

COUNCIL MEETING – 16 JANUARY 2018
REPORT OF THE RESOURCES COMMITTEE

13 December 2017

Present: Councillors Griffiths, (Chairman), Partridge-Underwood, (Vice-Chairman), Allebone, Carr, Emerson, Francis, Graves, Hallam, Henley, G Lawman, L Lawman, Morrall, Scarborough, Simmons and Ward.

Also present: Mrs L Elliott, (Managing Director), Miss J Thomas, (Director/Monitoring Officer), Mrs S Knowles and Miss K Denton (Assistant Directors), Mr N Robinson (Principal Manager Revenue and Benefits), Mrs S Whiteley, (Electoral Services Team Leader) and Mrs C A Mundy, (Democratic Services Officer).

1. APOLOGIES

There were no apologies.

2. DECLARATIONS OF INTEREST

RESOLVED to note that in accordance with the Localism Act 2011, the council's code of conduct and the council's constitution, the following declarations were made:

Councillor	Min no.	Item	Reason
Graves	9	Nene Valley Crematorium	Registerable – Board member of Nene Valley Crematorium

3. CONFIRMATION OF THE MINUTES OF THE RESOURCES COMMITTEE MEETING HELD ON 1 NOVEMBER 2017

The minutes of the resources committee of 1 November 2017 were received.

RESOLVED that the minutes of the resources committee held on 1 November 2017, be confirmed and signed.

4. REVIEW OF POLLING DISTRICTS, POLLING PLACES AND POLLING STATIONS

The annexed circulated report of the director was received in relation to the statutory review of polling districts and polling places for the borough of Wellingborough.

Under the Representation of the People Act 1983 (as amended), the council has a duty to divide its area into polling districts and to designate a polling place for each district for UK Parliamentary elections and to keep these under

review at least once every five years. Under this legislation a full review had taken place in 2014; with each subsequent review needing to commence within 16 months of every fifth year.

Since 2007 the council had kept the location of polling stations under review to ensure good accessibility for all electors.

Appended to the report were the following:

- Appendix A: - Definitions of polling districts, places and stations;
- Appendix B: - List of proposed polling districts, places and stations;
- Appendix C: - Maps of proposed polling districts and stations;
- Appendix D: - Terms of reference and a summary of the review process.

Members raised various issues with the Electoral Service Team Leader, Mr Whiteley, particularly in relation to the use of The Miller, the lack of a facility at Little Irchester, Brickhill Ward boundary, Swanspool Ward, the recent changes made to the Ock 'n' Dough, and the importance of providing suitable disabled access at all stations for the electorate. Mr Whiteley explained that this was the start of the review process of the polling districts and polling places and all points submitted would be considered by the committee and ultimately the acting returning officer.

R1 RECOMMENDED that:

- (i) a statutory review of polling districts and polling places commence on 18 January 2018;
- (ii) approval be given to the adoption of the terms of reference and the publication for the formal notice of review to enable the consultation to commence on the proposed polling districts and polling places;
- (iii) it be noted that representations received during the review would be reported back to committee.

5. RISK MANAGEMENT UPDATE

The annexed circulated report of the director was received to give an update on the key risks which may affect the council.

The report detailed the three levels of risk as follows:

- Corporate risk register (CRR) - this sets out the risks to the entire council, which are monitored and reviewed by the officers' Risk & Business Continuity Group;
- Service risk register (SRR) - this is owned by the assistant directors and principal managers and incorporates operational risks relevant to a particular service or services; they form part of the service and financial planning dossiers and link to business continuity plans;
- Health and safety risk assessments – these are maintained at service level by assistant directors and principal managers. They contain risk

and controls that affect individual employees and are maintained in accordance with the council's health and safety policy.

The assistant director made reference to the appended corporate risk register for 2017/18, and informed members that the risk register had now been cross referenced to the audit plan.

Members asked for clarification on a number of points and raised concern about the strategic risk in relation to the financial situation at the county council and the potential impact that its budget issues could have on the borough council.

Members also particularly referred to the regeneration projects of Stanton Cross and Wellingborough North and asked whether, should the projects not be progressed in accordance with the timescale, such risk could be sustained.

The managing director confirmed that the issues with the NCC were on the radar and were of concern and would continue to be monitored. The sustainable urban extensions were also regularly monitored and reviewed and were currently on track to deliver.

RESOLVED that the report be noted.

6. LOCAL COUNCIL TAX SUPPORT SCHEME 2018/19

The annexed circulated report of the section 151 officer was received to advise members on the council's local council tax support scheme (CTS).

The report detailed the current scheme provisions, whereby up to 80% of the council tax liability is used in the entitlement calculation for working age people and this was illustrated further in the report.

No changes were proposed to the existing scheme, which had previously been extensively consulted on in 2015.

