an increase to the Highways Maintenance and Sustainable Transport portfolio budget of **£675,000** per annum and a reduction in the budgeted appropriation to the Transformation Reserve of the same amount.

S151 Officer's Commentary on the Budget amendment Proposal

The proposals have set out clearly the funding sources, which will amend the following tables in the Annual plan and Budget 2023/24:

Highways Maintenance and Sustainable Transport

2021/22 Actuals £000	2022/23 Original Budget £000	2022/23 Latest Budget £000		Gross Expenditure £000	2023/24 Income £000	Specific Grants £000	Total Net Expenditure £000
12,298	14,337	14,081	Roads And Footways	14,771	(123)		14,649
6,653	7,538	12,374	Street Lighting	16,074	(1,209)		14,865

Community, Equality, Partnerships and Performance

2021/22 Actuals £000	2022/23 Original Budget £000	2022/23 Latest Budget £000		Gross Expenditure £000	2023/24 Income £000	Specific Grants £000	Total Net Expenditure £000
2,678	3,425	3,551	Youth Services	4,549	1,270	(1,963)	3,855

Education Excellence, Life Long Learning and Employability

2021/22 Actuals £000	2022/23 Original Budget £000	2022/23 Latest Budget £000		Gross Expenditure £000	2023/24 Income £000	Specific Grants £000	Total Net Expenditure £000
(525)	(452)	(416)	Adult Community Learning	11,643	(3,249)	(8,279)	115
385	(1,201)	740	Schools	4,761	(4,969)	(46)	(254)

Other Operating Costs

2021/22 Actuals £000	2022/23 Original Budget £000	2022/23 Latest Budget £000		Gross Expenditure £000	2023/24 Income £000	Specific Grants £000	Total Net Expenditure £000
			Approps To/(From) Reserves and Restricted Use Funds				
(10,055)	8,800	4,208	Ambition Fund Reserve	4,000	(143)		3,857
(6,181)	11,823	13,127	Transformation Reserve	10,506	(262)		10,244

Reserves

			2023/24			2024/25	2025/26	2026/27
	Balance at 1	Balance at 1	Budgeted	Assumed	Closing			
	April 2022	April 2023	(Contributions)	usage	balance			
	£000	£000	/ Withdrawals	£000	£000	£000	£000	£000
Reserves earmarked for future use								
Ambition Fund	(6,523)	(6,403)	(3,857)	3,468	(6,792)	(3,468)	-	-
Transformation	(48,506)	(47,829)	(10,244)	12,500	(45,573)	(43,317)	(41,323)	(38,118)

- £143,000 withdrawal from the Ambition Fund, taking the balance on this reserve to £6.8m at the end of 2023/24, with further proposed withdrawals of £43,000 in both 2024/25 and 2025/26. It is currently assumed that the balance of the reserve is fully drawn down by the end of 2025/26, however it is not fully committed so this does not change our planning assumptions.
- £1,314,000 reduction in the annual budgeted appropriation to the Transformation Reserve across the MTRS, and withdrawals from the reserve of £262,000 in 2023/24 and 2024/25. Proposals will reduce the balance of the reserve to £45.6m at the end of 2023/24.

The reduction in the annual budgeted appropriation to the Transformation Reserve will impact the capacity to invest in change to enable financial sustainability given the £75m gap over the medium term.'

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It was moved by Cllr David King and seconded by Cllr Mike Mackrory that the recommended budget be amended as follows:

'1 That the net effect of the budget resolution be amended as set out for the reasons and purposes set out below:

1.1 Recognising the pressures on the most vulnerable and just about managing from the energy and cost of living crisis. Recognising the many challenges for our residents, from the state of our highways to the pressures on adult social care and the NHS and for the mental health of young people **we propose additional help and support** as detailed below.

1.2 To increase the proposed Council Tax increase from 3.5% to the full 4.99% possible, generating additional income of some £11.6m in 2023/24. This, with an additional £10m funded through borrowing will enable a total of £21.6m to be made available in 2023/24 from which the following revenue and capital investment proposals are to be funded and the budget recommendation be amended as detailed in the Section 151 officer's commentary and statement below.

- 1.3 To further protect low income families from the impacts of the increases in Council Tax by **doubling ECC's investment into the district led hardship scheme**, adding an additional £300,000 to the base budget over each of the 4 years of the MTRS. This scheme is developed in partnership with Essex District, Borough and City Councils who in past years have generously supported many households, so reducing hardship and the pressure of their Council Tax bills.

2 Supporting the mental health needs of children and young people

- 2.1 The huge increase in numbers of young people requiring advice and treatment for mental health issues due to Coronavirus is well documented. Current demand is not being met fast enough as shown by waiting times, to the detriment of those young people. Pressures made worse by the impact on wider NHS capacity. It is accordingly **proposed to increase the Children and Families base budget by £3m** (Children's Services and Early Years portfolio) over each of the 4 years of the MTRS.
- 2.2 £1m of this additional funding is to enable **more vital work with children and young people with mental health issues**, in the knowledge that any such measures may reduce the risk of harm and suicide prevention, and benefit the NHS. We will promote the benefits of investing in match-funding this significant additional expenditure with the Integrated Care Systems to provide more mental health counselling support in all schools to help identify and address mental health issues at an early age with the intention of reducing demand on services in the future.
- 2.3 £1m additional **investment in the Family Innovation Fund**, working with children and young people to achieve stable, resilient and safe family environments, delivering services including coaching, mediation, conflict resolution and counselling through 1:1, group and family/parent/couples work.
- 2.4 A further **£1m invested in Essex Short Breaks**, a service that provides clubs and activities for young people with SEND and also offers parents and carers of children and young people with special educational needs and/or disability a break from their additional caring responsibilities which enables them to maintain their ability to support their children and manage work and family life balance.
- 2.5 An increase of **£2.14m in the base budget provision for Active Essex** (Community, Equality, Partnerships and Performance portfolio), specifically to invest in sport and activity by extending school and club capacity and resource in the community.

- 2.6 A further increase of **£1.572m (in 2023/24) in the base budget provision for Youth Services** (Community, Equality, Partnerships and Performance portfolio) reducing to £1m for the remaining 3 years of the MTRS from 2024/25. To enhance the provision of Youth Service projects including, support, mentoring and respite for young carers, school lunchtime clubs/drop in sessions run by youth workers and outreach work, including detached working.

3 Investing in additional social care capacity

- 3.1 It is proposed **to increase the adult social care base budget** (Adult, Social Care and Health portfolio) by £1.5m over each of the 4 years of the MTRS to address care and support for older people, specifically to invest in additional social care bed capacity. In addition, £1.5m per annum to be invested into enhancement of the Discharge Fund which, through agreement with Better Care Fund partners, would further support additional bed capacity and enhance outcomes by expediting hospital discharges.

4 Investing in our response to the climate emergency

- 4.1 Recognising the gravity of the Climate Emergency to accelerate our response, by agreement with the independent Essex Climate Action Committee, investing a further **£500,000 annually into the Essex Forest Initiative to enhance urban tree planting and “tiny forest” initiatives**. So increasing public engagement and awareness of our work.

5 Investing in our infrastructure and quality of life

- 5.1 The reinstatement of **the Highway Rangers** as an essential service highly valued by residents, to best practice management and delivery arrangements to be agreed with District Councils, at a cost of some £860,000 (Highways Maintenance and Sustainable Transport portfolio).
- 5.2 A one off increase of £5m in the Highways Capital programme provision in 2023/24 for Road Maintenance (Infrastructure portfolio).
- 5.3 **To increase footway maintenance spend**, as the most neglected and in need of repair area of highways, so helping meet the wider aims of **Active Travel**, by an additional one off capital investment of £2m in 2023/24.
- 5.4 **To help Local Highways Panels delivery** with an additional £2m invested as a one off in 2023/24 to enable delivery of priority highways schemes in local areas.

