



Finance and Performance Sub-Committee

Minutes of a meeting held on Monday 10 September 2018 at 2.00pm, East Northamptonshire House, Thrapston

| | | |
|-----------------|---------------------|--|
| Present: | Councillors: | David Brackenbury Roger Glithero JP Glenvil Greenwood-Smith David Jenney Richard Lewis Steven North |
| | Officers: | David Oliver Glenn Hammons Michelle Drewery Greg Macdonald Julia Smith Angela Hook Matthew Lineham Sandie Williams Amy Eyles |
| | | Chief Executive Executive Director (Resources and Commercial) Head of Resources Head of Economic and Commercial Development Head of Customer and Community Services Performance Manager Facilities Manager Interim Finance Manager Finance Manager |

1.0 APOLOGIES FOR ABSENCE

1.1 There were no apologies for absence.

2.0 MINUTES

2.1 The minutes of the meeting of the Finance and Performance Sub-Committee held on 23 July 2018 were approved and signed by the Chairman.

3.0 DECLARATIONS OF INTEREST

3.1 No declarations of interest were made.

4.0 QUESTIONS UNDER PROCEDURE RULE 10.3

4.1 There were no questions submitted under Procedure Rule 10.3.

5.0 QUARTERLY PERFORMANCE MONITORING – QUARTER 1 2018-19

5.1 The Sub-Committee considered a report providing high level information about performance across the council in relation to agreed performance indicators, other statistics that supported the monitoring of performance, and areas of achievement.

In respect of the underperforming measure ‘% of purchase orders raised before the invoice date’, it was noted that the performance had significantly improved in recent years and that as such the target had been stretched from 90% in 2017/18 to 95% in 2018/19. At the beginning of the financial year 75% had been achieved, but this had since increased to 85% and was expected to improve further during the remainder of the year.

Members welcomed the over-performance of measures within Customer and Community Services (number of contacts made online out of total contracts) and Planning Services (major planning applications processed within 13 weeks, and non major planning applications processed within 8 weeks).

RESOLVED:

- a) That the performance reported for Quarter 1 2018/19 be noted;
- b) That the Head of Customer and Community Services and Head of Planning Services and their teams be congratulated on the over-performing measures within their service areas.

6.0 BUDGET MONITORING TO 31 JULY 2018

- 6.1 The Sub-Committee considered a report providing the first in-depth budget monitoring of the financial year against the forecast Revenue and Capital positions for the approved budgets for 2018/19 for the period ending 31 July 2018.

Members noted that the revised budget since March 2018 was now £10.2m with a projected overspend of £122k, mainly due to the under achievement of ICT savings forecast from the Transformation Programme.

In respect of business rates appeals, members further noted that a smaller financial impact was being experienced following a change in process in 2017, however potentially the rate of appeals would increase during the years to 2022.

The increase of £3.6m to the capital programme budget was welcomed, following the re-profiling of expenditure from 2017/18 since budget approval in February 2018 and approvals within year.

RESOLVED:

- a) That the latest revenue, capital and reserves positions for 2018/19 be noted;
(Reason – this is for information / monitoring purposes)
- b) That the collection and write off performance for sundry debtors, local taxation and benefit overpayments, as set out in Appendix 3, be noted.
(Reason – this is for information / monitoring purposes)
- c) That £2,476k be transferred from the Development Pool to the Capital Programme to fund the purchase of the Waste Vehicle Replacement.
(Reason: - To progress the contract with FCC)

7.0 TREASURY MANAGEMENT REPORT TO 31 JULY 2018

- 7.1 The Sub-Committee considered the current position for Treasury Management for the period to 31 July 2018 in the financial year 2018/19.

RESOLVED:

That the Treasury Management performance for the period up to 31 July 2018 in the financial year 2018/19 be noted.

(Reason: To accord with CIPFA guidance and best practice in Treasury Management.)

8.0 STANWICK LAKES – FUNDING PROPOSAL FOR THE NEXT 10 YEARS

- 8.1 The Sub-Committee considered a report which sought to obtain agreement of the funding arrangements for Stanwick Lakes in partnership with Rockingham Forest Trust for the next 10 years and consideration responsibility for sluice gates.

The proposals were being brought forward in advance of the normal budget approval timescale of February 2019 in order to provide Rockingham Forest Trust with a level of certainty in the contribution to the project being made by this Council and to allow it to budget for future years appropriately.

It was noted that whilst those funding requirements were over a period of 10 years, financial contributions could only be committed one year at a time and so the actual amounts were indicative at this stage. Due to the proposed local government reorganisation it was expected that the budget decisions from 2020 onwards would need to be made by the new shadow authority and then successor unitary authority.

A further report would be brought to the Sub-Committee prior to submission of the final business case to Council.

RESOLVED TO RECOMMEND TO FULL COUNCIL:

- a) That funding proposals for Stanwick Lakes over the next 10 years be approved through placing them into the capital programme development pool as indicated in Appendix 1 and removing the existing allocation.

(Reason: To ensure ongoing maintenance of one of the Council's main assets and encourage healthy and active lifestyles across East Northamptonshire)

RESOLVED:

- b) That authority be delegated to the Head of Customer and Community Services, following consultation with the Chairman of Finance and Performance Committee and the members on the Stanwick Lakes Management Board, to agree to work with RFT to fully understand the liabilities and prepare a business case for taking on responsibility for the sluice gates at Stanwick Lakes and report back to the Finance and Performance Sub-committee on progress.

(Reason: To support Stanwick Lakes and its future sustainability)

9.0 BUSINESS RATES RETENTION PILOT 2019/20

- 9.1 The Sub-Committee received a verbal report of the Executive Director for Resources and Commercial updating on proposals for a Northamptonshire business rates retention pilot submission for 2019/20.