The principal manager revenue and benefits confirmed that details of the financial settlement from the government were expected on 19 December 2017 and would be the subject of a members briefing note.

R2 RECOMMENDED that no change be made to the Borough Council of Wellingborough's local council tax support scheme for 2018/19.

7. CALCULATION OF THE COUNCIL TAX BASE 2018/19

The annexed circulated report of the section 151 officer was received in relation to the council tax base for 2018/19.

The calculation of the council tax base provided precepting authorities with information to enable them to determine their financial requirements for the coming year. The calculation considers the occupancy of every banded

property in the borough and is adjusted for growth factors, local council tax support and an estimated 'in year' collection rate.

The tax bases for each parish council and Wellingborough town were appended to the report.

RESOLVED that:

- (i) the amount calculated by the Borough Council of Wellingborough as the council tax base for the year 2018/19 is 24,492 (Band D equivalents);
- (ii) the council tax bases for each parish council and Wellingborough town, as appended to the report, be approved.

8. CORPORATE PLAN AND BUSINESS PLAN 2018-19

The annexed circulated report of the managing director was received to seek approval of the corporate plan, associated key priority outcomes and corporate performance indicators to be adopted within the 2018-19 business plan.

Appended to the report were the following:

- Appendix 1: Business Plan 2018-19 key priorities and key projects;
- Appendix 2: High level corporate performance indicators;
- Appendix 3: Revised corporate business plan.

The managing director made reference to the current corporate plan, approved in 2011, and explained that a number of changes had been made to the council's structure and composition, most notably the creation of Wellingborough Norse Ltd and the restructuring of the senior management team. Significant challenges were now being faced by the council in both service delivery and financial resources.

Reserves had been used to bridge the gap between expected expenditure and expected income but these reserves were depleting each year and a strategy and action plan to ensure financial sustainability were required.

Following feedback received from two member policy seminar sessions there remained a clear ambition from members to continue to make 'Wellingborough a place to be proud of'. The council's mission and strategic themes, known as the PRIDE objectives, remained relevant and there was no proposal to change these at the current time, though the actions need to be refreshed to reflect the changes that have already happened, along with those that were expected to come. These would be new key priorities for the Business Plan 2018-19.

The following key areas needed to be addressed in the coming year:

- Housing provision and homelessness;
- Town centre regeneration;
- Return on investment of capital resources;
- Financial stability for the future; a more commercial approach;

- Property developments using council assets to address those areas above.

Further details of the requirements for the future were contained within the report. The council needed to adapt and change to the new demands and pressures with options on service planning being reviewed over the medium term including the potential to work more with neighbouring public sector bodies to provide efficiencies in processes to deliver improved services for residents.

New corporate performance indicators were proposed to show the direction of travel and to focus more on the delivery of priorities.

The medium term financial plan would also be reviewed, based on the new priorities, and there would be consultation where appropriate. The structure of the organisation needed to reflect the priorities it was trying to achieve and the management of the organisation would therefore need to change and adapt in line with the new plans. A new structure was being developed by the senior management team, building upon the recent recruitment and this would be consulted upon with staff before being implemented.

The aim was for all residents to have a solid foundation in the community, such as a safe home to live in to provide better life chances and opportunities to all. Growth in housing and employment forecasts for Wellingborough through its sustainable urban extensions (SUEs) would begin in earnest in the coming years and there would need to be more support in the creation, regeneration and development of its communities in a sustainable manner, embracing new development, but respecting and building on the heritage of the borough.

As communities grow the expectations for the town centre would also grow, with the prosperity and local economy needing to be enhanced. The council would need to retain and attract new businesses to Wellingborough to provide employment opportunities for the growing population. Leisure and cultural provision would also need to be enhanced to ensure that Wellingborough was a place to live in, rather than just reside in. Further details of the mechanism for this were contained within the report.

The managing director explained that further work would be undertaken on the Business Plan, which would be brought back to committee in February 2018; further member policy seminars would also be held.

Members welcomed the report and referred to the appendices, making some suggestions and comments thereon, which the managing director would incorporate.

R3 RECOMMENDED that:

- (i) approval be given to the Business Plan 2018-19 key priorities;
- (ii) the revised corporate plan be adopted;
- (iii) The proposed corporate performance indicators, to replace the current set of indicators, be adopted.

(Councillor Graves left the meeting having declared an interest in the following item and did not return.)

9. NENE VALLEY CREMATORIUM – FIRST ANNUAL REPORT

The annexed circulated report of the managing director was received to present the first annual report, as appended, of Wellingborough Bereavement Services (WBS) Ltd to the council as its sole shareholder.

