Finance and Performance Sub-Committee

Minutes of a meeting held on Monday 8 July 2019 at 10.00 am, at East Northamptonshire House, Thrapston

Present:  Councillors:  Roger Glithero JP
Glenvil Greenwood-Smith
David Jenney
Richard Lewis
Steven North

Officers:  Glenn Hammons  Executive Director (Resources and Commercial)
Michelle Drewery  Head of Resources
Greg Macdonald  Head of Economic and Commercial Development
Julia Smith  Head of Customer & Community Services
Amy Eyles  Finance Manager
Katherine Hayward  Assistant Finance Manager
Lucy Hogston  Revenue & Benefits Manager
Samantha Jeffrey  Performance Officer
Stacey Parker  Corporate Support Manager
Sandie Williams  Project Finance Manager
Allyson Allfrey  Rockingham Forest Trust

1.0  APPOINTMENT OF CHAIRMAN

RESOLVED:

That Councillor Steven North be appointed Chairman of the Sub-Committee for the Municipal Year 2019/20.

2.0  APPOINTMENT OF VICE-CHAIRMAN

RESOLVED:

That Councillor Richard Lewis be appointed Vice-Chairman of the Sub-Committee for the Municipal Year 2019/20.
3.0 **URGENT ITEM**

3.1 The Chairman reported that he had agreed to the consideration of the following item as urgent, in view of the need to arrange a special meeting of the Sub-Committee before the next scheduled meeting:

Minutes of the East Northamptonshire Enterprise Centre Working Party – 5 July 2019

RESOLVED:

That the minutes of the meeting of the East Northamptonshire Enterprise Centre Working Party held on 5 July 2019 be taken after the Exclusion of the Press and Public from the meeting.

4.0 **APOLOGIES FOR ABSENCE**

4.1 There were no apologies.

5.0 **MINUTES**

5.1 The minutes of the meeting of the Sub Committee held on 7 May 2019 were approved and signed by the Chairman.

6.0 **DECLARATIONS OF INTEREST**

6.1 No declarations of interest were made.

7.0 **QUESTIONS UNDER PROCEDURE RULE 10.3**

7.1 There were no questions submitted under Procedure Rule 10.3.

8.0 **BUDGET MONITORING SUMMARY REPORT TO 31 MAY 2019**

8.1 The Finance Manager provided an update report on the Revenue and Capital positions against the approved budgets for the period ending 31 May 2019 in the financial year 2019/20.

The report highlighted:-

- A revision - since the budget setting in March 2019 - of the total budget to £11,539,634 to account for net interest receivable;

- Tables showing the actual expenditure to date against budget, and the estimated out-turn for the year with the variance against budget, and high-risk budgets subject to a monthly review;

- A virement of £150k from the corporately held budget to the waste management budget in relation to dry recycling and food waste, following the completion of the
tender process;

- The draw downs of ring-fenced revenue grants and supplementary estimates;

- The final 2018/19 Revenue out-turn position, which showed (a) an increase in overall underspend to £445k (added to the Local Government Reorganisation reserve along with the £396k previously reported) (b) an increase in Business Rates Retention Reserve to £7.2m following technical year end accounting transactions, and (c) a reallocation of £11k within reserves to top up the Asset Management Plan to 2019/20 budgeted levels;

- Capital Programme overview;

- Proposal to transfer scheme from 2019/20 Development Pool into the 2019/20 Capital Programme; and

- Proposal to release Capital Programme budget back to reserves.

It was

RESOLVED:

(1) That the following matters be noted:-

(a) The latest estimate on the revenue and capital positions as at period 2 for 2019-20.

(b) The virement of £150k from the corporately held budget to the waste management budget in relation to dry recycling and food waste, as detailed in section 2.10 of the report.

(c) The draw downs of ring-fenced revenue grants and supplementary estimates, as detailed in section 2.15 of the report.

(d) The final outturn position for 2018-19, as detailed in section 2.16 of the report.

(e) The release of £26k from the Capital Programme, as identified in section 3.5 of the report.

