



Finance Working Party

Minutes of a meeting held on Wednesday 28 March 2012 at 7.40 pm, Room CHG2, East Northamptonshire House, Thrapston

Present:

Councillors: Steven North (Chairman)
David Brackenbury
Roger Glithero JP
Glenvil Greenwood-Smith
Richard Lewis

Officers: David Oliver (DO)
Sharn Matthews (SM)
Glenn Hammons - (GH) CFO
Katy Everitt (KE)
Keith Osborne (KO) (minutes)

Action

1.0 MINUTES

1.1 The minutes of the meeting held on 11 January 2012 were received and approved.

2.0 APOLOGIES

2.1 Councillor Philip Hardcastle sent his apologies.

3.0 DECLARATIONS OF INTEREST

3.1 There were no declarations.

4.0 OPPORTUNITIES FOR FURTHER BUDGET REDUCTIONS

4.1 DO presented a paper to the working party setting out the suggestions for further budget reductions through cost savings, efficiencies and revenue generation made by members at the budget/Medium Term Financial Strategy (MTFS) workshop on 19 January 2012:-

- Reducing ICT costs
- Extend existing ICT shared service to other partners
- More shared services
- Outsourcing more services
- Another management restructure
- Better use of the telephone system
- A line-by-line review of the accounts to identify further opportunities for cost reduction

- Increased revenues (for example from charging for disposal of commercial waste)
- Reducing Members' allowances (especially for 'twin-hatters')
- Reviewing office space with a view to sub-letting part of it.

The paper also summarised the work already being done by officers to deliver cost savings, and reinforced the need to continue the work on finding additional budget reductions in the light of the risks outlined in the MTFs. GH emphasised the importance of maintaining the momentum as budget reductions/income generation would have to be considered over several years.

4.2 Members considered the observations made in the paper on each of the suggestions and commented as follows:-

- Reducing ICT costs/Extending the ICT shared service to other partners - It was recognised that options were limited or not feasible, but the council would continue to work with the Borough Council of Wellingborough (BCW) to drive efficiencies in the service. The Scrutiny Committee would be reviewing the process for capital budgeting. No other actions were identified by the working party under this head.
- Shared Services/Outsourcing - Apart from the areas identified in the paper, members did not highlight any other areas for exploration, although they noted that CMT would continue to identify and pursue shared service arrangements where it was likely to increase capacity/improve capability and/or save money.
- Review of senior management structure - The working party compared the council's structure with that of other neighbouring councils and noted that the costs of the council's management team were 28% lower on average than the costs of the other 7 councils for which relevant information was available, with the costs of only Melton Borough Council (with a smaller population) lower than ENC. No action was proposed on a further restructure at this stage as it was felt that continual reviews were not helpful to the delivery of the other actions proposed.
- Better use of the telephone system - all members present did not favour the use of Automated Call Handling which, it felt, would reduce the flexibility provided by the current arrangements (as seen in the response to the waste collection changes) or would be seen as positive change by customers.
- Reducing members' allowances/the number of members - After consideration, the working party considered it was not appropriate, at this stage, to pursue reduced allowances or a reduction in the number of councillors. It was noted that the last review had increased the number of councillors.
- Increased revenues - It was noted that a report on the charges for disposal of commercial waste would be submitted to the Waste and Recycling Working Party and the sale of 'compostable' bags for food waste was being investigated; members accepted that the council's policy regarding free car parking should not be changed
- Office space - The working party felt strongly that the renting of office space in the red brick building should be pursued and that the future of the Rushden Centre should also be examined in greater detail. It did not want to see the vacant space being reserved entirely for business continuity purposes. It was acknowledged that the proposals for the red brick building could put pressure on car parking provision.

