

TEWKESBURY BOROUGH COUNCIL

**Minutes of a Meeting of the Executive Committee held at the Council Offices,
Gloucester Road, Tewkesbury on Wednesday, 13 July 2016 commencing at
2:00 pm**

Present:

Chair
Vice Chair

Councillor R J E Vines
Councillor D J Waters

and Councillors:

R E Allen, Mrs K J Berry, R A Bird, D M M Davies, M Dean, Mrs E J MacTiernan and J R Mason

also present:

Councillor P W Awford

EX.13 ANNOUNCEMENTS

- 13.1 The evacuation procedure, as set out on the Agenda, was taken as read.
- 13.2 The Chair welcomed Councillor P W Awford to the meeting and advised that he was in attendance as Chair of the Overview and Scrutiny Committee for Item 7 – Performance Management Report – Quarter Four 2015/16.

EX.14 DECLARATIONS OF INTEREST

- 14.1 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.
- 14.2 There were no declarations of interest made on this occasion.

EX.15 MINUTES

- 15.1 The Minutes of the meeting held on 8 June 2016, copies of which had been circulated, were approved as a correct record and signed by the Chair.

EX.16 ITEMS FROM MEMBERS OF THE PUBLIC

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

EX.17 EXECUTIVE COMMITTEE FORWARD PLAN

- 17.1 Attention was drawn to the Committee's Forward Plan, circulated at Pages No. 8-11. Members were asked to consider the Plan.
- 17.2 Referring to the Respect at Work Policy which was due to be considered at the next meeting, a Member questioned whether this could be extended to include

Members. In response, she was advised that employment policies generally covered the workforce rather than Members. There were other Protocols that covered Member behaviour such as the Code of Conduct and the Protocol for Member/Officer Relations.

17.3 Accordingly, it was

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

EX.18 PERFORMANCE MANAGEMENT REPORT - QUARTER FOUR 2015/16

- 18.1 The report of the Corporate Services Group Manager, circulated at Pages No. 12-64, asked Members to review and, if appropriate, take action on the observations of the Overview and Scrutiny Committee following its review of the 2015/16 quarter four performance management information.
- 18.2 Attention was drawn to the observations made by the Overview and Scrutiny Committee, attached to the report at Appendix 1; the Council Plan Performance Tracker, attached at Appendix 2; the Key Performance Indicator Set, attached at Appendix 3; the Revenue and Budget Summary Statement, attached at Appendix 4; the Capital Monitoring Statement, attached at Appendix 5; and the Revenues Position Summary which was attached to the report at Appendix 6.
- 18.3 The Overview and Scrutiny Committee Chair explained that this had been the last monitoring report of the Council Plan 2012-2016 and it had shown significant achievements over the last four years. Assurance had been given to Members that, although a number of the actions within the old Council Plan did not feature within the new Plan, they would still be monitored by Members in some form. Regarding the monitoring of the new Council Plan, the Overview and Scrutiny Committee had been assured that Officers were working on the new Performance Tracker. The Chair indicated that his Committee had found the Performance Tracker to be a useful tool in understanding the breadth of actions being delivered within the Plan and then to provide challenge where necessary. In terms of information specific to quarter four, Members had noted the actions that had progressed well such as those that would be of benefit to customers like the new Customer Care Strategy, the new complaints framework, approval of the Digital Strategy, handover of the leisure centre, agreement of project work for Tewkesbury Town regeneration, approval of the Community Infrastructure Levy draft charging schedule and the impact of the new Community Funding Officer. The Overview and Scrutiny Committee had been realistic and understood that, given the complexity and range of services, some actions may not progress as quickly as expected and the performance report presented had provided exceptions analysis of those. The majority had been reported and explained previously, i.e. rental of top floor, progression of Joint Core Strategy and Tewkesbury Borough Plan, recycling rate and Workforce Development Strategy. Members had noted that the roll out of the Place Programme had yet to be fully established but the Chair understood that the dates of the meetings had now been set. Members of the Overview and Scrutiny Committee who sat in the east area had spoken positively about their experience which was good news. In terms of planning performance, this had only briefly been discussed as the Committee was scheduled to have a presentation at its next meeting on the planning service review. Members had, however, acknowledged the pressures that the planning team was currently working under. With regards to the financial information presented, the Chair explained that this would now be reported to the Executive Committee directly. This would ensure Members had the financial data promptly so as to aid the decision-making process but the Overview and Scrutiny Committee would still retain authority to scrutinise the information if the need arose. The Chair indicated that Ann Reeder, Frontline Consulting, had attended the last meeting of the