(Reason: All the above are for information/monitoring purposes)

(2) That the transfer of £163.5k from the Development Pool into the Capital Programme in relation to the Asset Management Plan, as identified in section 3.34 of the report, be approved.

(Reason: - This is to progress the delivery of the Asset Management Plan)

9.0 TREASURY MANAGEMENT REPORT TO 31 MAY 2019

9.1 Members considered a report from the Finance Manager setting out the position for
Treasury Management for the period to 31 May 2019.

Members noted a summary of the economic conditions affecting the Council’s investment strategy, details of investments made during the year and a summary of the Council’s current investment portfolio.

9.2 In response to a question from Councillor Jenney, the Executive Director (Resources and Commercial) confirmed that although the Council had approved a borrowing requirement for the financing of the Enterprise Centre, it had not yet been decided to externalise borrowing or alternatively, to run down balances. The situation would be kept under review.

RESOLVED:

That the treasury management performance for the period up to 31 May 2019 in the financial year 2019/20 be noted.

(Reason – to provide an update for Members on Treasury Management activities in accordance with CIPFA guidance and best practice.)

10.0 DEBT WRITE OFFS AND OUTSTANDING DEBT

10.1 Consideration was given to a report from the Finance Manager outlining the amount of debt written off during the financial year 2018/19 and providing an analysis of outstanding debt at 31 March 2019.

The report also set out the reasons for recommending the write-off of debt.

10.2 The write-offs for 2018/19 were as follows:-

<table>
<thead>
<tr>
<th>Debt Type</th>
<th>Total Collected (£)</th>
<th>Total Write-Off (£)</th>
<th>% of Total Collected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Council Tax</td>
<td>54,926,075</td>
<td>166,907</td>
<td>0.3%</td>
</tr>
<tr>
<td>Non-Domestic Rates</td>
<td>33,797,096</td>
<td>59,232</td>
<td>0.2%</td>
</tr>
<tr>
<td>Housing Benefit Overpayments</td>
<td>483,130</td>
<td>61,739</td>
<td>12.8%</td>
</tr>
<tr>
<td>Sundry Debtors</td>
<td>3,615,082</td>
<td>199</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>92,821,383</strong></td>
<td><strong>288,077</strong></td>
<td><strong>0.3%</strong></td>
</tr>
</tbody>
</table>

10.3 The total outstanding debt was as follows:-

- Council Tax: £2,288,084 (2.2% of total tax for 2018/19)
- Non-Domestic Rates: £628,991 (0.7% of total NNDR for 2018/19)
- Housing Benefit Overpayments: £1,234,869 (12% of value of invoices raised)
- Sundry Debtors: £12,513.
10.4 Members acknowledged that the outstanding Council Tax debt was likely to fluctuate during the year.

RESOLVED:

That the position of debts written off for the financial year 2018/19 and the latest information on outstanding debts at 31 March 2019 be noted.

(Reason: To meet requirements as set out in section 5.46 of the Council’s Financial Procedure Rules (Part 4.3 of the Constitution)

11.0 QUARTERLY PERFORMANCE MONITORING - QUARTER 4 - 2018/19

11.1 The Performance Officer presented a report detailing the performance of the Council in respect of agreed indicators and other statistics for Quarter 4 in 2018/19.

11.2 The key points were:

- 65% of Key Priority Measures were performing at or above the required standards.
- Fifteen measures under-performed in the quarter, but only seven were recorded and explained in detail as they had underperformed for two or more consecutive periods of reporting, indicating a potential longer-term issue.
- Planning measures with a Government target were all within tolerance or over-performing.
- Staff absence figures continued to under-perform - in part due to instances of long-term sick leave.

11.3 Members made a number of comments and raised several questions

RESOLVED:

That the report be noted

(Reason – To improve service provision against performance measures)

12.0 STANWICK LAKES – REPLACEMENT OF SLUICE GATES

12.1 Members considered a report from the Project Finance Manager updating them on the position presented at the meeting of the Sub-Committee on 11 February 2019 and seeking approval for the proposed hydropower scheme at Stanwick Lakes, replacing the existing sluice gates, now that the conditions imposed at that meeting had been met.

