



Finance and Performance Sub Committee

Minutes of a meeting held on Monday 16 December 2019 at 7.00pm, at East Northamptonshire House, Thrapston

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

Officers: Michelle Drewery Head of Resources
Glenn Hammons Executive Director (Resources and Commercial)
Katherine Hayward Finance Manager
Matt Lineham Facilities Manager
Greg Macdonald Head of Economic and Commercial Development
Stacey Parker Corporate Support Manager

1.0 APOLOGIES FOR ABSENCE

1.1 Apologies for absence were received from Councillor David Brackenbury.

2.0 Minutes

2.1 The minutes of the meetings held on 28 October 2019 were approved as a correct record.

3.0 DECLARATIONS OF INTEREST

3.1 No declarations of interest were made.

4.0 QUESTIONS FROM MEMBERS

4.1 There were no questions received from members.

5.0 BUDGET MONITORING TO 31 OCTOBER 2019

5.1 The Finance Manager provided an update on the forecast Revenue and Capital positions against the approved budgets for the period ended 31 October 2019 in financial year 2019/20.

Following a request for clarification at the previous meeting, it was noted that in Appendix 1 to the report the £484k rebate relating to waste services was in relation to the whole contract.

RESOLVED:-

- a) That the latest forecast on the high risk revenue and capital budgets as at period 7 for 2019-20 be noted;

(Reason: This is for information / monitoring purposes)

- b) That the supplementary estimate drawn down to period 7 be noted.

(Reason: This is for information / monitoring purposes)

6.0 TREASURY MANAGEMENT REPORT TO 31 OCTOBER 2019

- 6.1 The Finance Manager provided an update on the current position for Treasury Management for the period to 31 October 2019 in financial year 2019/20.

Arising from discussion, it was noted that where money was lent to other councils, this was undertaken through a broker, with interest rates dependant on the timing of the transaction.

RESOLVED:-

That Treasury Management performance for the period to 31 October 2019 in financial year 2019/20 be noted.

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

7.0 QUARTERLY PERFORMANCE REPORTING

- 7.1 The Corporate Support Manager presented a report providing members with high level information about performance across the council in relation to agreed performance indicators and other statistics that supported the monitoring of performance.

It was noted that of the 35 key performance measures, 85% were either over-performing or within tolerance. In respect of the HR data set out in page 10 of the appendix, no data had been provided from April to June 2019 due to this being the time period in which the new shared service was merging its data sets and so was unable to produce the required data.

RESOLVED:

That the contents of the report be noted.

8.0 DRAFT MEDIUM TERM FINANCIAL STRATEGY AND PLAN

- 8.1 The Executive Director, Resources and Commercial (and Section 151 Officer) presented a report, the purpose of which was to set out the council's draft Medium Term Financial Strategy (MTFS) 2020/21 to 2024/25, and outline the draft Revenue Budget 2020/21, draft Capital Programme 2020/21 to 2029/30, draft Treasury Management Strategy

2020/21 and draft Capital Strategy 2020/21.

It was noted that the draft MTFS was being prepared at a unique time in the council's life with a number of areas of the business which required contextualising in order to provide greater budgetary certainty, including:-

- i) Local Government Reform/Future Northants – this was potentially the final budget to be prepared for East Northamptonshire Council;
- ii) Government Funding - the Provisional Local Government Finance Settlement figures were awaited, which would be announced after the new government was formed following the General Election. Draft proposals set out in a Technical Consultation paper issued in October 2019 suggested a 'roll forward' of the 2019/20 settlement, with more significant reforms to be delayed until 2021/22;
- iii) Withdrawal from the European Union - A high level of uncertainty still remained surrounding the UK's planned withdrawal from the European Union, adding to the pressure and uncertainty on Local Government finances over the medium term;
- iv) New Homes Bonus – this was expected to taper away over the next two to three years.

It was noted that recently, CIPFA had undertaken a piece of work on financial resilience and had rated East Northamptonshire Council as being in a good position.

It was further noted that the level of earmarked reserves was forecast to decrease from £19m at March 2020 to £15.4m in March 2025. This was on the basis that in recent years, reserves had been increased prior to the building of the Enterprise Centre, and was now expected to move back to earlier levels as the costs of that project were drawn down.

RESOLVED:-

- a) That the contents of this report be noted, specifically the:
 - Draft Medium Term Financial Strategy (MTFS)
 - Draft Revenue Budget 2020/21
 - Draft Capital Programme for 2020/21-2029/30
 - Reserves forecast for 2020/21

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

- b) That a three member working party be established to review key elements of the draft revenue budget, draft capital programme and draft MTFS alongside officers, to include a focus on waste, asset management and ICT;

(Reason: To ensure that members have reviewed the Budget)

- c) That the composition of the membership of the working party be delegated to the Leader, in consultation with the Deputy Leader.

Recommended to Resolve to Council:

- d) That delegated authority be given to the Chief Executive, following consultation with the s151 Officer and Leader, to represent the Council on the Business Rates Pilot Board and to make whatever decisions necessary to represent the interest of the Council on that Board within the parameters set out by MHCLG and which shall include the authority to agree the allocation of this funding.
- e) That authority be delegated to the Chief Executive and s151 Officer, following consultation with the Leader, to monitor the spend of £2.4m, subject to the additional £1.9m being approved in the Budget 2020/21, against the milestones and aims of the Future Northants Programme as directed by the Secretary of State and any future Structural Changes Order, when made.

(Reason: To ensure the monies allocated into the Future Northants Programme are governed appropriately)

9.0 DRAFT CAPITAL STRATEGY

- 9.1 The Executive Director, Resources and Commercial (and Section 151 Officer) presented a report setting out the draft Capital Strategy 2020/21.