Overview and Scrutiny Committee and had provided critique on its effectiveness. She was very diplomatic in her feedback and had identified some good strengths of the Committee as well as some weaknesses; her final report was awaited which would include her recommended areas for improvement. As Chair of Overview and Scrutiny, he had been encouraged by the attendance of Executive Members at the meeting; Councillor Allen had attended to support the item on Health and Wellbeing and Councillor MacTiernan because she oversaw scrutiny as part of her portfolio responsibilities. She had been impressed with the coverage of work of the Overview and Scrutiny Committee. The Chair looked forward to the future development of the Committee and he knew Officers had more training in the pipeline which would ensure it continued to add value. As the role of Overview and Scrutiny was to scrutinise and act as a 'critical friend' to the Executive Committee, he intended to reduce the lengthy presentations that the Committee had received to date and to focus more on questioning; as Chair he used his Agenda briefings to ensure this remained the case.

- 18.4 A Member expressed some concern that the Overview and Scrutiny Committee had not commented on flytipping which was an increasing problem within the Borough. She was of the view that a question should be raised about the possibility of stopping the charge that was currently placed on vans to use the recycling centre. The Member understood that a lot of people took their waste home and burned it as they did not want to pay the gate fee but there were others who would be less responsible and just left it on the side of roads etc. She questioned how cost effective the gate fee was in comparison to what the Council had to pay to clear up fly tipped waste, not to mention the reputational issues suffered from residents' poor perception of the Council. The Member suggested that a pilot of not charging for vans to use the recycling centres could be a good way forward. In response, the Overview and Scrutiny Chair reassured Members that flytipping, and enviro-crimes in general, did feature heavily at the Committee; in fact it was receiving a report at its next meeting on the subject. The Deputy Chief Executive indicated that flytipping was a problem in the Borough but it was also a national trend and work was being done to try and address it. She felt that the suspension of the gate fee could be a good experiment; however, the recycling centre was a County Council service so it was not within the Borough Council's gift to change the fees. Officers were looking at a project with the County Council to try and address the issues faced and the idea of an amnesty on gate fees for tradespeople could be explored as part of that project. In addition, the Lead Member explained that the recycling centres looked to recycle as much as they could and to do that they had a workforce which they needed to pay for. He also noted that flytipping was a national blight on the landscape which cost local authorities a considerable amount of money. He did, therefore, concede that funding needed to be gained from somewhere in order to make the service work. In terms of the Borough, Sandhurst was a blackspot and Officers were working to try and address this. The Lead Member was of the view that convictions would be the best deterrent; however, it took time to assemble the evidence needed to take legal action. In terms of costs, a Member noted that the report which was to be considered by the Overview and Scrutiny Committee at its next meeting stated that the clear up costs for flytipping had been around £30,000 per year for the last three years. In respect of the solution to the problem, she was unsure what would be most effective but she did feel the approach of prosecuting offenders seemed like it could work well. Some Members expressed the view that it was illogical and nonsensical that a householder could take their rubbish for disposal for free whilst a tradesperson, taking the same rubbish, would have to pay. The Deputy Chief Executive indicated that there was a cost to the disposal of waste and many tradespeople would build that cost into their charges and then dispose of it appropriately; if the service was free to everyone this could lead to an increase in the amount of waste being brought to the site therefore increasing the costs to the County Council. The Lead Member indicated that he was happy to take Members' comments to the next

meeting of the Joint Waste Committee, however it needed to be understood that, whatever solution was agreed, there had to be a balance between stopping flytipping and finding an economic way forward.

