TEWKESBURY BOROUGH COUNCIL

Minutes of a Meeting of the Executive Committee held at the Council Offices, Gloucester Road, Tewkesbury on Wednesday, 22 November 2017 commencing at 2:00 pm

Present:

Chair	Councillor D J Waters
Vice Chair	Councillor R A Bird

and Councillors:

K J Berry, G F Blackwell, M Dean, R Furolo, J Greening and J R Mason

EX.55 ANNOUNCEMENTS

55.1 The evacuation procedure, as noted on the Agenda, was advised to those present.

EX.56 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

56.1 An apology for absence was received from Councillor E J MacTiernan. There were no substitutions for the meeting.

EX.57 DECLARATIONS OF INTEREST

57.1 The Committee's attention was drawn to the Tewkesbury Borough Council Code of Conduct which was adopted by the Council on 26 June 2012 and took effect from 1 July 2012.

57.2 There were no declarations of interest made on this occasion.

EX.58 MINUTES

58.1 The Minutes of the meeting held on 11 October 2017, copies of which had been circulated, were approved as a correct record and signed by the Chair.

EX.59 ITEMS FROM MEMBERS OF THE PUBLIC

59.1 There were no items from members of the public on this occasion.

EX.60 EXECUTIVE COMMITTEE FORWARD PLAN

60.1 Attention was drawn to the Committee's Forward Plan, circulated at Pages No. 10-14. Members were asked to consider the Plan.

60.2 In response to a query regarding the resources that were needed in order to progress the Spring Gardens project, the Head of Finance and Asset Management explained that the Asset Team was currently running a number of projects and it did not have sufficient capacity or expertise to take the Spring Gardens project forward. It was anticipated that some additional resource could be gained early in the New Year to drive the project forward.

60.3 Accordingly, it was

RESOLVED: That the Committee's Forward Plan be **NOTED**.

EX.61 FINANCIAL UPDATE - QUARTER TWO PERFORMANCE

61.1 The report of the Head of Finance and Asset Management, circulated at Pages No. 15-35, highlighted the quarter two financial performance and half year treasury management report which Members were asked to consider.

61.2 The Committee was advised that the summary showed an increase of £90,000 surplus in quarter two against quarter one with all expenditure headings looking good. Particular attention was drawn to income which was below target with planning income showing a deficit against the planned budget. Currently there was also a deficit against the garden waste budget but this had been expected due to the annual renewals being changed so they were all aligned to April. In terms of the corporate codes, the impact of treasury management activity during the year had now been included in the mid-year figures rather than just at the year-end; so far the Council was £88,815 ahead of budget – this was largely due to cheap borrowing rates as well as the use of more lucrative funds for cash investments. The Council also had a target for the acquisition of additional investment property and, whilst the quarter two figures showed the Council being behind target due to bids on properties being unsuccessful, it had recently acquired three new properties which would generate nearly £820,000 of income per year; this would mean the Council would exceed its budget target for the current year and that position would be reflected in the quarter three report. Appendix 2 showed the capital position which was currently underspent against the profiled budget as a result of certain projects, such as the refurbishment of the Council Offices, not starting within the expected timescales. The reserves position was shown at Appendix 3 and, whilst the quarter two position showed that there remained a significant balance on the reserves, the expectation was that those balances would be spent in the near future. The Finance Team had requested updates from all departments about their plans to ensure earmarked reserves were either used for their intended purpose or released back to the general fund.

61.3 In terms of the mid-year treasury investment activities, an average return of 1.08% had been gained which, at the end of September, totalled £17,575,000 generating interest of £77,000 in the first half of the year against the budget estimate of £13,800. The investment performance had been boosted by an investment of £2million into the CCLA property investment fund which was producing monthly income returns of approximately 4.6%; Officers were confident that the capital value would return to the investment level in the near future and growth would be maintained thereafter. The Council's drive to invest in commercial property had resulted in a requirement to borrow funds to cover direct investments and day-to-day cashflow. The budget had anticipated a borrowing cost of £42,000 at the mid-

year point but, as a result of the delay in property purchase, the efficient management of borrowing requirements and the extremely low borrowing rates available to the Council, actual borrowing costs had only totalled £17,000 which was a saving of £25,000. In addition, brokerage fees totalling £4,700 had been incurred in the period which was substantially less than budgeted for.