5.5 A one off increase in our **capital investment in new cycling and walking infrastructure** of £750,000 in 2023/24, improving thus our prospects of attracting match and grant funding from Government and other partners, such as the NHS.

5.6 A one off increase in **Electric Vehicle Infrastructure** of £250,000 in addition to the existing capital budget in 2023/24, as a contribution to our efforts to respond to the Climate Emergency and to improve air quality across Essex.

6 Cost and Use of Reserves

6.1 These measures contained within this proposal will be an increase of £11.6m to the 2023/24 gross expenditure budget (around 0.5%) and are funded in full by increasing the rise in Council Tax from 3.5% to 4.99%. One off capital investments will be funded through borrowing and there will be no draw on unrestricted reserves.

7 Section 151 Officer's Commentary on Liberal Democrat Budget Amendment

7.1 It is proposed that the revenue amendments to budget are to be wholly funded from the increase to the rise in council tax from 3.5% to 4.99% in 2023/24, which is estimated to generate circa £11.6m in additional funding. The table below sets out the revised tax levels by band as a result of the proposed 4.99% increase and the equivalent annual increases;

	Council tax rate		
	2022/23	2023/24 4.99% rise	2023/24 Annual increase
Band A	£934.08	£980.76	£46.68
Band B	£1,089.76	£1,144.22	£54.46
Band C	£1,245.44	£1,307.68	£62.24
Band D	£1,401.12	£1,471.14	£70.02
Band E	£1,712.48	£1,798.06	£85.58
Band F	£2,023.84	£2,124.98	£101.14
Band G	£2,335.20	£2,451.90	£116.70
Band H	£2,802.24	£2,942.28	£140.04

7.2 The proposed investments will have an ongoing impact on the Medium Term Resource Strategy (MTRS) from 2023/24 onwards as detailed in the table below;

	2023/24	2024/25	2025/26	2026/27
Revenue investment: Description	£000	£000	£000	£000
Supporting low income families	300	300	300	300
Investment in children's services	3,000	3,000	3,000	3,000
Investment in children's sport and activity	2,140	2,140	2,140	2,140
Investment in youth services	1,572	1,000	1,000	1,000
Social care bed capacity	3,000	3,000	3,000	3,000
Investment in climate change emergency	500	500	500	500
Re-instatement of Highways Rangers services	860	860	860	860
Additional capital expenditure; Interest on borrowing	228	455	455	455
Additional capital expenditure; Minimum Revenue Provision (MRP)	0	345	345	345
Total cost	11,600	11,600	11,600	11,600

7.3 The amendments required to the portfolio tables in the Annual Plan and Budget 2023/24 are set out in Appendix A.

7.4 The impact of the proposed amendments to the 2023/24 capital programme is detailed in the table below;

	Current budget 2023/24	Proposed budget 2023/24	Increase/ (decrease)
Capital investment: Description	£000	£000	£000
Highways maintenance	35,150	40,150	5,000
Footways maintenance	8,000	10,000	2,000
Local Highways Panel investment	4,800	6,800	2,000
Cycling and walking infrastructure	2,300	3,050	750
Electric vehicle infrastructure	200	450	250
Total cost	50,450	60,450	10,000

7.5 The estimated revenue borrowing costs for the additional capital expenditure of £10m have been calculated using the assumption that MRP is charged over 30 years and using the 2023/24 budgeted interest rate of 4.55%. These costs are set out within the revenue investment summary table at paragraph 7.2. There is no assumption as to ongoing revenue commitment from the incremental capital spend proposal in 2023/24.

7.6 The following table summarises and reconciles the proposed budget amendment as set out above across the life of the MTRS;

	2023/24	2024/25	2025/26	2026/27
Budget amendment reconciliation	£000	£000	£000	£000
Budget amendment proposals				
Revenue investments	11,600	11,600	11,600	11,600
Proposed funding streams				
Increase to council tax	11,600	11,600	11,600	11,600
Total remaining funding gap	0	0	0	0

7.7 These amendments do not add to the pressures and forecast funding gap from 2024/25 onwards which must be addressed by the County Council, through further efficiencies and or additional funding streams.

Appendix A: Amended tables in Annual Plan and Budget 2023/24

Finance, Resources and Corporate Affairs

2021/22	2022/23	2022/23		Gross	2023/24	Total Net
Actuals	Original Budget	Latest Budget		Expenditure	Income	Expenditure
£000	£000	£000		£000	£000	£000
2,058	7,648	7,648	Council Tax Sharing Scheme	6,948		6,948

Childrens Services and Early Years

2021/22	2022/23	2022/23		Gross	2023/24	Total Net
Actuals	Original Budget	Latest Budget		Expenditure	Income	Expenditure
£000	£000	£000		£000	£000	£000
15,134	16,959	18,253	Childrens Family Support	20,445	(76)	20,368
1,940	2,008	2,008	Emotional Wellbeing and Mental Health Service	3,015	(7)	3,008

Community, Equality, Partnerships and Performance

2021/22	2022/23	2022/23		Gross	2023/24	Total Net
Actuals	Original Budget	Latest Budget		Expenditure	Income	Expenditure
£000	£000	£000		£000	£000	£000
623	623	1,064	Sports Development	2,824	(438)	2,386
2,678	3,425	3,551	Youth Services	5,621	1,270	4,927

Adult Social Care and Health

2021/22	2022/23	2022/23		Gross	2023/24	Total Net
Actuals	Original Budget	Latest Budget		Expenditure	Income	Expenditure
£000	£000	£000		£000	£000	£000
101,750	100,160	111,808	Older People	303,254	(130,473)	124,292

Highways Maintenance and Sustainable Transport

2021/22	2022/23	2022/23		Gross	2023/24	Total Net
Actuals	Original Budget	Latest Budget		Expenditure	Income	Expenditure
£000	£000	£000		£000	£000	£000
1,102	1,008	1,063	Flood Management	1,768	(135)	1,633
1,277	455	1,270	Localism	860		860

Other Operating Costs

2021/22	2022/23	2022/23		Gross	2023/24	Total Net
Actuals	Original Budget	Latest Budget		Expenditure	Income	Expenditure
£000	£000	£000		£000	£000	£000
20,045	25,349	25,349	External Interest Payable	28,722		28,722

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The amendment moved by Cllr Martin Foley and seconded by Cllr Michael Hoy was put to the vote and was **lost**.

The amendment moved by Cllr Ivan Henderson and seconded by Cllr Aidan McGurran was put to the vote and was **lost**.

The amendment moved by Cllr David King and seconded by Cllr Mike Mackrory was put to the vote and was **lost**.

In accordance with Standing Order 16.10.2 (Voting on budget decisions) the Motion as shown in the Budget report, the Addendum Report and Replacement Recommendations document was put to a division by name and **carried** by 43 votes for, 15 against and 2 abstentions.