- 18.5 Referring to Page No. 24 of the report, a Member expressed concern that the Council was not achieving its savings targets. Referring to the increased number of claimant errors in terms of revenues and benefits, the Deputy Chief Executive explained that the non-achievement of the target was about claimant error and there was a national push to make improvements in this regard. The current system was not designed to accommodate the degree of change in the employment circumstances of claimants that was currently seen. Officers were doing their best to address this but the labour market was very fluid so claims had to be updated very frequently. The time it took to process new claims was much improved, the problem came when the claim was live and it was up to the claimant to inform the Council of changes. Members felt that it was important to recognise the continued improvements in the revenues and benefits section and the Chair advised that the Overview and Scrutiny Committee had continued to do this.
- 18.6 In terms of Page No. 31, (d) Work with the newly formed Tewkesbury Regeneration Partnership to progress the regeneration of Tewkesbury Town, a Member asked that as much information as possible be fed through from the Borough Council to that meeting. He felt that an open and transparent way of working meant there was much less suspicion between the Town and Borough Councils allowing them to work together much more easily. The Member was assured that as much information as possible was shared but there were times when commercial sensitivities had to be taken into account. Communication was the key and it was understood by all involved that this needed to be handled carefully.
- 18.7 The Executive Committee Chair thanked the Overview and Scrutiny Committee for its work and, accordingly, it was

RESOLVED: That the Overview and Scrutiny Committee's comments on the Performance Management Report for Quarter Four of 2015/16 be **NOTED**.

EX.19 FINANCIAL OUTTURN REPORT INCLUDING CAPITAL FINANCING AND EARMARKED RESERVES 2015/16

- 19.1 The report of the Finance and Asset Management Group Manager, circulated at Pages No. 65-90, highlighted the Council's financial performance for the previous year and asked Members to consider the general fund outturn for 2015/16, the financing of the capital programme and the annual treasury management report and performance as well as to approve the transfers to and from earmarked reserves.
- 19.2 The Finance and Asset Management Group Manager explained that the report represented the final financial position for 2015/16 and included five parts: the general fund and revenue outturn; the Council reserves; the capital programme; treasury management; and performance indicators.
- 19.3 The general fund showed a substantial surplus of just over £1.5 million, the main reasons for which were: the employees' full year budget being overspent - largely as a result of bringing in additional staff to meet service needs and to fulfil the requirements of grant funding received, however, the overspend was offset by

additional income from the sale of services and grant funding; premises being underspent for the year as a result of the release of a provision relating to leased assets – the provision had previously been set aside to meet expected requirements but had not been needed during the year and had now been released; supplies and services being overspent in relation to the expenditure associated with central government grants received – this was unbudgeted but corresponding additional income had been received to finance the expenditure. Extra expenditure had been incurred in service areas such as burial services where additional income was generated; transfer payments relating to the Council's activities with regards to the administration of housing benefit on behalf of central government; income targets exceeding expectations during the year – the primary area of additional income was development management where total income exceeded the target by over £1.58 million. This position had been boosted by the receipt of external grant funding totalling £0.918 million but strong income in planning fees, both plan submissions and pre-planning advice had supported the outturn position. Alongside that other income targets had exceeded expectation, in particular trade waste, garden waste and licensing – the overall position for income had been reduced to a £976,000 surplus by the need to reclaim less from central government for housing benefit expenditure incurred. Members were advised that the full detail was available at Appendix A to the report and was set out on a group by group basis with explanations for significant variances and the contact details of the lead Officers should Members have any specific questions/queries.

19.4 Referring to the losses reported in respect of the retained business rates scheme, Members were advised that this had resulted in the need for safety net payments, largely due to the Virgin Media appeals, but there had also been a number of other appeals and valuation adjustments that had reduced the Council's rates retention. Along with this, there had been an increase in the amount of void properties during the year and it had also been necessary to write-off a number of historic debts. As a result of the ongoing risk associated with Virgin Media, the Council had withdrawn from the Gloucestershire Pool for 2016/17; this would protect Gloucestershire residents from the costs of further losses. It was noted that, overall, the Council had benefited from a healthy financial performance in 2015/16 with costs being controlled, significant extra income from fees and charges and additional one-off grants from various bodies being received. The setting of the 2016/17 budget had included an increase in income targets to the levels seen in 2015/16 in order to assist the Council with the deficit in financing it faced. This meant the Council would again require strong income streams and control over expenditure in order to meet the set budget.