61.4 During the discussion which ensued, a Member questioned whether the recent rise in bank fees had affected the Council. In response, the Head of Finance and Asset Management explained that a small impact had been noticed since the increase but the long term yield curve remained fairly flat so the market was not projecting any big changes at this stage. There had been a slight increase in borrowing rates but nothing significant to date; this would be kept under review. A Member referred to the fact that the Disabled Facilities Grants budget was consistently underspent and questioned why that was. In response, the Head of Community Services advised that the Council was not receiving the number of applications it had originally anticipated. Tewkesbury Borough was not alone in this as it was a similar picture across the country - the Council did advertise the grants scheme but there was little more it could do to encourage take-up.

61.5 Referring to the retained income from the business rates scheme, the Head of Finance and Asset Management explained that this was currently showing a surplus of £187,500 which was a prudent prediction of the year-end position. It was noted that, so far, there had been very little activity with regard to processing appeals, either from past appeal listings or those against the new 2017 list. The Council had set aside a significant provision to cover additional appeals, which was hoped to be sufficient, and this would allow the Council to benefit from wider increases in business rates income. Bearing in mind the losses that had been seen in previous years, the growth target for the current year had been reduced to zero; however, so far there was an improving position with more appeals getting dismissed than had been seen previously. Officers felt confident to include a growth target for next year; this would be discussed as part of the Medium Term Financial Strategy.

61.6 A Member questioned why there had been a mismatch between the projected planning income and the actual income received. In response, the Head of Development Services explained that some expected planning applications were yet to be submitted which had impacted the figures. The trajectory of growth was such that she hoped to see an upturn soon and she would be looking to maximise income through other means such as planning performance agreements. One of the strands of the planning review was about the commercialisation of the service but the Council would need to ensure its own house was in order in terms of targets before it would be able to sell the service to other authorities. Historically the Council received a significant return from planning income but overall it was in deficit. The increases in fees, efficiency savings and changes to working practices should all help the situation. In terms of the increase in planning fees, the Head of Development Services advised that the Council would be able to increase its fees by 20% once the law had been changed by the government; initially it had been planned to introduce this in July 2017 but it now looked likely to be in place for April 2018.

61.7 Accordingly, it was

RESOLVED: That the financial performance information for the second quarter of 2017/18, along with the half year treasury management report, be **NOTED**.

EX.62 MEDIUM TERM FINANCIAL STRATEGY 2018/19-2022/23

62.1 The report of the Head of Finance and Asset Management, circulated at Pages No. 36-60, set out the Medium Term Financial Strategy for 2018/19-2022/23. Members were asked to consider the Strategy and recommend it to the Council for adoption.

62.2 The Head of Finance and Asset Management explained that the Medium Term Financial Strategy was a key element within the Council's overall strategic planning framework. It took a five year perspective and was reviewed, updated and rolled forward annually to set a framework for how budget pressures and priorities would be managed within the best estimates of available capital and revenue resources. The Strategy represented a snapshot in time so it was updated regularly to ensure it reflected policy both internally and nationally. Some of the issues which contributed to the uncertainty included the government's approach to public spending and reducing the fiscal deficit; economic impacts resulting from the country's decision to leave the European Union; local government finance post-2020; further consultation over the future of the New Homes Bonus Scheme; the government's approach to 100% retained business rates; and the government's commitment to devolution. The Council's forward projections of its financial position were impacted by further reductions in core government grant of £385,000 in the next two years; salary growth pressure in excess of the 1% cap; further significant financial contributions required for the local government pension scheme; the new General Data Protection Requirements; and increasing demand for additional resources to meet a range of service requirements and pressures.

62.3 The Strategy also contained important strategic planning in a number of areas including the increase of Council Tax and the use of New Homes Bonus. The headline recommendations of the Strategy included: Council Tax to be increased by £5 for 2018/19 and with £5 increases thereafter; New Homes Bonus support to the base budget to increase by £200,000 per year, subject to available funding through the Scheme; the Council would operate outside of the Gloucestershire Business Rates Pool in 2018/19 and until such time as the risk from Virgin Media was mitigated; a target for retained business rates income would be reintroduced to the base budget; and the Local Council Tax Scheme would remain unchanged as the default scheme for 2018/19 but a review of the scheme would take place in the first half of the new financial year.