It was reported that the Government had now requested bids for the next financial year, but that there were various changes from the current year to 2019/20, which would affect the benefits accrued:-

- i) Nationally, the amount of resources and number of pilots available would be reduced;
- ii) The 'no detriment' clause would be removed, i.e. councils would no longer be assured of being no worse off than under the 50% retention scheme;
- iii) The current year's pilots retained 100% of business rates whilst next year they would be 75% - councils in Northamptonshire currently received 50%. The benefits across all authorities in Northamptonshire of the additional 25% received was expected to be approximately £17m;
- iv) New bids would be expected to prioritise sustainability over growth;
- v) The deadline for preparation of bids was 25 September 2018, the concept for the Northamptonshire bid being based around directing funding towards the transformation costs to the proposed new unitary structure, in order to assist the future financial sustainability of Northamptonshire;

RESOLVED:

- a) That the update on business rates retention be noted;
- b) That a progress report be brought back to the next meeting, providing details of the bid made to Government.

10.0 EXCLUSION OF PUBLIC AND PRESS

10.1 RESOLVED:

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

- Asset Management – September 2018 Update; and
- East Northamptonshire Enterprise Centre.

11.0 ASSET MANAGEMENT – SEPTEMBER 2018 UPDATE

- 11.1 The Sub-Committee received an exempt report updating it on the Council's asset management and which sought approval for various actions to be taken in relation to specific sites.

RESOLVED:

- a) That the updates in the report be noted;
- b) The sale of the plot of land at 51 Thorpe Street, Raunds be approved;
- c) The sale of the plot of land adjacent to 10 Brambleside, Thrapston be approved;
- d) The allocation of £5k to remove asbestos from the Station Road site be approved and for this to be funded by the reallocation of existing budgets
- e) Agree to an option analysis for Station Road site in Rushden at a cost of £2k and for this to be funded by the reallocation of existing budgets.

(Reason: To deliver the Asset Management Strategy)

12.0 EAST NORTHAMPTONSHIRE ENTERPRISE CENTRE (ENEC)

- 12.1 The Sub-Committee received an exempt report updating on progress on the Enterprise Centre with a particular focus on the initial design that would form the basis of the planning application, approval for the undertaking of procurement for a Project Manager and Quantity Surveyor (PMQS) support for RIBA stages 4-7, and for the main contractor to undertake construction.

RESOLVED:

- a) That the initial designs for the East Northamptonshire Enterprise Centre (ENEC), as detailed in Appendix 1, be approved as the basis for submitting a planning application;
- b) To approve the procurement of the Project Manager and Quantity Surveyor (PMQS) support for RIBA stages 4-7 for the ENEC and provide delegated authority to the Head of Economic and Commercial Development, following consultation with the Chairman of Finance and Performance Sub-Committee and Chairman of the ENEC Working Party, to procure and award the contract;
- c) That approval be given to the procurement of the main contractor to build the ENEC and provide delegated authority to the Head of Economic and Commercial Development, following consultation with the ENEC Working Party, to undertake the procurement process and make a recommendation for award for approval by (Full) Council.

(Reason – To drive forward delivery of the ENEC project)

13.0 CHAIRMAN'S ANNOUNCEMENT - SANDIE WILLIAMS

- 13.1 On behalf of the Sub-Committee, the Chairman thanked Sandie Williams for her contribution to its work since commencement of her position as Interim Finance Manager in April 2018. He wished Sandie well in her new duties.

Chairman

Appendix 1

Stanwick Lakes Capital expenditure requirements for the ten years 2019-20 to 2028-29

| | | | | | | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Total | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | Total |
|--|--|--|--|--|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Expenditure | | | | | | | | | | | | | | | | | |
| Play equipment | | | | | | 232,500 | 10,000 | 45,000 | 40,000 | 81,000 | 408,500 | 10,000 | 10,000 | 30,000 | 33,000 | 119,000 | 202,000 |
| Bridges - railway line bridges, entrance bridge, footbridges | | | | | | 52,000 | 40,500 | 52,000 | 101,000 | 5,000 | 250,500 | 11,000 | 20,000 | 5,000 | 5,000 | 5,000 | 46,000 |
| Footpath network, including old railway line | | | | | | 15,000 | 5,000 | 10,000 | 5,000 | 5,000 | 40,000 | 5,000 | 110,000 | 3,000 | 3,000 | 3,000 | 124,000 |
| Boundary fences & other infrastructure | | | | | | 1,000 | 107,500 | 28,000 | 13,000 | 39,000 | 188,500 | 105,000 | 20,000 | 65,000 | 27,000 | 73,000 | 290,000 |
| Visitor building remedial works | | | | | | 3,000 | 8,000 | 50,000 | 2,000 | 3,000 | 66,000 | 35,000 | 87,000 | 102,000 | 55,000 | 4,000 | 283,000 |
| Totals | | | | | | 303,500 | 171,000 | 185,000 | 161,000 | 133,000 | 953,500 | 166,000 | 247,000 | 205,000 | 123,000 | 204,000 | 945,000 |
| RFT | | | | | | 65,000 | 50,000 | 60,000 | 50,000 | 45,000 | 270,000 | 48,000 | 55,000 | 50,000 | 40,000 | 45,000 | 238,000 |
| RFT Fundraising | | | | | | 40,000 | 15,000 | 15,000 | 15,000 | 10,000 | 95,000 | 10,000 | 15,000 | 15,000 | 10,000 | 15,000 | 65,000 |
| Amount requested from ENC | | | | | | 198,500 | 106,000 | 110,000 | 96,000 | 78,000 | 588,500 | 108,000 | 177,000 | 140,000 | 73,000 | 144,000 | 642,000 |