Those voting for the Motion were Councillors:

Cllr Tony Ball	Cllr Jeff Henry	Cllr Lee Scott
Cllr Lewis Barber	Cllr Paul Honeywood	Cllr Laureen Shaw
Cllr Susan Barker	Cllr John Jowers	Cllr Andrew Sheldon
Cllr Kevin Bentley	Cllr Sam Kane	Cllr Mick Skeels
Cllr Lynette Bowers-Flint	Cllr Dan Land	Cllr Clive Souter
Cllr Malcolm Buckley	Cllr Sue Lissimore	Cllr Wendy Stamp
Cllr Graham Butland	Cllr Derek Louis	Cllr Mike Steel
Cllr Simon Crow	Cllr Peter May	Cllr Mark Stephenson
Cllr Tom Cunningham	Cllr Jaymey McIvor	Cllr Mike Steptoe
Cllr Beverley Egan	Cllr Louise McKinlay	Cllr Marshall Vance
Cllr Jane Fleming	Cllr Dr Richard Moore	Cllr Lesley Wagland
Cllr Alan Goggin	Cllr Mark Platt	Cllr Chris Whitbread
Cllr Ray Gooding	Cllr Ross Playle	Cllr Holly Whitbread
Cllr Ian Grundy	Cllr Chris Pond	
Cllr Anthony Hedley	Cllr Peter Schwier	

Those voting against the Motion were Councillors:

Cllr Barry Aspinell	Cllr Dave Harris	Cllr Aidan McGurran
Cllr Mark Corey	Cllr Ivan Henderson	Cllr James Newport
Cllr Martin Foley	Cllr Michael Hoy	Cllr Stephen Robinson
Cllr Paul Gadd	Cllr David King	Cllr Lee Scordis
Cllr Marie Goldman	Cllr Mike Mackrory	Cllr Kerry Smith

Cllr Eddie Johnson and Cllr Jillian Reeves abstained.

Cllr Carlo Guglielmi and Cllr Anthony McQuiggan were not present in the Chamber when the named vote took place.

Resolved:**Everyone's Essex Annual Plan and Revenue budget**

- 2.1 That the Everyone's Essex Annual Plan and budget be approved in the form appended to this report (Appendix A) subject to the changes set out in paragraph 2.16 below.
- 2.2 That the net cost of services to be set at **£1,176.9million (m)** for 2023/24 – Appendix A (page 26).
- 2.3 That the net revenue budget requirement be set at **£1,011.2m** (net cost of services less general government grants) for 2023/24 – Appendix A (page 30).
- 2.4 That the total council tax funding requirement be set at **£799.0m** for 2023/24 – Appendix A (page 30).
- 2.5 That Essex County Council's element of the council tax be increased by 3.5% comprising of a 1.5% increase in general council tax and 2.0% adult social care precept. This would result in the Essex County Council element of the council tax being **£1,450.17** for a Band D property in 2023/24. A full list of bands is as follows:

Council Tax Band	2022/23	2023/24
	£	£
Band A	934.08	966.78
Band B	1,089.76	1,127.91
Band C	1,245.44	1,289.04
Band D	1,401.12	1,450.17
Band E	1,712.48	1,772.43
Band F	2,023.84	2,094.69
Band G	2,335.20	2,416.95
Band H	2,802.24	2,900.34

- 2.6 Full Council approve the Essex County Council element of the council tax for each category of dwelling and the precepts on each of the council tax billing authorities for 2023/24, together with the final tax base, as set out in the table below:

Billing Authority	2023/24 Final Tax Base Band D Equivalent	2023/24 Gross precept £000
Basildon	61,230	88,794,199
Braintree	55,801	80,920,936
Brentwood	33,870	49,117,258
Castle Point	31,258	45,329,414
Chelmsford	70,763	102,618,220
Colchester	65,865	95,515,592
Epping Forest	54,884	79,590,550
Harlow	28,483	41,305,192
Maldon	25,892	37,548,208
Rochford	32,889	47,694,496
Tendring	51,050	74,031,179
Uttlesford	39,007	56,567,086
Total for ECC	550,992	799,032,330

- 2.7 That the proposed total schools budget be set at **£639.2m** for 2023/24 which will be funded by the Dedicated Schools Grant, Pupil Premium Grant, Universal Free School Meals Grant, PE and Sports Premium Grant, COVID-19 Recovery Premium Grant, Sixth Form Grant, Teachers Pay and Pension Grants, NQT Grant, Senior Mental Health Lead Training Grant and YPLA Funding Grant. The majority of this will be passed through to maintained schools.
- 2.8 That the underlying balance on the General Balance be set at **£68.1m** as at 1 April 2023 (Appendix A, Annex 1, page 58).
- 2.9 That the capital payments guideline be set at **£274.9m** for 2023/24 (Appendix A, page 29)
- 2.10 That for the purposes of section 52ZB of the Local Government Finance Act 1992 the Council formally determines that the increase in council tax is not such as to trigger a referendum.

Capital Strategy

- 2.11 That the 2023/24 to 2026/27 Prudential Indicators and limits, together with updated limits for 2022/23 as set out in Annexes 3A and 3B of the Capital Strategy (Appendix A, pages 96-100) be approved. This includes an authorised limit for external debt of **£1,260m** for the 2023/24 financial year, which defines the maximum amount of external borrowing by the Council, and represents the statutory limit determined under section 3(1) of the Local Government Act 2003.
- 2.12 That the Treasury Management Strategy for 2023/24 be approved, comprising:
- Borrowing strategy, as set out in Annex 3 of the Capital Strategy (Appendix A, Annex 3, page 81).

- b. Treasury management investments strategy, as set out in Annex 3 and Annex 3D of the Capital Strategy (Appendix A, Annex 3, page 88).
 - c. Indicative strategy for commercial investment activities, as set out in Annex 3 of the Capital Strategy (Appendix A, Annex 3, page 91).
- 2.13 That the policy for making a prudent level of revenue provision for the repayment of debt, (the Minimum Revenue Provision policy) as set out in Annex 3C of the Capital Strategy (Appendix A, Annex 3, page 101), be approved.
- 2.14 That the revised Treasury Management Policy Statement (Appendix A, Annex 3, page 108) and Treasury Management Practices (Appendix A, Annex 3, page 109), which set out the policies, objectives, and approach to treasury management, are adopted.

Pay Policy Statement

- 2.15 That the Council adopts the Pay Policy Statement for 2023/24 as set out in Appendix C.

Changes to annual plan and budget

- 2.16 That the following figures be amended to the Annual Plan which forms Appendix A to the report (which starts at page 42 of the published agenda pack) as shown on the replacement pages annexed to the addendum report.
- (a) Where the net cost of service currently shows **£1,164,212,799** (page 71 of the agenda pack), this will be amended to **£1,176,926,480** (as shown on page 2 of this report)
 - (b) Where the Ambition Fund Reserve shows **£4.000m** total net expenditure (page 95 of the agenda pack), this is amended to **£9.925m**
 - (c) Where the Collection Fund Risk Reserve shows **£7.714m** total net expenditure (page 95 of the agenda pack), this is amended to **£9.114m**
 - (d) Where the Everyone's Essex Reserve shows **£0** total net expenditure (page 95 of the agenda pack), this is amended to **£2.000m**
 - (e) Where the Reserve for Future Capital Funding shows **£4.074m** total net expenditure (page 96 of the agenda pack), this is amended to **£7.463m**

- (f) Where the Other Operating costs portfolio shows **£121.794m** total net expenditure budget (starts at page 94 of the agenda pack), this is amended to **£134.507m**.
 - (g) That pages 67, 69, 71, 94, 95, 96, 99 and 100 of the agenda be replaced with those appended to the addendum report circulated at the meeting.
- 2.17 That the Section 151 Officer be authorised to amend other figures in the Annual Plan which need to change as a result of the mathematical changes of the above consequence.
- 2.18 That once final allocations for specific government grants (including Public Health grant and Supporting Families grant) are known, the Section 151 Officer is authorised to:
- a) Initially transfer any increase in specific grant funding beyond that included in the budget report published 1 February 2023 to the Collection Fund Risk Reserve pending proposals for use; and
 - b) Fund any decrease in specific grant funding compared to that in the budget report published 1 February 2023 from the Collection Fund Risk Reserve. In this scenario, the report on the first quarter position to Cabinet in July will set out how that amount will be recovered.

9. Adjournment

With the agreement of Council, the Chairman adjourned the meeting at 12:50pm. The meeting reconvened at 13:23pm.