4.3 It was

RESOLVED TO RECOMMEND:

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| (1) | That papers on the renting of office space in the red brick building and the future of the Rushden Centre be submitted to the working party as soon as possible. | KE
SP |
| (2) | That the working party review the earlier list of options for savings at its next meeting. | DO
SP |
| (3) | That a further workshop be held for all members to discuss options. | SN/DO |

5.0 ASSET MANAGEMENT - SALE OF BUILDINGS AND LAND - PROGRESS UPDATE

5.1 Further to minute 8.1 of the last meeting, KE submitted report on the progress made in relation to the sale of council owned buildings and land. An officers' project team had been formed to consider - for all of the sites identified at that meeting - the following issues:-

- financial consideration
- potential future use
- identified risks
- legal considerations
- marketing of the site
- planning considerations
- storage issues (where the Council currently has items stored on the site)
- timescale for sale
- other known matters.

5.2 Members noted the observations assembled by the project team and in particular, the risks and issues relating to the Herne Park site. The working party asked that a progress report on the sites be made to each meeting of the working party. It also agreed that the list of assets be reviewed again for early identification of the next phase of possible disposals. **KE/SP**

6.0 MANOR CLOSE & COSY NOOK, THRAPSTON

6.1 SM reported that NCC had been asked whether it would treat with the council for the acquisition of the site at Manor Close, Thrapston, for the purpose of temporary car parking. NCC wished to market the site for residential development, to realise the optimum return. The working party accepted that no further action could be taken.

6.2 There had been two expressions of interest in the rental of the council's site at Cosy Nook, Thrapston. Before the site could be offered, it would be necessary to undertake some works. The capital cost and any possible invest to save business case would be reported to the next meeting. **SM
SP**

7.0 HOME COURT, THRAPSTON

7.1 The working party considered a report from the Housing Strategy Manager on the potential sale of land at Thrapston to Spire Homes. The company owned and

managed a 14 unit sheltered housing scheme at Home Court, Thrapston and was considering options for the redevelopment of the site. Six bungalows were proposed on the Spire Homes owned land but Spire Homes also wished to build four on part of the council's car park adjoining the Co-op store.

7.2 Members recognised that the sale of the land would generate a capital receipt and noted the possible amount, although a formal valuation was required. It would also mitigate an overall potential reduction in New Homes Bonus of from 8 to 4 homes if the option involving the sale of council land was chosen.

7.3 However, members were mindful of the loss of car parking spaces and the views of the Ward Members. It was acknowledged that the position regarding parking provision in Thrapston was unclear at present and could be altered following the determination of planning applications for supermarket proposals in the town.

RESOLVED TO RECOMMEND:

That Spire Homes be told that consideration will be given to the sale of the land following clarification of the overall parking provision in Thrapston following determination of planning applications for supermarket development in the town. (In this circumstance Spire Homes may wish to consider submitting a planning application for 10 homes at this stage). .

CH

8.0 LOAN TO NASSINGTON & YARWELL BURIAL BOARD

SM

8.1 Members considered a request from Nassington and Yarwell Burial Board for a loan of £4000 at no interest to enable it to extend the cemetery. The Board believed that its request had been considered and approved at officer level during 2011 but NCC required archaeological investigations before proceeding and the matter had been delayed. The Board had now asked for clarification regarding the loan.

8.2 In the light of this council's financial situation, the working party discussed the principle of offering an interest-free loan and also whether loans should be offered to bodies which did not precept. It was felt that the council should have a policy to cover such applications and consider delegation to the Chief Finance Officer or Head of Finance.

8.3 In this case, the working expressed the view that it would be preferable for the loan to be given to the respective parish councils and it was

RESOLVED TO RECOMMEND:

(1) That the Nassington and Yarwell Burial Board be advised that it should approach the two parish councils for an application to be made on its behalf but that any loan would be subject to an interest rate equivalent to that charged by the Public Works Loan Board.

KE

(2) That a paper be submitted to the Policy and Resources Committee to establish a policy regarding loans to community groups and appropriate delegation to officers to administer a scheme.

KE/SM

9.0 NENE CENTRE ROOF

- 9.1 KE submitted a paper providing an update on the replacement of the Nene Centre Roof. It was noted that one option put forward was not a "like-for-like" proposal and that the cost of this would significantly exceed the provision in the capital budget. Members made it clear that the council should restrict its expenditure to that contained in the approved capital budget and that the paper and the view of the working party should be drawn to the attention of the members who had been authorised to deal with the procurement issues relating to the Nene Centre Roof.

KE