19.5 Members were advised that a breakdown of the Council's reserves as at 31 March 2016 was shown at Appendix B to the report. There had been a net movement in year of around £32,000 and the Appendix showed the significant movements along with explanations. The reserves were grouped under strategic headings so as to provide a better understanding of the actual intended use of the monies set aside. The total revenue reserves of the Council stood at £9.84 million at the end of March and included earmarked reserves, planning obligations and the general fund working balance. Despite gross expenditure totalling £1.29 million during 2015/16, the reserve balances had seen a net decrease of only £732,000 during the year; there were a number of reasons for this including the surplus on the general fund and the unspent new homes bonus monies being carried forward. In terms of the capital programme, Appendix C summarised the programme together with the sources of finance used. Members were advised that the Council had committed to a substantial capital programme in the last few years and this was highlighted in the level of capital expenditure incurred in 2015/16 on items including the new leisure centre and maintenance and improvements to the Council's asset portfolio. The balance on the capital reserve had reduced to £5.68 million as at 31 March 2016 with commitments totalling £11.9 million over the next three years. The

Council's investment programme, which included the purchase of a vehicle fleet, the regeneration of Tewkesbury Town and the purchase of an investment property, would require the Council to borrow monies from both internal and external sources.

- 19.6 In terms of treasury management, Members were referred to Appendix D which set out the treasury report. This was a requirement of the CIPFA Code of Practice on Treasury Management in Public Services which the Council had previously adopted. One of the requirements of that Code was the receipt by Members of an annual review report after the end of the financial year. The prudential indicators had been monitored regularly and there were no material departures from the indicators arising during the year. The in-year performance of investments resulted in an average return of 0.82% and total income of £116,500; this was £71,500 below target for the year and reflected the reduced investment portfolio which was available to the Council following the refunds issued to Virgin Media. This was expected and an earmarked reserve had been included in the accounts to equalise the investment returns budget; that reserve had not been required in full which represented a good performance from Treasury Officers under the circumstances. In respect of performance indicators, the Financial Services Section had two: percentage of creditor payments paid within 30 days of receipt; and outstanding sundry debt in excess of 12 months old. The Finance and Asset Management Group Manager advised that he was pleased to report a further performance improvement in the speed of invoice payments which appeared to reflect the service improvements made and the efficient working of the staff involved. The sundry debt position had fallen by over £5,000 across the financial year, although it was disappointing that the position had worsened during the second half of the year. The situation with outstanding sundry debt was the result of one individual debtor who had now paid off the majority of the arrears and had a payment plan in place for the balance.
- 19.7 Referring to Paragraph 2.11 of the report, a Member offered his congratulations to the teams that had produced a surplus through their income streams. Another Member indicated that the Council seemed to live in hope of the interest rates rising and he felt it might now be time to forget about interest rates and concentrate on what it did have available. In response, the Finance and Asset Management Group Manager explained that, as the Council's balances were now quite minimal, its investment balances were limited to its income. Officers did try to maximise this but it was considered more important to ensure the Council's liquidity going forward. In terms of the possibility of the interest rates going down, this would have a minimal impact on the Council due to the fact that its balances were low. A Member questioned whether Officers had any early indications about the usage of the new leisure centre and, in response, the Finance and Asset Management Group Manager advised that he did not have exact figures at this stage but the feedback was that the centre was going well and the membership numbers had exceeded the expectations of the operator in the first couple of months. Another Member advised that this was in line with the feedback that she had received which indicated that the target for the number of new members for September had been increased and Places for People felt this would be achievable. In terms of the income received from the centre by the Council, the Finance and Asset Management Group Manager indicated that the annual contract sum was index linked and, in addition, the Council got 45% of the profit share so, if the centre did well, so did the Council.
- 19.8 In response to a query about the financing of the Neighbourhood Plan process, Members were advised that government money was available to help fund the process. Accordingly, it was

RESOLVED:

1. That the general fund outturn for 2015/16, the financing of the capital programme and the annual treasury management report and performance be **NOTED**.
2. That the transfers to and from earmarked reserves be **APPROVED**.

EX.20 SEPARATE BUSINESS

20.1 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 12A of the Act.

EX.21 SALE OF LAND AT EVESHAM ROAD, BISHOP'S CLEEVE

(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))

21.1 Members considered a report which discussed the sale of land at Evesham Road, Bishop's Cleeve. The Committee delegated authority to the Finance and Asset Management Group Manager, in consultation with local Bishop's Cleeve Members and the Lead Member for Finance and Asset Management, to negotiate that disposal.

The meeting closed at 3:35 pm