10. Council Issues

At the invitation of the Chairman, Cllr Kevin Bentley presented the report.

The Chairman put the recommendations to the meeting as two separate votes. The date of the October Council meeting, minor changes to the Constitution and Pension Board Terms of Reference were put to the vote first. It having been moved by Cllr Kevin Bentley and seconded by Cllr Louise McKinlay it was

Resolved:

- (1) That the October meeting of Council be held on Tuesday 17 October 2023.
- (2) That the following amendments to the constitution be made with effect from the close of this meeting:

Amend paragraph 20.9 of the constitution to read:

20.9 Agenda Items

Any member of an Overview and Scrutiny Committee or Task and Finish Group shall be entitled to give notice to the Proper Officer that he wishes an item relevant to the functions of the Committee or Task and Finish Group to be included on the agenda for the next available meeting of the Committee or Task and Finish Group. On receipt of such a request the Proper Officer will ensure that it is included on the next available agenda.

At each Overview and Scrutiny Committee meeting members of the relevant Overview and Scrutiny Committee can suggest additions for that Committee's work programme.

The Overview and Scrutiny Committee will add the item to the agenda and may either:

- (i) commission work to commence immediately;
- (ii) request a scoping document to be prepared to assist the decision;
or
- (iii) reject the suggestion.

Any member can write to the Head of Democracy and Transparency giving an outline of the item and issue to be scrutinised and the reasons. This will then be placed on the agenda of the next meeting of the Scrutiny Board for consideration for allocation to the appropriate Overview and Scrutiny Committee. The Scrutiny Board may recommend that the item be:

- (i) given priority over other items; or
- (ii) placed on the pending list; or the Scrutiny Board may reject the request.

Amend paragraph 16.11.1 (iv) to read as follows:

(iv) The subject of any proposed statement and the identity of the person who will be making it should be notified to the Head of Democracy and Transparency by 5pm two working days prior to the Council meeting. The Head of Democracy and Transparency will send an e-mail notification to all Members of the Council.

- (3) That the terms of reference for the Essex Pension Fund Strategy Board, the Investment Steering Committee and the Pension Advisory Board are agreed and that paragraphs 8.1.4 - 8.1.6 of the constitution are amended as set out in Appendix A to the minutes.

The Chairman then put the recommendations relating to the executive statement to the vote. It having been moved by Cllr Kevin Bentley and seconded by Cllr Louise McKinlay it was

Resolved:

That paragraph 16.11.1 (iii)-(ix) be replaced with:

- (iii) No executive statement may last more than 10 minutes. The executive statements made at a meeting shall not in total last more than 20 minutes. The maximum length of the statement shall be notified in accordance with (iv).
- (iv) The subject of any proposed statement, the identity of the person who will be making it and the length allocated to it must be notified to the Head of Democracy and Transparency by 5pm on the Friday prior to the Council meeting. The Head of Democracy and Transparency will send an e-mail notification to all Members of the Council.
- (v) In exceptional circumstances where it has not been possible to provide notification and identify the person making the statement by 5pm on the Friday prior to the Council meeting, such notification shall be made to the Head of Democracy and Transparency as soon as possible for notification to the leaders of all political groups and for the agreement of the Chairman of the Council that it may proceed.
- (vi) At the meeting, the Leader of the Council or Cabinet Member will be entitled to address the Council on the subject of the Statement for the time allocated.
- (vii) After a statement has been made or after all statements have been made, the Chairman then invite leaders of opposition groups (or a member nominated by them) to make a statement in reply for up to three minutes.
- (viii) At any meeting taking place after 1 September 2023, the Chairman will then invite questions from Members of the Council for a period of time at his discretion. The originator of the Statement shall respond to the questions as they are raised.

11. Cabinet Issues

At the invitation of the Chairman, Cllr Kevin Bentley presented the report and it having been moved by Cllr Kevin Bentley and seconded by Cllr Louise McKinlay it was

Resolved:

To receive the list of urgent decisions taken and the minutes of the Cabinet meetings held on 15 December 2022 and 17 January 2023.

12. Oral Questions of the Leader, Cabinet Member, chairman of a committee or the representative of the Essex Police, Fire and Crime Panel.

The oral questions and answers as part of the broadcast of the meeting may be found on the [ECC Democracy YouTube Channel](#).

The questions asked were:

Question asked by:	Question asked to:	Subject of the question
Cllr Jaymey McIvor	Cabinet Member for Highways and Sustainable Transport	The Council's position on ULEZ zone in London.
Cllr Dave Harris	Cabinet Member for Highways and Sustainable Transport	Treatment of concrete roads in Maypole Division.
Cllr Dave Harris	Leader of the Council	Support for churches and community organisations with huge increase in cost of heating.
Cllr Aidan McGurran	Leader of the Council	Expenditure relating to Essex Trade and Investment Ltd and cost of member and officer travel to China.
Cllr Chris Pond	Cabinet Member for Highways and Sustainable Transport	LED streetlights.
Cllr Ivan Henderson	Cabinet Member for Waste Reduction and Recycling	Booking system at household waste and recycling sites.
Cllr Ivan Henderson	Cabinet Member for Highways and Sustainable Transport	What happens after the ending of national government's bus recovery support in March 2023.
Cllr Wendy Stamp	Cabinet Member for Waste Reduction and Recycling	How the success of the booking system trial at household waste and recycling sites be measured.
Cllr Barry Aspinell	Leader of the Council	Supermarket planning appeal in Brentwood.
Cllr Barry Aspinell	Cabinet Member for Waste Reduction and Recycling	Booking at household waste and recycling centres.
Cllr James Newport	Cabinet Member for Education Excellence, Learning and Skills	King Edmund School in Rochford and disaster recovery plans in schools.
Cllr James Newport	Cabinet Member for Highways and Sustainable Transport	Slippage in LED programme.
Cllr Stephen Robinson	Cabinet Member for Waste Reduction and Recycling	Booking system at recycling centres.
Cllr Stephen Robinson	Cabinet Member for Highways and Sustainable Transport	Is the £9m announced in the budget speech for

Question asked by:	Question asked to:	Subject of the question
		highways capital or revenue.
Cllr Michael Hoy	Cabinet Member for Highways and Sustainable Transport	Flooding in Watery Lane in Rochford.
Cllr Michael Hoy	Cabinet Member for Highways and Sustainable Transport	Urgency of replacing, missing bollards.
Cllr Susan Barker	Cabinet Member for Highways and Sustainable Transport	Litter removal on trunk roads.
Cllr Mark Stephenson	Cabinet Member for Waste Reduction and Recycling	Accessibility of booking system for household waste and recycling sites.
Cllr Martin Foley	Cabinet Member for Waste Reduction and Recycling	Recycling rates at Rayleigh.
Cllr Martin Foley	Cabinet Member for Waste Reduction and Recycling	Booking system at household waste and recycling sites.

13. Closure of Meeting

As this was the last full meeting of the Chairman, the Leader of the Council paid tribute to Cllr Eddie Johnson and thanked him for his work as Chairman of the Council.

A recording of the meeting is available as a [video on YouTube](#).
The meeting closed at 2:09pm.

Chairman

Appendix A**8.1.4 Essex Pension Fund Strategy Board**

Membership: There are eleven Members of the Essex Pension Fund Strategy Board (PSB) including:

All Voting* Members	How Nominated or Appointed	Term of Office
7 Members of the Council	Appointed by the Council	1 year as appointed at the annual meeting of the Council or as changed from time to time by the Constitution
1 Member Councillor representing Borough, City and District Councils in Essex	Nominated by Essex Borough and District Leaders/Chief Executives	4 years from the date of appointment
1 Member Councillor representing Southend on Sea City Council and Thurrock Borough Council	Nominated jointly by and from either Southend-on-Sea City and Thurrock Councils	4 years from the date of appointment
1 Member representing other Employing Bodies	Nominated by other employers at the employer forum or such other process as agreed by the Chairman and the Director for Essex Pension Fund and must be in the employment of or hold office in relation to an Essex Pension Fund (EPF) employer	6 years from date of appointment
1 member representing Scheme Members	Nominated by Unison and must be a member of the Essex Pension Fund	6 years from date of appointment

*voting is subject to other provisions within this document.