The report detailed the crematorium's performance, which had been better than anticipated, with 694 cremations taking place by the anniversary of its opening. WBS Ltd had not been expected to make a profit in its first year of trading and was reporting a net loss of £14k as at 31 March 2017. The 2017/18 forecast outturn position for the current year had been reported to the Board in September and indicated that the crematorium was on track to deliver a £145k profit before tax.

The Board of WBS Ltd had made a request to the council to consider making an alteration to the building, as it had become clear that the waiting room was not large enough to accommodate mourners, who had to stand outside. The canopy area was not completely under cover and negative feedback had been received from the public and funeral directors. The Board was suggesting that a glass roof be added to the outside waiting area for customer comfort and satisfaction. There was no evidence that this would increase the number of bookings but it would improved customer comfort and satisfaction. The sum of £50,000 had been requested to carry out this work.

WBS Ltd was also preparing plans for the memorial gardens and a scattering lawn was already in place. The Board was considering various memorial options and wished to put in place two memorial walls; one next to the scattering lawn and one closer to the site entrance.

The Board had put together a business case showing that the investment would provide a return in due course. Due to the cost involved a procurement exercise would be necessary. A capital bid had been submitted for such funding. It was also hoped that dedicated areas could be developed, such as a children's area and Veterans area, though the primary aim was to cater for as many families as possible.

Various issues had arisen in regard to the landscaping and there were ongoing discussions taking place with Wates about how to resolve the issues to improve the appearance of the site.

Part of the site had been purchased by the Ministry of Justice to facilitate access to the prison and it had agreed to place screening along the boundary of the land.

There was currently no intention to increase the existing fees though it was proposed that a fee for direct cremations of £450 be introduced.

This was the first wholly owned company venture that the council had been involved with and the Board had needed to consider and determine a number of governance issues. The two councillors, as directors of the company, had taken advice and declared their interest in writing. Whilst they could remain in meetings during general discussion on items relating to the crematorium they left if a decision was required to be made.

The two officers who were directors of the council, and who are also directors of the company, had also taken advice on a potential conflict of interest where a statutory role was held. It had now been established that one of the directors, Miss J Thomas, following her appointment as monitoring officer, had a conflict of interest and would need to resign.

It was therefore suggested that two councillors and two employees of the council be appointed to the Board instead of two councillors and two directors.

It was also suggested that statutory officers attend the Board as observers to provide a general overview of compliance with council policies where applicable and to monitor the company's effectiveness.

Members praised officers for all the hard work in building the crematorium and creating a company to run it. The recent open days held at the crematorium had been very informative, with the future development of the crematorium being enthusiastically presented. The official dedication service for the crematorium had taken place in September and this had been well attended.

Members considered that the direct cremation fee of £450 was acceptable. They were also happy for the make-up of the Board to be updated to two councillors and two officers of the council.

Some members, however, raised concern with regard to the requests for capital funding for the canopy and the memorial wall. It was agreed that the canopy would be a beneficial addition, as a number of members had received comments from mourners about the fact that the area was open to the elements. Members required more information around the business case for the costings for the Memorial Wall.

Officers informed members that the business case had been supplied and was available on the intranet where members could view it. Some members said they were unable to access the intranet; officers would look into this and provide the information to them. Members were reluctant to agree to the allocation of a capital budget without having reviewed this business case. It

was clarified that all members would be provided with the business cases prior to the decision being taken at the council meeting in January.

Some members considered that mourners would benefit from the addition of comfort rails particularly for the front row. The managing director said that this had been considered and consulted on but no direct requests for this had been received.

Members generally considered that the crematorium was a good asset for the whole borough, they appreciated the work of the employees, who handled every cremation sensitively and considered that work now needed to be progressed with regard to the landscaping and screening of the site from both the prison and the solar farm so it was a tranquil place for families to visit.

RESOLVED that:

- (i) the report of Wellingborough Bereavement Services Ltd be noted;
- (ii) consideration be given to the allocation of a capital budget to enable phased development of the gardens of remembrance, in line with the request made the company;
- (iii) consideration be given to the allocation of a capital budget to enable alterations to the canopy outside the waiting room.

R4 RECOMMENDED that:

- (i) approval be given to the introduction of a fee of £450 for a direct cremation, which could take place at a time convenient to the crematorium staff and without any use of the chapel or other related services;
- (ii) approval be given to amend the make-up of the Board of Wellingborough Bereavement Services Ltd to two councillors and two employees of the council or the company;

10. DRAFT CAPITAL PROGRAMME 2018-19 TO 2022-23

The annexed circulated report of the section 151 officer was received in relation to the capital financing available for the medium term together with a list of potential capital schemes.

Appended to the report were the following:

- Appendix A - List of proposed capital schemes 2018-19;
- Appendix B - List of capital schemes 2018-19, awaiting further information.