62.4 Referring to the proposed Council Tax rises, a Member indicated that, whilst he understood the Medium Term Financial Strategy changed on an almost daily basis, it was still the Council's strategy which set out its intentions in how it approached its finances over the next five years. With that in mind, in the previous year the Council had stepped back from declaring that the Council Tax would increase in line with the referendum limit year on year and had changed it more in line with the Council Plan which indicated that the Council recognised a possible need to increase Council Tax but did not set down any firm increases. He would like the Medium Term Financial Strategy to be reworded in line with that strategic statement and therefore proposed that Section 10.3 be amended to read: "The Council Plan 2016-2020 makes a commitment to 'maintain a low Council Tax'. The Council Plan also sets out objectives to develop alternative revenue streams, and rebase the revenue structure, to become less dependent on government core grants, and collections from taxpayers. Increasing Council Tax to fund any deficit outcome should be a last resort. The previous Medium Term Financial Strategy 2017/18 to 2021/22, 'recognises the likely need for further increases in future years', in order to provide the flexibility to deal with the anticipated deficit faced. Although Council finances have improved, and additional revenue streams are now being developed, there may continue to be a need to resort to some measure of further Council Tax increase each year, over the strategy period. The Council will maintain this previous financial strategy and, in accepting the likely need for future

increases, provides a projection of anticipated inflation rate increases for the five year strategy period. Table 7 highlights potential alternatives of inflation rate increases and referendum limit increases to the charge and the additional income generated." During the discussion which ensued, some Members expressed the view that there was no need to change the wording as the Medium Term Financial Strategy set out a projection only and the actual Council Tax level was set by the Council at a separate meeting in February. In addition, it was felt that the amendment was unnecessarily wordy. In response, the Member indicated that the Medium Term Financial Strategy set the Council's intentions and therefore the direction for both the budget and the Council Tax; once the direction was set it would be easier to reach an agreement so it was helpful if the intent was clear. The Head of Finance and Asset Management advised that he could add a paragraph to the Strategy to clarify that Council Tax was one of the elements that could be subject to change – if the tables etc. were amended, more changes would be needed as they would flow through the rest of the Strategy. Currently the Council remained the fifth lowest Council Tax in England with a Band D property being £60 below the national average and it was expected that it would retain that position even with the recommendations contained in the Medium Term Financial Strategy.

62.5 The Chief Executive indicated that the Medium Term Financial Strategy would change; however, it was the starting point for the Council's financial planning and one of the most important documents for the future of the Council. The External Auditors would look at the figures in the Strategy to judge how the Council was performing and they did not expect to see a whole range of figures. Officers could work with the Transform Working Group to show how reducing income would impact other areas but it was felt that, whilst the explanatory wording could be amended, it would be difficult to change the figures in Table 7 as there would be no clarification in terms of what the Council's finances were likely to be going forward. It was agreed that the amendment as proposed should be amended so that it offered clarification but was also less prescriptive. Accordingly, it was

RESOLVED: That it be **RECOMMENDED TO COUNCIL** that the Medium Term Financial Strategy 2018/19-2022/23 be **ADOPTED**, subject to the following amendments:

- Paragraph 10.3 of the Strategy be amended to read: 'The previous Medium Term Financial Strategy recognises the likely need for further increases in future years in order to provide the flexibility to deal with the anticipated deficit faced. Although Council finances have improved, and additional revenue streams are now being developed, there may continue to be a need to resort to some measure of further Council Tax increase each year over the Strategy period. The Council will maintain this previous financial strategy, accepting the likely need for future increases, but seeking to maintain the Council Tax to the lowest possible levels'.
- Table 7 of the Strategy be amended so the heading reads 'Potential Council Tax Strategy' and the table includes percentage, as well as monetary, amounts.

EX.63 SUPPORT FOR NEIGHBOURHOOD PLANNING

63.1 The report of the Planning Policy Officer, circulated at Pages No. 61-72, provided information on the reduction of funding for Neighbourhood Development Plans from the Department for Communities and Local Government (DCLG). The Committee was asked to agree a way forward for the Council to continue to support Parishes in seeking funding opportunities to aid delivery of their Neighbourhood Plans without providing financial assistance.