12.2 Rockingham Forest Trust (RFT) – which would have the responsibility for the gates after the Environment Agency (EA) had transferred ownership to the Council and would also receive funding envisaged at £265,000 from the EA – was seeking the Council’s permission to replace the sluice gates with an Archimedes Screw that would generate electricity to the site and create a surplus, which would be sold back to the grid providing
RFT with cost savings and an income stream.

12.3 ENC and RFT had worked together to produce a detailed business case and this was now submitted to the Sub-Committee.

12.4 The works included the installation of a concrete plinth in the river which would provide the foundation required for the Archimedes Screw and remove the need for separate costly engineering works, thus reducing the cost of the hydro by around £40,000.

**RESOLVED:**

(1) That the progress with the delegations resolved at the meeting of the Sub-Committee on 11 February 2019 be noted.

(2) That authority be delegated to the Chief Finance Officer, following consultation with the Chair of this Sub-Committee to legally accept responsibility for the sluice gates upon confirmation that the final commuted sums are confirmed and deemed to be adequate, and all funding is in place and verified.

(3) That authority be delegated to the Head of Customer and Community Services, following consultation with the Chair of this Sub-Committee to sign the updated lease with RFT once satisfied with the relevant legal documentation and all other delegations have been implemented.

*(Reason: To ensure ongoing maintenance of one of the council’s main assets)*

13.0 **MINUTES OF THE COMMUNITIES FACILITIES FUND WORKING PARTY**

13.1 The minutes of the meeting of the Communities Facilities Fund Working Party held on 26 June 2019 *(attached as an Appendix to these Minutes)* were received.

13.2 The Head of Customer and Community Services submitted further clarification on application 16, received from Henry Chichele.

**RESOLVED:**

That the recommendation contained in Minute 7.2 (grant funding of £155,828) be approved.

14.0 **EXCLUSION OF PUBLIC AND PRESS**

**RESOLVED:**

That the public and press be excluded from the meeting during consideration of the following items of business in accordance with Section 100A of the Local Government Act 1972, because exempt information may be disclosed:

- Asset Management Update;
- Enterprise Centre: East Northants – Update; and
- Minutes of the meetings of the East Northamptonshire Enterprise Centre Working Party held on 7 May, 11 June and 5 July 2019.
15.0 ASSET MANAGEMENT UPDATE

15.1 The Head of Economic and Commercial Development presented a report providing an update on the Council’s asset management and which sought approval for various actions to be taken in relation to specific sites.

15.2 The asset update had been restructured into two sections:

- Section 2 - Current asset matters requiring a decision
- Section 3 - Asset tracker to review progress on all historical asset matters reported to this Sub Committee.

15.3 The following comments were made:

- The Asset Tracker should be more comprehensive – not all outstanding assets were currently shown
- In relation to the Red Brick Building –
  (a) the designated and secure outside space would probably not be required;
  (b) Members asked for clarification of
    (i) the estimated cost of utilities and business rates and buildings insurance as part of the proposed rent and
    (ii) a landlord break clause.

The report was not for publication under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

RESOLVED:

(1) That the updates in the report be noted and the new reporting format focused on tracking all asset related matters considered through this reporting process since June 2018 be welcomed but future reports include all outstanding items.

(Reason: To deliver and monitor the Asset Management Strategy)

(2) That the advice in the report regarding the position of the commercial premises at Raunds and Kings Cliffe be accepted and be submitted to a future meeting of this Sub-Committee on options for their use in relation to the Enterprise Centre, East Northants.

(Reason: To deliver the Asset Management Strategy)

(3) That, subject to the comments above, the draft heads of terms for leasing the whole of the Red Brick building to Progress Schools be agreed and the Head of Economic and Commercial Development, in consultation with the Chair of this Sub Committee, be authorised to agree the final lease (subject to planning permission and listed building consent) as the basis for signing.
It was further

RESOLVED TO RECOMMEND TO POLICY AND RESOURCES COMMITTEE:

That the sale of the Ditchford site - as detailed and at the price outlined in the report to the Sub-Committee - be agreed, noting the reference to previous resolutions to include a covenant to protect the current use of the site whilst capturing any potential future uplift in value.