The Constitution does not permit non-Essex County Council members to have substitutes.

Quorum

A meeting of the PSB shall only be quorate when:

- i) At least 4 members are present, and
- ii) At least 3 of the members present are Essex County Council members.

Term of Office

The Term of Office may be extended by up to six months if considered necessary for the purpose for the appointment process, for example, due to the timing of local authority elections, with the agreement of the Director for Essex Pension Fund.

Any PSB Member may be re-appointed for further terms following the appropriate appointment process.

A Member may resign by giving notice to the Director for Essex Pension Fund and shall cease to be qualified to be a member of the PSB if they cease to hold the office or employment which qualifies them for the role.

Role and Function

The PSB will exercise on behalf of the Council all of the powers and duties of the Council in relation to its functions as Administering Authority of the Essex Pension Fund except where they have been specifically delegated by the Council to another Committee or to an Officer. Its principal aim is to consider pensions matters with a view to safeguarding the interests of all pension fund Members. In doing so, the PSB will take account of advice from the Director for Essex Pension Fund and the Fund's professional Advisers.

The role of the PSB will include the following specific functions:

- (i) to monitor and oversee the work of the Essex Pension Fund Investment Steering Committee (ISC) through its quarterly reports;
- (ii) to ensure the proper administration of the Fund, including compliance with the Local Government Pension Scheme (LGPS) and other legislation, ensuring that it delivers best value and compliance with statutory and non-statutory best practice guidance where considered appropriate;
- (iii) to determine, review and monitor the Fund's aims, objectives, strategies, compliance statements and procedures relating to the funding strategy, including approving its Funding Strategy Statement;
- (iv) to make arrangements for the actuarial valuation, ongoing monitoring of liabilities and to undertake any asset/liability and other relevant studies as required;
- (v) to determine, review and monitor the Fund's policy in regard to Employer admission and cessation arrangements;
- (vi) to determine, review and monitor the Fund's other aims, objectives, policies, strategies, compliance statements and procedures for the overall management of the Fund, including but not limited to administration, communications and governance;

- (vii) to determine how the various Administering Authority discretions are operated for the Fund;
- (viii) to agree Administering Authority responses to consultations by Central Government, professional and other bodies;
- (ix) to consider any views expressed by employing organisations and staff representatives;
- (x) to both appoint and terminate the appointment of the Fund's advisers, including actuaries, governance advisers and specialist lawyers (where required) and periodically to review those arrangements;
- (xi) to agree the Fund's business plans and monitor progress against them;
- (xii) to consider the Fund's financial statements and to approve an Annual Report on the activities of the Fund in line with legislation and guidance; and
- (xiii) to agree a Knowledge and Skills Strategy and ensure its requirements are adhered to.

No matters relating to Essex County Council's responsibilities as an Employer participating in the Essex Pension Fund are delegated to the PSB.

Officers

The PSB may delegate a range of its functions to one or more officers of the Administering Authority. The PSB will be responsible for outlining expectations in relation to reporting progress of delegated functions back to the PSB. Any delegations the PSB makes to Officers should be notified to the Council's Monitoring Officer.

Chairman

- (i) Only members of Essex County Council may be the Chairman and Vice Chairman.
- (ii) The Chairman will be elected by the County Council at the annual meeting.
- (iii) The Vice-Chairman will be elected annually by members of Essex County Council at the PSB.

Training

The Essex Pension Fund has a dedicated Knowledge and Skills Strategy which applies to all members of the PSB and which includes the expectation to attend regular training sessions in order they may maintain an appropriate level of knowledge and skills to perform their role effectively.

Remuneration

Any Co-optee to the PSB who is not an employee, Officer or Member of their appointing organisation and who is not otherwise entitled to payment for time spent on the role is entitled to claim an allowance in accordance with Appendix 2.

The agreed allowance to be paid is £16.08 per hour to include reasonable preparation time. Therefore it is considered that the following can be claimed:

- PSB attendance - up to four hours which includes preparation time = £64.32 per meeting
- ISC attendance - up to four hours which includes preparation time = £64.32 per meeting
- ISC Strategic meeting attendance - up to six hours which includes preparation time = £96.48 per meeting
- Extra activities = £16.08 per hour which includes:
 - attendance at internal training events hosted by Essex Pension Fund;
 - attendance at and preparation for Task and Finish Groups; and
 - attendance at and preparation for the Appointments Panel, as part of the Essex Pension Fund Advisory Board (PAB) appointments process.

This allowance does not include time spent on external training or observing at Essex Pension Fund Advisory Board meetings.

Essex Pension Fund Advisory Board

Members of the Essex Pension Fund Advisory Board (PAB) are permitted to attend the PSB, including during any items of private business. Comments may also be made by these persons subject to permission to speak being granted by the Chairman. In accordance with the Fund's Conflicts of Interest Policy, a member of the PAB may be asked to leave the room during an item where they have a potential conflict of interest.

8.1.5 Essex Pension Fund Investment Steering Committee

Membership: There are nine Members of the Investment Steering Committee (ISC).

All ISC Members shall be drawn from Essex Pension Fund Strategy Board (PSB) membership as follows:

Members	How Nominated or Appointed
7 Members of the Council (voting members)	All Council members of the PSB
1 Member representing Employers in Essex (non-voting member)	The Member of the PSB nominated by Essex Borough, City and District Leaders/Chief Executives

1 Member representing Scheme Members (non-voting member)	The Member of the PSB nominated to represent Scheme Members
----------------------------------------------------------	-------------------------------------------------------------

The Chairman and Vice-Chairman of the ISC shall be the Chairman and Vice-Chairman of the PSB respectively.

Quorum

A meeting of the ISC shall only be quorate when there are three voting members present.

Term of Office for non-voting members

The Term of Office for non-voting members is as follows:

Members	Term of Office
The Member of the PSB nominated by Essex Borough, City and District Leaders/Chief Executives	4 years from the date of appointment
The Member of the PSB nominated to represent Scheme Members	6 years from date of appointment

The Term of Office for non voting members may be extended by up to six months if considered necessary for the purpose for the re-appointment process, for example, due to the timing of local authority elections, with the agreement of the Director for Essex Pension Fund.

Any ISC non-voting Member may be re-appointed for further terms following the appropriate appointment process in line with the PSB.

A Non-voting Member may resign by giving notice to the Director for Essex Pension Fund or Leader of the Council and shall cease to be qualified to be a member of the ISC if they cease to hold the office or employment which qualifies them for the role.