63.2 The Head of Development Services explained that the DCLG funding to local planning authorities was on a three stage payment with the first payment of £5,000 being made upon designation of a Neighbourhood Area; a second payment of £5,000 following the submission of a plan to the local planning authority for consultation and independent examination; and a third payment of £20,000 following a referendum. In February, a letter had been received from the Chief Planning Officer which had set out the government's changes to that funding for 2017/18 which meant the first payment of £5,000 would be limited to five Neighbourhood Development Plans; the second payment had been withdrawn; and the third payment of £20,000 would be paid once a Plan had completed a successful independent examination and a date was set for a community referendum. At the same time the funding available to Parish Councils direct from the DCLG had increased from £8,000 in 2016/17 to £9,000 in 2017/18.

63.3 Members were advised that the information contained within the report demonstrated that the new grant of £20,000, which the local planning authority received to produce the Neighbourhood Development Plans, would only just cover the cost that it had to meet. In addition, the Council supported Parishes anyway through the Gloucestershire Rural Community Council funded from the Council's community development budget and through dedicated Officer time in the preparation of Plans. It was felt that, given the reduction in grant to local planning authorities, and the corresponding increase in funding to Parishes, the Council could no longer support the preparation of the Plans through the grant aid of £2,000. The Council would continue to meet its legal requirements in the preparation of Plans, provide Parishes with professional support and help them in seeking funding opportunities. It was also suggested that, if an area had already been designated, the offer of grant funding should be honoured. In response to a query, the Head of Development Services explained that the money the Council received was for the running of the referendum etc. so it would still be able to do that for Parishes it just would not be able to pass on the extra £2,000 as it would no longer receive it.

63.4 Accordingly, it was

RESOLVED:

1. That Parishes which start preparing a Neighbourhood Development Plan no longer be offered grants of £2,000 from Tewkesbury Borough Council; Officers will continue to support Parishes in seeking funding opportunities to aid the delivery of their Plans.
2. That the offer of grant funding to Parishes which have already started to develop a Neighbourhood Development Plan, having had a Neighbourhood Area designated prior to the date of this decision, be honoured.

EX.64 AFFORDABLE HOUSING ALLOCATIONS ON STRATEGIC SITES

64.1 The report of the Head of Community Services, circulated at Pages No. 73-81, outlined an allocations plan which sought to meet the housing needs of Gloucester and Cheltenham whilst retaining allocations for Tewkesbury residents in highest housing need. Members were asked to consider the arrangements and recommend them to Council for adoption.

64.2 The Head of Community Services explained that the HomeseekerPlus Policy which had previously been agreed by the Council set out that affordable rented housing built within a District was to be let to households with a local connection to that District. This also ensured the method was secured for sales of affordable home ownership properties, such as shared ownership, through Section 106 Agreements. Under the Joint Core Strategy, the strategic allocations for Cheltenham Borough and Gloucester City Councils which fell within the administrative boundary of Tewkesbury Borough would meet the unmet housing needs, including the affordable housing needs, of Cheltenham Borough and Gloucester City. Consideration would also need to be given to the site at Mitton that fell within the boundary of Wychavon District Council. The report before Members outlined an allocations plan which would meet the needs of both Cheltenham Borough and Gloucester City Councils whilst also retaining allocations for the residents of Tewkesbury Borough who were in highest housing need. The initial proposal to address this issue had been that Cheltenham Borough and Gloucester City Councils would retain 100% of the dwellings in those areas to meet their own housing need. This was obviously unacceptable to Tewkesbury Borough given the fact that the housing would be within its boundaries. Following a number of discussions, the current option referred to within the report was that the Cheltenham Borough strategic allocations, within Tewkesbury Borough's administrative boundary, would allow applications from residents from both Tewkesbury Borough and Cheltenham Borough. The same would apply to the Gloucester City strategic allocations. If the properties were not all taken up on that basis they would then be opened up to residents from either Cheltenham Borough or Gloucester City and, if they were still not taken up, they would then be open for any residents in Gloucestershire to apply.