(Reason: To deliver the Asset Management Strategy)

16.0 ENTERPRISE CENTRE: EAST NORTHANTS (ECEN)

(a) Update

16.1 The Head of Economic and Commercial Development presented an update on progress with a particular focus on awarding the Operator contract, which it was noted, would now be considered at an additional meeting of the Sub-Committee. Members were asked to consider the governance and management arrangements regarding the operation of the ECEN.

The report was not for publication under paragraph 3 of Part 1 of Schedule 12 A of the Local Government Act 1972.

RESOLVED:

That the following matters be noted:-

- The project update
- The budget update
- The risks highlighted, and
- The operational risks.

(Reason – To provide project oversight on behalf of the Council)

It was further

RESOLVED TO RECOMMEND TO THE POLICY & RESOURCES COMMITTEE:

That the governance and management arrangements regarding the operation of ECEN – as the outlined in Appendix 3 of the report - be agreed.

(Reason: To ensure effective delivery and oversight)

(b) Minutes of the Working Party – 7 May, 11 June and 5 July 2019

16.2 The minutes of the meetings of the East Northants Enterprise Centre Working Party held on 7 May, 11 June and 5 July 2019 were considered.
The minutes were not for publication under paragraph 3 of Part 1 of Schedule 12 A of the Local Government Act 1972.

RESOLVED:

(1) That the minutes be received, subject to the following changes to the minutes of the meeting on 5 July 2019:-

- The addition of the name of Glenn Hammons to the list of persons present at the meeting, and
- The deletion of all words after “15 July” in the recommendation in minute 5.1 and the substitution of the words “at 6.30pm before the Policy & Resources Committee”.

(2) That the recommendation contained in minute 5.1 of the meeting on 5 July 2019 (as amended above) be approved (Additional meeting of the Sub-Committee on 15 July).

(3) That the recommendation contained in minute 11 of the meeting on 11 June 2019 be approved (Terms of Reference Amendments).

Chairman
Present:

Councillors: Councillor Steven North (Chair) Cllr SN
Councillor Roger Glithero Cllr RG
Councillor Peter Wathen Cllr PW
Councillor Annabel de Capell Brooke Cllr ADCB
Councillor Janet Pinnock Cllr JP

Officers: Julia Smith, Head of Customer & Community Services JS
Katherine Hayward, Assistant Finance Manager KH
Lucy Hawes, Community Development Officer LH

Minutes: Charlie Christmas, Democratic Services and Corporate Support CC

ccchristmas@east-northamptonshire.gov.uk

ACTION

1. Apologies

1.1. Apologies were received from Cllr Richard Lewis.

2. Minutes of previous meeting held on 3 April 2019

2.1. The minutes of the previous meeting were agreed as a true record. SP

3. Declarations of interest

3.1. | Councillor | Item | Nature of Interest | DPI | Other |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Wathen</td>
<td>Application no.25</td>
<td>Raunds Community Library</td>
<td></td>
<td>Yes</td>
</tr>
</tbody>
</table>

4. Financial position update

4.1. KH provided an update, which was noted by the Working Party, advising that £2.375m of funding had been committed to date by the CFFWP on Rounds 1-7, with £1.485m paid so far. Of the original funding £65,000 had been released back into the scheme due to no longer being required by projects. The balances to be claimed from Rounds 5 to 7 totalled £825,000.

5. Terms of Reference

5.1. The Working Party noted the minor amendments made to the Terms of Reference following the previous review.

6. Update on the previous rounds

6.1. LH provided an update on projects from previous rounds. LH to seek further clarification from Kings Cliffe Active regarding their outstanding funds to be claimed. LH
7. Assessment of applications

7.1 A total of 42 applications were received, with those scoring 20 points and above being presented for consideration by the Working Party. Any funding awarded was required to be spent by January 2020:

<table>
<thead>
<tr>
<th>No.</th>
<th>Application</th>
<th>Decision</th>
<th>Award given</th>
</tr>
</thead>
<tbody>
<tr>
<td>19</td>
<td>Brigstock WI</td>
<td>Award</td>
<td>£1,168</td>
</tr>
<tr>
<td>22</td>
<td>Brigstock Cricket Club</td>
<td>Award</td>
<td>£7,440</td>
</tr>
<tr>
<td>35</td>
<td>Thrapston Bowls Club</td>
<td>Award</td>
<td>£6,360</td>
</tr>
<tr>
<td>34</td>
<td>Stanwick Community Garden</td>
<td>Award</td>
<td>£6,876</td>
</tr>
<tr>
<td>40</td>
<td>Fermyn Woods Contemporary Art</td>
<td>Award</td>
<td>£10,000</td>
</tr>
<tr>
<td>2</td>
<td>King’s Cliffe Wildplace Places</td>
<td>Award</td>
<td>£2,000</td>
</tr>
<tr>
<td>5</td>
<td>Glapthorn Playing Fields</td>
<td>Award</td>
<td>£10,000</td>
</tr>
<tr>
<td>18</td>
<td>Germaine Educational Foundation</td>
<td>Award</td>
<td>£10,000</td>
</tr>
<tr>
<td>14</td>
<td>Woodford Reading Rooms</td>
<td>Award</td>
<td>£10,000</td>
</tr>
<tr>
<td>3</td>
<td>Apethorpe Village Hall</td>
<td>Award</td>
<td>£3,653</td>
</tr>
<tr>
<td>8</td>
<td>Brigstock Village Hall</td>
<td>Award</td>
<td>£9,376</td>
</tr>
<tr>
<td>23</td>
<td>Oundle Bowls Club</td>
<td>Award</td>
<td>£9,971</td>
</tr>
<tr>
<td>33</td>
<td>Raunds Town Council</td>
<td>Award</td>
<td>£9,911</td>
</tr>
<tr>
<td>9</td>
<td>Rushden Historical Transport Society</td>
<td>Award</td>
<td>£9,970</td>
</tr>
<tr>
<td>11</td>
<td>Rushden and Higham Cricket Club</td>
<td>Award</td>
<td>£10,000</td>
</tr>
<tr>
<td>16</td>
<td>Henry Chichele</td>
<td>Award*</td>
<td>£9,350</td>
</tr>
<tr>
<td>30</td>
<td>Benefield Road allotment society</td>
<td>Award</td>
<td>£6,548</td>
</tr>
<tr>
<td>1</td>
<td>Islip Bowls Club</td>
<td>Award</td>
<td>£9,895</td>
</tr>
<tr>
<td>28</td>
<td>Rushden Heritage Chapel</td>
<td>Award</td>
<td>£9,000</td>
</tr>
<tr>
<td>31</td>
<td>Irthlingborough Junior School</td>
<td>Award</td>
<td>£4,310</td>
</tr>
</tbody>
</table>

Total to be awarded: £155,828

*Subject to LH seeking further clarification on the specific details of the project

7.2 Confirmation of recommendations to Finance and Performance Sub-Committee

The Working Party Resolved to Recommend to Finance and Performance Sub Committee meeting on 8 July 2019:-

(a) The award of grant funding totalling £155,828 to the projects as outlined in 7.1 above, subject to receiving clarification of the project details in respect of application 16, as outlined at 7.1 above.

8. Date of Next Meeting

8.1 It was agreed that a date for the next meeting of the Working Party would be scheduled for late September/early October.

8.2 The Working Party noted their thanks to Lucy Hawes and Shaun Sannerude for all of their hard work, and scoring the applications in such a short period of time.

Meeting concluded at 14.46pm
Finance and Performance
Sub Committee

Minutes of a meeting held on Monday 15 July 2019 at 6.30pm, at East Northamptonshire House, Thrapston

Present: Councillors: Richard Lewis – Vice Chairman, in the chair.
Roger Glithero JP
Glenvil Greenwood-Smith
David Jenney

Officers: Glenn Hammons Executive Director (Resources and Commercial)
Michelle Drewery Head of Resources
Greg Macdonald Head of Economic and Commercial Development

1.0 APOLOGIES FOR ABSENCE
1.1 Apologies for absence were received on behalf of Councillor Steven North and Councillor Brackenbury.