Role and Functions

- (i) to approve and review the asset allocation benchmark for the Fund;
- (ii) to determine, review and monitor the Fund's aims, objectives, policies, strategies and procedures relating to investment of the Fund's assets including the Investment Strategy Statement and any Environmental, Social and Governance (ESG) matters;
- (iii) to appoint and terminate Investment Managers (in relation to non-pooled assets), Custodians and Advisers to the Fund solely relating to investment matters;
- (iv) In relation to the LGPS ACCESS Pension Fund Pool;

- a. to consider pooling matters including recommendations by the ACCESS Joint Committee;
 - b. to determine the transition of the assets held by Essex Pension Fund in relation to the Pool and the funds or sub-funds operated by the Operator;
 - c. to appoint the elected Councillor for Essex County Council (ISC Chairman) to the Joint Committee as and when required with the ISC Vice Chairman, or any other Member, able to deputise in their absence;
 - d. to advise the representative on the Joint Committee on such matters as may be required;
 - e. to monitor the performance of the LGPS ACCESS Pool and its Operator and recommending actions to the ACCESS Joint Committee or ACCESS Support Unit, as appropriate;
 - f. to receive and consider reports from the LGPS ACCESS Joint Committee and the Operator;
 - g. to undertake any other decisions or matters relating to the operation or management of the LGPS ACCESS Pool as may be required.
- (v) to assess the quality and performance of each Investment Manager and the relevant ACCESS Operator annually in conjunction with Essex Pension Fund investment advisers and the Section 151 Officer;
- (vi) to monitor compliance of the investment arrangements with the Investment Strategy Statement;
- (vii) to monitor and review the Fund's compliance with the LGPS Scheme Advisory Board adopted Code of Transparency and UK Stewardship Code;
- (viii) to assess the risks assumed by the Fund at a global level as well as on a manager by manager basis;
- (ix) to approve and to review annually the content of the Pension Fund Treasury Management Strategy; and
- (x) to submit quarterly reports on its activities to the PSB.

Training

The Essex Pension Fund has a dedicated Knowledge and Skills Strategy which applies to all members of the ISC and which includes the expectation to attend regular training sessions in order they may maintain an appropriate level of knowledge and skills to perform their role effectively.

Essex Pension Fund Advisory Board (PAB)

Members of the PAB are permitted to attend the ISC, including during any items of private business. Comments may also be made by these persons subject to

permission to speak being granted by the Chairman. In accordance with the Fund's Conflicts of Interest Policy, a member of the PAB may be asked to leave the room during an item where they have a potential conflict of interest.

8.1.6 The Essex Pension Fund Advisory Board

1. Introduction

The Essex Pension Fund Advisory Board was appointed by Essex County Council (the Scheme Manager and Administering Authority to Essex Pension Fund) on 10 February 2015 as its Local Pensions Board in accordance with section 5 of the Public Service Pensions Act 2013 and Part 3 of the Local Government Pension Scheme (LGPS) Regulations 2013. As such, Parts 3 and 4 of the Constitution of Essex County Council do not apply to this Pension Fund Advisory Board unless expressly referred to within and permitted by these Terms of Reference and Rules of Procedure. The Pension Fund Advisory Board is referred to in these terms of reference as 'the Board'.

In these terms of reference:

"CoP" means any Code of Practice on Governance issued by TPR

"EPF" means the Essex Pensions Fund

"ISC" means the Essex Pension Fund Investment Steering Committee

"LGPS" means the Local Government Pension Scheme

"PSB" means the Essex Pension Fund Strategy Board"

"Scheme Manager", "Council" and "ECC" means Essex County Council

"TPR" means The Pensions Regulator

"Member" means a member of the Board

"Board" means the Essex Pension Fund Advisory Board.

The Board will exercise all its powers and duties in accordance with legislation and these Terms of Reference and Rules of Procedure. The Board shall have the power to do anything which is considered to facilitate, or is conducive or incidental to, the discharge of its functions.

2. Appointment and Membership of the Board

(A) The Board shall consist of nine Members and will be constituted as follows:

Members	How Nominated or Appointed
4 Employer representatives made up of one from each of the following groups of Employers in the Fund:	ECC (an elected Member)
	The District, City and Borough Councils of Essex (an elected Member)
	Southend-on-Sea City and Thurrock Unitary Authorities (an elected Member)
	All other Employers

4 Scheme Member representatives of which:	One will be nominated by the trade unions
	The rest will be drawn from the total Fund's active, deferred and pensioner membership
1 Independent Chairman	Through appointment process

(B) The Employer representatives in 2(A) above will be appointed by the respective authorities referred to in each of those clauses.

(C) The Other Employer representative as per clause 2A above, and Scheme Member representatives, and the Independent Chairman will be appointed through a clear and transparent process as determined by an Appointments Panel which will consist of:

- (i) the Chairman of the PSB
- (ii) the Scheme Member representative from the PSB
- (iii) the Director for Essex Pension Fund

and will be advised by the Independent Governance and Administration Adviser for EPF.

The Appointments Panel will also be supported by Officers of the EPF as considered as appropriate by the Appointments Panel.

The Appointments Panel will define any eligibility and/or selection criteria that will apply to Board Members within the scope of this procedure, beyond those already included in these Terms of Reference and Rules of Procedure, having due regard to the LGPS Regulations and any other relevant Code of Practice and guidance. The Appointments Panel will have the power to appoint or reject any nomination or applicant where they consider the individual does not meet the eligibility and/or selection criteria. Should any of the Appointments Panel members be unable to undertake their responsibilities they, or the remainder of the Appointments Panel in their absence, may delegate a suitable alternate to undertake Appointments Panel responsibilities on their behalf.

(D) Where any Employer, other than ECC, has a representative on the PSB or ISC, that Employer will not be permitted to also have a representative on the Board.

(E) No Officer of ECC who is either responsible for discharging any function in relation to the LGPS regulations or has delegated decision-making authority in relation to LGPS matters may be a member of the Board.

(F) No member of the PSB or ISC may be appointed to the Board.

(G) All Scheme Member and Employer representatives must have the capacity to represent their EPF Members and Employers as appropriate

(H)The Board shall appoint a Vice Chairman annually from amongst its Members at the first meeting of the Board after each annual meeting of the Council. This will be done by a nomination process followed by a show of hands from those in attendance at that first meeting.

3. Quorum and Meetings of the Board

(A) A meeting of the PAB shall only be quorate when:

i) 4 Members are present including at least the Chairman or Vice-Chairman, 1 Employer representative and 1 Scheme Member representative.

A meeting that is (or becomes at any point) inquorate will only continue if the Chairman (or Vice-Chairman) decides it should and in relation to items of business as agreed by the Chairman (or Vice-Chairman). Attendance will be recorded and monitored by the EPF.

(B) Substitutes will not be permitted.

(C) Meetings will normally be held at the offices in County Hall, Chelmsford offering a Hybrid approach allowing Members to dial in via telephone/video conferencing facilities.

(D)Following such procedure as determined by the Chairman, urgent business of the Board between meetings may in exceptional circumstances between Members of the Board including telephone/video conferencing and e-mails.

(E) The Board will normally meet four times in each calendar year and must meet a minimum of twice in each calendar year.

(F) It is expected that voting by the Board will only be in exceptional circumstances and the Board will, as far as possible, reach a consensus. Each Scheme Member representative and Employer representative will be entitled to vote where voting is considered necessary by the Chairman.

(G) Where voting is considered necessary by the Chairman, in the event of an equal number of votes being cast for or against a proposal, there shall be no casting vote but the proposal shall be considered to have been rejected.

(H)The results of any voting outcomes will be recorded in the Board meeting record.

(I) The Independent Chairman of the Board will not be entitled to vote.

(J) Meetings of the Board are not open to the general public. The following will be entitled to attend Board meetings as observers and may be asked to present information or answer questions by the Board. Comments may also be made by these persons subject to permission to speak being granted by the Chairman:

- i. Members of the PSB and ISC
- ii. The Executive Director, Corporate Services (Section 151 Officer), the Director for Essex Pension Fund, the other Officers holding managerial positions for EPF, and the Monitoring Officer
- iii. Other Officers or Advisers of the EPF or the Scheme Manager with responsibilities in relation to matters being considered by the Board or providing support to the Board including carrying out the administration for the Board
- iv. Other Employers participating in the EPF subject to approval in advance by the Chairman, or on request of the Chairman
- v. Any other person requested to attend by the Chairman
- vi. Any other person subject to approval in advance by the Chairman.