64.3 During the discussion which ensued, a Member questioned whether people could sit on the housing list for a number of different authorities. In response, the Head of Community Services advised that as long as there was a local connection they would be accepted to the list they applied to. In response to a query in relation to disabled clients, the Committee was advised that disability specific properties were often advertised in a different way so residents with a disability could come ahead of those with a local connection if there was a particular set of needs that would be met by a specific property.

64.4 Accordingly, it was

RESOLVED: That it be **RECOMMENDED TO COUNCIL** that the lettings and sales arrangements for affordable housing allocations on strategic sites be **ADOPTED**.

EX.65 TEWKESBURY BOROUGH COUNCIL DOMESTIC WASTE AND RECYCLING COLLECTION SERVICES POLICY AND PROCEDURES

65.1 The report of the Head of Community Services, circulated at Pages No. 82-96, attached a waste and recycling collection services policy which aimed to ensure waste and recycling services operated effectively and efficiently in order to maximise recycling rates and reduce the amount of waste going to landfill in line with the waste and recycling hierarchy. Members were asked to approve the policy.

65.2 The Head of Community Services explained that the Council did not currently have a waste and recycling policy. The policy before the Committee provided a set of rules and standards that the Council would use to deliver regular and reliable collections in a customer-focused way, taking into account the need to protect the health and safety of the public and the staff that operated the scheme. The policy covered a number of elements including: waste and recycling containers; frequency of collection; how to present waste and recycling for collection; assisted collections; clinical waste services; bulky waste collections; issues with collections; and complaints, as well as providing contact details. The policy had been considered by the Overview and Scrutiny Committee prior to being submitted to the Executive Committee and that Committee had asked that it be made clear the policy was for household waste rather than commercial waste.

65.3 During the discussion which ensued, a Member noted that the waste bins were smaller than the recycling bins and he questioned why this was. In response, the Head of Community Services indicated that the Council was actively encouraging residents to recycle rather than send waste to landfill which was the reason for the difference in sizes. In addition plastic recyclables were quite bulky so a larger bin was helpful; there was also an extra blue bin offered should residents wish to have one. A Member questioned whether this was the case given that she knew of someone who had previously been told they could only have an extra blue bin if there were at least five people in the house. In response, attention was drawn to Page No. 95 which set out that “the Council encourages households to maximise the quantity of materials for recycling. Residents that have additional recyclables on a regular basis can request an additional recycling wheeled bin or food waste caddy free of charge”. The Head of Community Services undertook to speak to the Member outside of the meeting to get further details so he could ensure all staff understood the process. A Member expressed concern that knowing what could and could not go into the blue bin was the main issue and he questioned whether anything could be done to make this clearer for residents. Another Member advised that the Council would never be able to get to 100% recycling as there were some people who were dedicated recyclers and some that just would not recycle. There was an annual campaign in the Borough News about recycling which served as a reminder for residents and the Council also issued calendars which contained information about recycling. In addition, the new waste collection vehicles showed pictures of what could and could not be recycled. Any further ideas on educating residents would be gratefully received.

65.4 Accordingly, it was

RESOLVED: That the Tewkesbury Borough Council Domestic Waste and Recycling Collection Services Policy and Procedures be **ADOPTED**.

EX.66 SEPARATE BUSINESS

66.1 The Chair proposed, and it was

RESOLVED That, under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely discussion of exempt information as defined in Part 1 of Schedule 12(A) of the Act.

EX.67 DISPOSAL OF LAND AT STAVERTON

(Exempt –Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 –Information relating to the financial or business affairs of any particular person (including the authority holding that information))

67.1 The Committee was provided with information about the disposal of land at Staverton. Members considered the bids received, and the likely housing delivery mix, and agreed the disposal of the site as outlined within the report.

EX.68 DISPOSAL OF LAND, WINCHCOMBE

(Exempt –Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 –Information relating to the financial or business affairs of any particular person (including the authority holding that information))

68.1 The Committee was provided with information about the disposal of land in Winchcombe. Members considered the detailed research undertaken by Officers since the issue was last looked at by the Executive Committee and agreed to dispose of the site for the development of affordable housing as outlined within the report subject to a small amendment.

The meeting closed at 4:10 pm