



Finance Sub-Committee

Minutes of a meeting held on Monday 18 December 2017 at 7.00pm, East Northamptonshire House, Thrapston

Present: Councillors: Steven North (Chairman)
David Brackenbury
Glenvil Greenwood-Smith
Richard Lewis

Councillor Peter Wathen attended the meeting as an observer.

Officers: David Oliver (Chief Executive)
Sharn Matthews (Executive Director)
Glenn Hammons (Chief Finance Officer)
Greg Macdonald (Head of Economic and Commercial Development)
Julia Smith (Head of Community and Customer Services)
Michelle Drewery (Finance Manager)

1.0 APOLOGIES FOR ABSENCE

1.1 Apologies for absence were received from Councillors Roger Glithero and David Jenney.

2.0 MINUTES

2.1 The minutes of the meeting of the Finance Sub-Committee held on 13 November 2017 were approved and signed by the Chairman.

3.0 DECLARATIONS OF INTEREST

3.1 No interests were declared.

4.0 QUESTIONS UNDER PROCEDURE RULE 10.3

4.1 There were no questions submitted under Procedure Rule 10.3.

5.0 DRAFT MEDIUM TERM FINANCIAL STRATEGY AND PLAN

5.1 The Finance Manager presented a report setting out the Council's Draft Medium Term Financial Strategy (MTFS) and Plan (MTFP) 2018/19 to 2021/22; outlining the Revenue Budget 2018/19, Capital Programme 2018/19 to 2027/28 and Treasury Management Strategy 2018/19. This refreshed the Medium Term Financial Strategy 2017/18 to 2020/21 approved by Council in March 2017.

5.2 The MTFS 2018/19 to 2021/22 had been formulated since the announcement of the Autumn Statement 2017 and the Provisional Local Government Finance Settlement would be announced the following day. Once the settlement had been received and evaluated, Members would be advised of any significant implications for the Draft MTFS.

RESOLVED: That

the report be noted specifically the:

- Draft Medium Term Financial Strategy (MTFS)
- Draft Revenue Budget 2018/19
- Draft Capital Programme for 2018/19-2027/28

(Reason: To ensure that the Council complies with its constitution in setting its Budget)

6.0 BUDGET MONITORING TO 31 OCTOBER 2017

6.1 The Finance Manager presented a report providing an overview on the forecast revenue position against the approved budgets for the period ended 31 October 2017, highlighting any significant under or overspending and identifying the impact on the year end position. The estimated outturn for services for the year was an underspend of approximately £119,000.

6.2 The savings to date on the vacancy factor were in line with expectations to achieve the full £200,000 included in the 2017/18 budget by the end of the financial year. This would be kept under review during the course of the financial year.

6.3 The estimated underspend had arisen mainly as a result of an increase in rental income of £234,000 offset by an increase in the expected deficit in relation to the Housing Benefit Subsidy.

6.4 Within the Earmarked Reserves there was provision for Monitoring Officer costs for investigations and legal advice relating to complaints made against District and Parish Councillors. There had been a steady increase in both the number of complaints received and those referred for investigation in recent years and the existing reserve was no longer adequate to meet these costs and additional provision was required. It was noted that these costs could not be recovered from Parish Councils in respect of complaints made against their Members.

RESOLVED: That

- i) the latest revenue, capital and reserves positions for 2017/18 be noted.

(Reason: This is for information / monitoring purposes)

- ii) the collection and write off performance for sundry debtors, local taxation and benefit overpayments as set out in Appendix 3 to the report be noted.

(Reason: This is for information / monitoring purposes)

- iii) a contribution to reserves of £25,000 from the forecast underspend for 2017/18 as well as further provision of £15,000 in 2018/19 as part of the MTFS in relation to investigation and other legal costs arising from complaints against Councillors, including Town and Parish Councillors, (set out in paragraph 2.31 of the report) be approved.

(Reason: To follow the formal process for approval of use of earmarked reserves)

- iv) the removal of £450,000 from the Approved Capital Programme in respect of the ICT transformation in recognition that the classification of costs being incurred are revenue costs be approved.

(Reason: To follow the formal process for approval of the amendment to the Capital Programme Budget for 2017/18)

- v) the transfer of £2,000 from the Development Pool into the Approved Capital Programme in respect of the additional refurbishment costs to the properties at Duck Street (paragraph 3.6 and 3.7 of the report) be approved.

(Reason: To follow the formal process for approval of the amendment to the Capital Programme Budget for 2017/18)

7.0 TREASURY MANAGEMENT REPORT TO 31 OCTOBER 2017

- 7.1 The Chief Finance Officer presented a report outlining the Treasury Management position for the period ended 31 October 2017.

RESOLVED:

That the Treasury Management performance for the period to 31 October 2017 in financial year 2017/18 be noted.

(Reason: In accordance with CIPFA guidance and best practice in Treasury Management).

8.0 FUTURE VISION FOR TWYWELL HILLS AND DALES

- 8.1 The Head of Community and Customer Services presented a report seeking the adoption of a vision and action plan, including funding, for the future management of the above site owned by the Council.
- 8.2 The Woodland Trust operated one part of the site on behalf of the Council on a 399 year lease which had commenced in 1997. The remainder of the site was managed between Rockingham Forest Trust under a management agreement for recreational and educational purposes and the Wildlife Trust. Following recent difficulties, the Wildlife Trust had served notice to quit and was not actively managing the site but currently overseeing the site for health and safety purposes only.
- 8.3 The Land Trust had been requested to identify future options for the management of Twywell Hills and Dales and a copy of the report produced was submitted.