4. Term of Office

(A) Employer representative appointments will expire after a period of four years from the date of establishment of the PAB or the date of their appointment if later. This period may be extended to up to six years if agreed by the Director for Essex Pension Fund. It will automatically cease if the individual is no longer in the employment of that employer, no longer holds office in relation to that employer or is no longer an elected member of that employer, as appropriate.

(B) Scheme member representative appointments will expire after a period of four years from the date of establishment of the PAB or the date of their individual appointment if later. This period may be extended to up to six years if agreed by the Director for Essex Pension Fund. It will automatically cease if the individual is no longer a trade union representative or representative of EPF members (in accordance with the criteria set by the Appointments Panel).

(C) The Independent Chairman's appointment will expire after a period of four years from the date of establishment of the PAB or the date of their individual appointment if later. This period may be extended to up to six years if agreed by the Appointments Panel.

(D) Any Board member, including the Independent Chairman, may be reappointed for further terms following an appointment process.

(E) The Term of Office may be extended by up to six months if considered necessary for the purpose of the appointment process, for example, due to

the timing of local authority elections, with the agreement of the Director for Essex Pension Fund.

(F) In relation to Scheme Members representatives who are appointed by the Appointments Panel, other than ceasing to be eligible (as set out above) a Board member may only be removed from office during the Term of Appointment by the unanimous agreement of the Appointments Panel. Such reasons may include non-compliance with this Terms of Reference and Rules of Procedure including inappropriate conduct, conflicts of interest, avoidance of training or low meeting attendance, not having the capacity to represent their members or for any other reason not meeting the criteria required to be a Board member.

(G) The removal of the Independent Chairman requires unanimous agreement from the Appointments Panel.

5. Role and Functions of the Board

The Board has the following roles and functions:

(A) To assist the Scheme Manager:

- to secure compliance with the LGPS regulations and any other legislation relating to the governance and administration of the LGPS
- to secure compliance with requirements imposed in relation to the LGPS by TPR

(B) To assist the Scheme Manager to ensure the effective and efficient governance and administration of the LGPS for the EPF.

In doing this, the Board:

- a) shall assist the Scheme Manager with such matters as the LGPS regulations and guidance may specify.
- b) shall be a “critical friend” to the PSB and the ISC.
- c) may provide oversight of decisions made by the PSB and ISC to ensure that due process has been followed.
- d) may review any decision made by or on behalf of the Scheme Manager or any action taken by the Scheme Manager.
- e) shall comment on and assist in identifying and managing breaches of the law in relation to EPF matters where required.
- f) at the invitation of the PSB, may also undertake other tasks, including (but not limited to):

- assisting the PSB by reviewing aspects of the performance of the EPF – for example by reviewing the risk management arrangements

within EPF (although the PSB will remain accountable for risk management);

- reviewing administration standards or performance or review efficacy of EPF Member and Employer communications;

- reviewing published policies to ensure they remain fit for purpose and are complete;

- reviewing EPF annual reports;

- being part of any consultation process with the purpose of adding value to that process based on, for example, their representation of Employers and EPF Members;

- discussing strategic matters such as communications where requested by the PSB.

- g) shall provide such information as is requested to other bodies including but not limited to the LGPS Scheme Advisory Board and TPR and provide an annual report of the work of the Board to the Scheme Manager.

- h) will prepare a record of each meeting which will normally be published no later than 12 working days following the meeting using the appropriate systems of the Scheme Manager.

- i) must provide a record of each meeting to the following PSB meeting and may make reports and recommendations to the PSB insofar as they relate to the role of the Board (see "Reporting and Escalation").

The Board is not a decision-making body in relation to the management of the EPF but makes recommendations to assist in such management. The EPF's management powers and responsibilities which have been, and may be, delegated by the Council to committees, sub-committees and officers of the Council, remain solely the powers and responsibilities of those committees, sub-committees and officers. The Board operates independently of the Essex PSB.

Though members of the Board include representatives of specific categories of stakeholder (i.e. pension Scheme Members and categories of Employers within the EPF) each Member is required to have due regard to this document. All Members Board are expected to work jointly in the best interest of EPF, rather than representing the interest of any individual stakeholders or organisations. This should not prevent Members from sharing their knowledge on how matters might impact specific stakeholders of the EPF.

6. Chairing

The role of the Chairman is to:

(A) Ensure that all Members show due respect for process, that all views are fully heard and considered and that decisions are democratically made where consensus cannot be reached.

(B) To uphold and promote the purpose of the Board and to interpret its Terms of Reference and Rules of Procedure when necessary.

(C) Ensure that Members have the facilities and make appropriate efforts to achieve the knowledge and skills as determined in the EPF Knowledge and Skills Strategy and other guidance or legislation and ensure a training record is monitored and maintained.

(D) Act as professional adviser for the Board or arrange such advice as required to be provided subject to agreement by the Director for Essex Pension Fund.

(E) Agree the agenda for each Board meeting.

(F) Approve records of each Board meetings.

(G) Ensure an attendance record is maintained to allow the Scheme Manager to make arrangements for remuneration and expenses to be paid.

(H) Agree with the Scheme Manager an appropriate budget for the Board, which is ratified by the Board before being formally approved by the Scheme Manager along with the EPF Annual Budget.

(I) Write reports required by the Scheme Manager on the work of the Board.

(J) Liaise with the Director for Essex Pension Fund on the requirements of the Board, including advanced notice for Scheme Manager officers to attend and arranging dates and times of Board meetings.

(K) To provide guidance on all points of procedure and order, and the Chairman's interpretation of these Terms of Reference and Rules of Procedure shall be final.

(L) Other tasks which may be deemed appropriate by the Scheme Manager for the Chairman of the Board.

(M) To commission advice or work on behalf of the Board.

(N) To liaise with the Chairmen of the PSB and ISC as deemed appropriate.

(O) Other tasks that may be requested by the members of the Board, within the remit of these Terms of Reference and Rules of Procedure and subject to agreement with the Director for Essex Pension Fund.

(P) To annually review and report on the activities of the Board.

7. Reporting and Escalation

(A) Where the Board wish to make a recommendation to the PSB or ISC they should do so in writing to the Director for Essex Pension Fund. The recommendation will normally be considered at the next available meeting of the body concerned. The next available meeting will normally be the first meeting which takes place 20 days after the recommendation is issued.

(B) As permitted by clause 2, the Board may review any decision made by or on behalf of the Scheme Manager or any action taken by the Scheme Manager. Where the Board has reviewed a decision or action and believe the wrong decision has been made or wrong course of action has been taken and wish this decision or action to be escalated, the following process shall be followed:

Stage 1: The Board may refer a decision or action to the original decision maker or responsible person if at least 3 employer representatives and 3 scheme member representatives believe that one or more of the following applies:

1. the decision maker/responsible person was not authorised to make the decision or take the action in question;
2. the decision/action was in breach of legislation and/or regulations;
3. the decision maker/responsible person did not follow professional advice given (or did not take professional advice) and it is believed that this could result in a materially bad outcome for the EPF;
4. the approach to making the decision or take the action did not follow one or more of the following principles:
 - (i) the decision-maker/responsible person did not ask themselves the right question(s);
 - (ii) the decision-maker/responsible person did not direct themselves correctly in law; in particular did not adopt a correct interpretation of the legislation and regulations relevant to the EPF;
 - (iii) the decision-maker/responsible person did not take into account all relevant facts;
 - (iv) the decision-maker/responsible person arrived at a perverse decision or took a perverse action (i.e. a decision or

action which no reasonable decision-maker/responsible person could have reached)

5. New material has come to light that might have resulted in a different outcome provided that the original decision or action has not yet been irrevocably implemented.

Stage 2: If the Board is dissatisfied with the response of the decision maker/appropriate person, it will seek the advice of the Director for Essex Pension Fund (unless the Director was the original decision maker).