2.0 DECLARATIONS OF INTEREST
2.1 No declarations of interest were made.

3.0 EXCLUSION OF PUBLIC AND PRESS
3.1 RESOLVED:
That the public and press be excluded from the meeting during consideration of the following items of business in accordance with Section 100A of the Local Government Act 1972, because exempt information may be disclosed.

4.0 ENTERPRISE CENTRE: EAST NORTHANTS – PROCUREMENT OF OPERATOR
10.1 The Head of Economic and Commercial Development presented a report which updated on the arrangements for the operation of the Enterprise Centre: East Northants.

The report was not for publication under paragraph 3 of Part 1 of Schedule 12 A of the Local Government Act 1972.

RESOLVED:-
(a) That the update on the procurement of an operator for ECEN detailed in Appendix 1 to the report be noted;

(b) That other options and their associated risks will be explored; and

(c) That a further report be brought back to Finance and Performance Sub Committee with a recommendation for which course of action to take.

(Reason – To monitor the appointment of a suitably qualified operator to support project delivery)

Chairman
Finance and Performance Sub Committee

Minutes of a meeting held on Monday 7 October 2019 at 10.30am, at East Northamptonshire House, Thrapston

Present: Councillors: Steven North, in the chair
David Brackenbury
Roger Glithero JP
Glenvil Greenwood-Smith
David Jenney
Richard Lewis

Officers: Glenn Hammons Executive Director (Resources and Commercial)
Michelle Drewery Head of Resources
Greg Macdonald Head of Economic and Commercial Development
Amy Eyles Finance Manager
Katherine Hayward Assistant Finance Manager

1.0 APOLOGIES FOR ABSENCE
1.1 There were no apologies for absence.

2.0 DECLARATIONS OF INTEREST
2.1 No declarations of interest were made.

3.0 EXCLUSION OF PUBLIC AND PRESS

3.1 RESOLVED:

That the public and press be excluded from the meeting during consideration of the following item of business in accordance with Section 100A of the Local Government Act 1972, because exempt information may be disclosed:-

- Enterprise Centre: East Northants – Update.

4.0 ENTERPRISE CENTRE: EAST NORTHANTS – UPDATE
4.1 The Executive Director for Resources and Commercial and the Head of Economic and Commercial Development presented a report which updated on progress on the
Enterprise Centre: East Northants (ECEN), with a particular focus on making a decision regarding the preferred option for operating the ECEN.

The report was not for publication under paragraph 3 of Part 1 of Schedule 12 A of the Local Government Act 1972.

RESOLVED:-

a) That the contents of the report and the risks associated with all options, but particularly with options 1, 6 and 7 be noted.
   
   *(Reason – To provide project oversight on behalf of the Council)*

b) **That (Full) Council be recommended to:** approve option 1b) as the basis for operating the ECEN, as detailed in the report.
   
   *(Reason – To appoint an operator to manage the centre)*

c) **That (Full) Council be recommended to:** delegate authority to the Chief Executive and Chief Financial Officer, following consultation with the Chairs of the ECEN Working Party and Finance & Performance Sub Committee, to finalise and sign all the necessary legal documentation to take forward the preferred option, as required.
   
   *(Reason – To set up how the operation of the centre will be managed)*

d) **That (Full) Council be recommended to:** delegate authority to the Chief Financial Officer, following consultation with the Chairs of the ECEN Working Party and Finance & Performance Sub Committee, to finalise the cost of the preferred option on the council’s budget (up to the estimated £224,000 over the 5 year contract term); the impact on the 2019/20 budget being funded from in year underspends or use of the ECEN earmarked reserve and future year impacts being incorporated into the Medium Term Financial Plan.
   
   *(Reason – To manage the risks associated with the operation of the ECEN)*

e) **That (Full) Council be recommended to:** create an earmarked reserve of £250,000 to manage the risks associated with the operation of the ECEN.
   
   *(Reason – To manage the risks associated with the operation of the ECEN)*

*Chairman*