- 8.4 The Land Trust had developed a costed management plan for the site outlining the funding they deemed necessary to manage the site effectively in the future and had recommended a statement of intent for the site for consideration. The options for the site and, following a review by officers, the funding required were also reported.
- 8.5 It was estimated that there was a need for £53,500 capital investment and £41,000 revenue required per year in the future. Taking into account the existing payment made, this would equate an increase of £24,538 per year. Provision for this had been made in the 2018/19 budget to be submitted to Council on 26 February 2018.
- 8.6 It was noted that funds were available from those previously approved for work at the site which would be sufficient to cover the cost of any works to the Site of Special Scientific Interest which needed to be carried out in the 2017/18 financial year.

RESOLVED: That

- i) the following vision statement for Twywell Hills and Dales be approved:

We would like Twywell Hills and Dales to be a valued resource for our communities and visitors that provide opportunities for people to bond with nature, undertake active recreation, and understand our heritage. We want people to connect with the Hills and Dales and as a result enhance the quality of life for both current and future generations.

- ii) the preferred option for the management of Twywell Hills and Dales is:

To identify one organisation willing to operate the site on a longer term lease arrangement, requiring a long term lease in excess of 100 years. This option required investment and a commitment to help fund the operating of the site and might also require a full procurement process to be undertaken, although this could be more successful in achieving the investment in the site and the vision as stated above.

- iii) it be noted that an increase in revenue funding of £25,000 will be included in the 2018/19 budget.

(Reason: To ensure the legal compliance with SSSI standards whilst providing open spaces to our community)

9.0 ASSET MANAGEMENT STRATEGY WORKING GROUP

- 9.1 The Sub-Committee was requested to approve Terms of Reference for the Working Group which had been established in February 2017.

The Working Group had held its first meeting on 30 November 2017 and the minutes of that meeting were submitted for receipt by the Sub-Committee.

RESOLVED: That

- i) The Terms of Reference for the Asset Management Strategy Working Group attached at Appendix 1 be approved.

- ii) the minutes of the meeting of the Asset Management Strategy Working Group held on 20 November 2017 be received.

10.0 EXCLUSION OF PUBLIC AND PRESS

RESOLVED:

That the public and press be excluded from the meeting during consideration of the following item of business because exempt information, as defined under paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972, may be disclosed.

11.0 EAST NORTANTS ENTERPRISE CENTRE

- 11.1 The Head of Economic and Commercial Development presented a report providing an update on progress on the East Northants Enterprise Centre project and seeking approval for funding as the basis for acquiring a site and procuring expertise to design the building to obtain planning permission.

RESOLVED TO RECOMMEND TO FULL COUNCIL: That

- i) £1.8 million be allocated from the Council's capital reserves for site acquisition and the procurement of professional services

RESOLVED: That

- i) the acquisition of the site and the procurement of professional services be approved.
- ii) it be noted that additional financial support in the region of £3 million will be required from the Council as match funding to secure the investment needed to deliver the Enterprise Centre, and that a further report will be brought to the Sub-Committee in due course.

(Reason: To drive forward the delivery of the Enterprise Centre to the next phase of development)

Chairman



Asset Management Strategy Working Party

Terms of Reference

Purpose

1. On 6th February 2017, the Finance Sub-Committee agreed to appoint three councillors to work with officers to review the Council's remaining property assets and report back to the Finance Sub-Committee on any proposed action to be taken forward.

Membership

2. The Working Party is appointed by the Finance Sub Committee and will comprise of:
 - Councillor Steven North
 - Councillor Richard Lewis
 - Councillor David Brackenbury
3. A chair and vice chair will be appointed at the first meeting
4. The Working Party will be supported by the Head of Economic and Commercial Development and the Facilities Manager with other offices being involved where relevant and as required.

Role

5. The Working Party will meet as and when necessary to:
 - Steer and assist officers in the review of current assets;
 - Work with officers to agree a revised Asset Management Strategy and any other associated policies such as, for example, on car parking
 - Invite individuals or representatives of other organisations, consultants, contractors or advisers to attend a particular meeting, if an item of relevance is to be discussed or where particular specialist input is needed;
 - Make recommendations to the Finance Sub Committee, for example, for the approval of the revised Asset Management Strategy
6. The Working Party is not able to agree the acquisition or disposal of any assets

Meetings

7. The business of the meeting shall be set out in an agenda and notified to members of the Working Party five working days in advance of the date of the meeting.
8. Items for inclusion on the agenda will be agreed with the Chair (or Vice-Chair in their absence) and should be submitted for consideration at least 7 days prior to the date of the meeting.
9. The minutes of the previous meeting shall be submitted for agreement at the start of every meeting.
10. Frequency of the meetings will be agreed at the first meeting of the group and reviewed on a meeting by meeting basis thereafter.

Members' Responsibilities

11. Councillors and officers must declare at the start of any meeting an interest in any matter for discussion in which they have a personal interest or involvement.

Voting

12. The Working Party will work towards securing mutual agreement on all aspects of the Asset Management Strategy, but should a vote be necessary each Councillor will have a single vote and decisions will be made on the show of hands. In the event of a tie in the number of votes, the Chairman will have a second, or casting, vote.

Terms of Reference approval and variation

13. This terms of reference will be considered and agreed at the first meeting and reviewed thereafter as required by Finance Sub Committee and approved by Policy and Resources Committee.