Consideration was given to the draft Strategy, noting that:-

- i) Priority areas for investment were economic investment, disabled facilities grants, maintenance of the Council's assets (including Cedar House, the Rushden Centre, Leisure and Tourism sites, Retail and Commercial sites, IT infrastructure and equipment and car parks) and other initiatives based on sustainable business plans; and
- ii) Current priority schemes for 2020/21 were Enterprising East Northants, Rushden Lakes, Rushden East Sustainable Urban Extension and Tresham Garden Village;
- iii) In respect of Freedom Leisure, maintenance of assets was the responsibility of the tenant with only the car park remaining the responsibility of the Council during the lease period.

RESOLVED:-

That the draft Capital Strategy for 2020/21 be noted.

(Reason – To be in accordance with CIPFA guidance and best practice in Treasury Management.)

10.0 DRAFT TREASURY MANAGEMENT STRATEGY

- 10.1 The Finance Manager presented a report, the purpose of which was to set out the draft Treasury Management Strategy Statement (TMSS) for 2020/21.

It was noted that on the basis of the North Northamptonshire Council being established in

April 2021, any investments at that point would novate into that of the new council. All investment decisions up until that point remained the responsibility of East Northamptonshire Council.

RESOLVED:-

That the draft Treasury Management Strategy Statement for 2020/21 be noted.

(Reason – To be in accordance with CIPFA guidance and best practice in Treasury Management)

11.0 EXCLUSION OF PUBLIC AND PRESS

11.1 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:-

- Asset Management Update;
- Enterprise Centre East Northants;
- Minutes of Meetings of the East Northamptonshire Centre Working Party.

12.0 ASSET MANAGEMENT UPDATE

12.1 The Head of Economic and Commercial Development provided an update on the council's asset management strategy and to seek approval for various actions to be taken in relation to specific assets.

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

The Head of Economic and Commercial Development wished to commend the Facilities Manager for all his hard work in preparation of the report.

Following discussion the recommendations in the report were proposed and seconded, with each sub recommendation being considered in turn. All recommendations were approved, apart from original recommendation f) with one voting in favour and two against, and original recommendation g) with no votes in favour and four against.

RESOLVED:-

a) That the updates detailed in the asset tracker be noted.

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

b) That the Recommended Option (**Option 3 – Refurbishment based on VRV air-conditioning**) as per Appendix 1 regarding the Air Handling Unit at ENC House be approved, to be funded from a re-prioritisation of the 2020/21 development pool, subject to approval by Full Council in March 2020 as part of the budget setting

process;

- c) That (subject to b) above) delegated authority be provided to the Head of Economic and Commercial Development, following consultation with the Chair of the Finance and Performance Sub Committee, to procure and deliver the associated works;

(Reason: To deliver the AHU to improve working conditions at ENC House)

- d) That approval be given to the proposal relating to the Facilities Management and Property Audit as detailed in the report and in Appendices 2 & 3 as the basis for:

- i. **Recommending to Council that it** agree the allocation of £50,000 in 2019/20 to the Revenue Budget. This will be funded from re-allocating revenue contribution (reserves) planned to finance the capital programme. The capital programme will reduce by £50,000 to offset this;
- ii. Informing the budget setting process as detailed in the relevant budget reports to provide an additional £200,000 revenue, subject to approval as part of the Budget in March 2020, for 2020/21 to support the proposed joint working with Corby Borough Council;
- iii. Reviewing the current Facilities Management and Property capital budgets to produce a new work programme focused on delivering against the Audit Action Plan

(Reason: To deliver the Audit Action Plan)

- e) That (subject to council approval of d) above) delegated authority be provided to the Head of Economic and Commercial Development, following consultation with the Chair of the Finance and Performance Sub Committee, to finalise and agree the draft Memorandum of Understanding with Corby Borough Council, as detailed in Appendix 3 of the report.

(Reason: To deliver the Audit Action Plan)

- f) That, as building owners, a request from the Rushden and District History Society to install a plaque on the Wilko building at Eaton Walk be approved, noting that this is to commemorate 80 years since the site was bombed in WW2.

(Reason: To respond, as owners of the building, to a request from a local community group)

- g) That delegated authority be provided to the Head of Economic and Commercial Development, following consultation with the Chair of the Finance and Performance Sub Committee, to procure and deliver works associated with the Office Transformation Project Phase 2 and the improvements to the reception area.

(Reason: To deliver the Office Transformation Project)

13.0 ENTERPRISE CENTRE EAST NORTHANTS

- 13.1 The Head of Economic and Commercial Development provided an update on the Enterprise Centre: East Northants (ECEN); a priority project as set out in , Enterprising East Northants the Economic Development, Tourism and Regeneration Strategy.

RESOLVED:-

- a) That the updates as detailed in the report be noted;

(Reason – To monitor progress to provide governance over project delivery)

- b) That delegated authority be provided to the Head of Economic and Commercial Development, following consultation with the Chair of the Finance & Performance Sub Committee, to agree and sign licences relating to the letting out of space at the ECEN on behalf of the council.

(Reason – To maximise occupancy levels and deliver the easy in/out offer)

14.0 MINUTES OF MEETINGS OF THE EAST NORTHAMPTONSHIRE ENTERPRISE CENTRE WORKING PARTY HELD ON 11 NOVEMBER AND 12 DECEMBER 2019.

- 14.1 It was noted that the minutes of the 12 December meeting of the East Northamptonshire Enterprise Centre Working Party would be submitted to the next meeting of the Sub Committee.

RESOLVED:-

That the minutes of the Enterprise Centre Working Party held on 11 November 2019 be noted.

(Reason – for information purposes only)

Chairman