Stage 3: Where the decision-maker/appropriate person in question is the Director for Essex Pension Fund and the Board remains dissatisfied with the response or resolution from the Director for Essex Pension Fund it will seek the joint advice of the ECC's section 151 Officer and ECC's Monitoring Officer.

Stage 4: Where the Board remains dissatisfied with the joint response from the Executive Director, Corporate Services and ECC's Monitoring Officer. The Board will seek the advice of the National LGPS Advisory Board (and shall inform the Director for Essex Pension Fund, ECC's section 151 Officer and ECC's Monitoring Officer that it has done so)

8. Standards and Conflicts of Interest

A conflict of interest is defined in the Public Service Pensions Act 2013 as: "in relation to a person, means a financial or other interest which is likely to prejudice the person's exercise of functions as a member of the board (but does not include a financial or other interest arising merely by virtue of membership of the scheme or any connected scheme)."

(A) Members shall comply with the EPF Conflicts of Interest Policy insofar as it relates to Members.

(B) Members of the Board must provide, as and when requested by the Scheme Manager, such information as the Scheme Manager requires to identify all potential conflicts of interest and ensure that any member of the Board or person to be appointed to the Board does not have a conflict of interest at appointment or whilst a member of the Board.

(C) Part 24 of the ECC's Members' Code of Conduct shall apply in relation to the standards of conduct of Members insofar as they can be reasonably considered to apply to the role of members of the Board, including the non-disclosure of confidential information.

(D) Members must adhere to the requirements of the EPF Procedure for Monitoring and Reporting Breaches of the Law and should be mindful of the individual legal requirements in relation to reporting breaches of the law in relation to EPF matters.

9. Knowledge and Understanding

Under the requirements of the Public Service Pensions Act 2013, Members must be conversant with:

- a) the legislation and associated guidance of the LGPS, and
- b) any document recording policy about the administration of the LGPS which is adopted by the EPF.

In addition, a Members must have knowledge and understanding of:

- The law relating to pensions, and
- Any other matters which are prescribed in regulations.

It is for individual Members to be satisfied that they have the appropriate degree of knowledge and understanding to enable them to properly exercise their functions as a Member.

In line with this requirement Members are required to be able to demonstrate their knowledge and understanding and to refresh and keep their knowledge up to date. Members are therefore required to:

- participate in training events (a written record of relevant training and development will be maintained)
- undertake a personal training needs analysis or other method to identify gaps in skills, competencies and knowledge.
- Comply with the EPF Knowledge and Skills Strategy insofar as it relates to Members.

10. Remuneration and Expenses

(A) Subject to (B) below, an allowance may be made to Scheme Member representatives for attending meetings relating to Board business at a rate of £16.08 per hour, in line with the PSB Co-optee allowance at Appendix 2.

This allowance includes reasonable preparation time. Therefore it is considered that the following can be claimed:

- PAB attendance - up to four hours which includes preparation time = £64.32 per meeting
- Extra activities = £16.08 per hour which includes:
 - attendance at internal training events hosted by EPF; and
 - attendance at and preparation for Task and Finish Groups.

This allowance does not include time spent on external training events or observing at PSB or ISC meetings.

(B) It is hoped that Employers of Members who represent people who are members of the pension scheme will provide appropriate capacity to allow the representative to perform this role within their normal working day without any reduction in pay or leave. If that is the case, the representative will not be entitled to any allowance.

(C) Employer and pension scheme member representatives shall be entitled to claim travel and subsistence allowances at the rates contained in the Schedule of Member Remuneration in Scheme Manager's Constitution.

(D) The Chairman shall be paid remuneration and expenses as determined by the Appointments Panel. The Chairman will be expected not to claim all or part of the remuneration if the duties are carried out within their normal working day of other paid employment without any reduction in pay.

11.Receipt of advice and information

The Board will be supported in its role and responsibilities by the Independent Chairman and by EPF Officers who will provide a secretariat role. In addition, Board Members will receive the final reports, minutes and agendas relating to all PSB and ISC and may attend PSB and ISC meetings (including during exempt items).

Insofar as it relates to the role of the Board, the Board may also:

- (A) request and receive information and reports from the PSB, ISC or any other body or officer responsible for the management of the EPF,
- (B) examine decisions made or actions taken by the PSB, ISC or any other body or officer responsible for the management of the EPF,
- (C) may attend all or any part of a PSB or ISC meeting (including during exempt items) unless they are asked to leave as a result of a conflict of interest.

The Secretariat will provide such information as is requested that is available without unreasonable work or costs. Any requests for information and advice that have not been provided by the Secretariat are subject to the approval of the Director for Essex Pension Fund who will be required to consider positively all reasonable requests in relation to the role of the Pension Board whilst being mindful of value for money.

12.ACCESS Joint Committee

The ACCESS Joint Committee operates on the basis member authorities have a limited number of opportunities to send observers to observe those parts of the meetings of the Joint Committee which are held in private (as a statutory joint committee the public are entitled to attend unless excluded in accordance with the law). The Scheme Manager currently allows Members some of its slots to observe the meetings.

Any Member who observes an ACCESS meeting is expected to the Board at the next available meeting.

No information regarding the ACCESS Joint Committee Part 2, (exempt or confidential business), may be released outside of the ACCESS Joint Committee meeting or meeting of the Board.

12.Administration

The Chairman will agree an agenda with the Secretariat prior to each Board meeting. The agenda and any papers for the Board will be issued at least 5 working days (where practicable) in advance of the meeting except in the case of matters of urgency. Draft records of each meeting including all actions, decisions and matters where the Board was unable to reach a decision will be drafted and normally circulated to all Board members within 12 working days after the meeting. These draft records will be subject to formal agreement by the Chairman taking consideration of comments by Board members (which may be done electronically between meetings).

The records of the meetings may, at the discretion of the Chairman, be edited to exclude items on the grounds that they would either involve the likely disclosure of exempt information as specified in Part 1 of Schedule 12A of the Local Government Act 1972 or it being confidential for the purposes of Section 100A (2) of that Act.

The Board must comply with the General Data Protection Regulation and the Scheme Manager's data protection policy. It must also adhere to the Scheme Manager's requirements, controls and policies for Freedom of Information Act compliance.

13.Accountability

The Board will collectively and individually be accountable to ECC, as the Scheme Manager to the EPF.

14.Review, Interpretation and Publication of Terms of Reference and Rules of Procedure

These Terms of Reference and Rules of Procedure have been agreed by ECC. The Council will monitor and evaluate the operation of the Board and may review this Terms of Reference and Rules of Procedure from time to time.

These Terms of Reference and Rules of Procedure is incorporated into the Council's Constitution and published on the Council's website and may be amended by the same means as permitted for the Constitution. It will also form part of the EPF's Governance Policy and Compliance Statement which will be made available in accordance with the requirements of the LGPS Regulations.

15.Publication of Board information

In accordance with the Public Service Pensions Act 2013, Essex County Council is required to publish information about the Board including:

- who the Board Members are
- representation on the Board
- the role of the Board.

In accordance with good practice, ECC may publish other information relating to the Board as considered appropriate from time to time and which may include:

- the agendas and meeting records
- training and attendance logs
- an annual report on the work of the Board.

All or some of this information may be published using the following means or other means as considered appropriate from time to time:

- on the EPF website – www.essexpensionfund.co.uk
- on the ECC website – <http://www.essex.gov.uk>,
- within the EPF Annual Report and Accounts,
- within the EPF's Governance Policy and Compliance Statement.

Information may be excluded on the grounds that it would either involve the likely disclosure of exempt information as specified in Part 1 of Schedule 12A of the Local Government Act 1972 or it being confidential for the purposes of Section 100A(2) of that Act.