The funding of the capital programme was based on the assumption that the council would maintain a balance of £5million in its capital resources.

The report detailed the enhancements made to the capital programme to provide greater accuracy and certainty. The evaluation and scoring process

enabled the council to achieve the most from its capital resources and ensured that priority was given to those schemes that met the agreed desirable outcomes.

The items listed in schedule 1 included works to the multi-storey car park lifts, the renovation of Queen's Hall and the temporary accommodation mitigation fund.

The report further detailed the issue of homelessness which was increasing considerably, and was of both national and local concern. More temporary accommodation was being required and at the end of November the number of families in this temporary accommodation was 92. It was costing the council £500 per week to accommodate a family with only £90 per week being recoverable from the government. This was putting considerable pressure on the council's revenue budget. A capital bid for £725k over a two year period was being sought to assist with the reduction of these financial pressure on the revenue budget. The managing director and assistant director explained what this funding could potentially be used for and access to this funding would enable different options to be explored.

Members across the committee agreed that homelessness was a big issue and that the cost of accommodation was potentially going to put a considerable strain on already tight budgets. They asked to be kept informed of any developments and options. A discussion took place on the need for potential use of this fund before further details of projects could be given to members. To ensure that timely decisions could be made it was suggested that the following delegation be agreed:

“that delegated power be given to the managing director, in consultation with the leader of the council and the leader of the opposition, and subject to the approval of the business case, to draw down on the homeless mitigation capital budget, as necessary, and for the managing director to report back to the next resources committee meeting in February 2018.”

With regard to the request by Nene Valley Crematorium for capital funding, this had scored sufficiently to be included in Schedule 2, which was desirable but not high priority.

Members supported the request for the installation of a canopy at a cost of £50,000. They considered, however, that before they could approve the funding for the memorial wall of £110,000 and the creation of a scattering lawn at £30,000, they needed to review the business case. The assistant director informed members that she could provide the information. There was a crematorium contingency budget of £212k which could be released into the current capital programme to fund these requests.

A debate ensued with members wishing to consider the business case before agreeing to the monies being allocated for the development of the gardens of remembrance. It was agreed that the business cases would be circulated to

all members prior to the decision being taken at the council meeting in January 2018.

R5 RECOMMENDED that approval be given:

- (i) to the list of capital schemes, detailed in appendix A, schedule 1, being included in the capital programme;
- (ii) for officers to re-profile schemes in line with available resources, based on the funding schedules and scheme priorities;
- (iii) after reviewing the relevant business cases, for the inclusion of the submitted bids as detailed in section 7, and to release the crematorium contingency budget into the 2017-18 current capital programme;
- (iv) to the request for a temporary accommodation mitigation fund of £725k, as detailed in the report, with a further detailed project analysis being submitted to a future meeting of the committee;

RESOLVED that delegated power be given to the managing director, in consultation with the leader of the council and the leader of the opposition, and subject to the approval of a business case, to draw down on the temporary accommodation mitigation fund as necessary.

11. DRAFT REVENUE BUDGET 2018-19 AND THE MEDIUM TERM FINANCIAL PLAN PROJECTIONS

The annexed circulated report of the section 151 officer was received in relation to the medium term financial plan projections for revenue spending and to outline further details of the 2018-19 draft revenue budget for consultation.

Appended to the report were the following:

- Appendix 1 – Medium term financial projections 2017-18 to 2021-22;
- Appendix 2 – 2018-19 draft opening budget for consultation;
- Appendix 3 – Consultation methodology;
- Appendix 4 – Draft fees and charges schedule

The report detailed the medium term financial outlook and underlying budget deficit. There was a need to save around £348k in 2018-19, rising to £2.2m per annum by 2021-22 equating to £5.5m over four years. This needed to be funded from further savings or efficiencies as there were insufficient reserves to fund the shortfall.

The anticipated general fund reserves in 2018-19 were £2.2m with the minimum level allowed being £1.75m. Failure to address the situation would mean that the council would breach its minimum level of reserves in 2019-20 and there would therefore be insufficient funds to balance the budget and provide services.

Changes to service delivery and quality would need to be developed and consulted on over the next year to match the spending levels to the funding available and to reduce the pressure on revenue reserves.

The report also summarised the four year settlement put forward by the government. In future years there would need to be less reliance on this source of funding with a move towards locally raised taxes and income. Revenue spending levels would need to reflect the ability to raise funding locally to ensure that the budget position was sustainable and stable for the future. The promotion of both economic and residential growth was paramount to the continued financial sustainability of the council.

Any implications from the Chancellor's spending review would be built into the financial projections and factored into the final budget proposed in February 2018.

The report also detailed the concern over the proposed changes to the new homes bonus scheme as currently this funding was utilised 100% to support revenue spending. The projections for future receipts had therefore been updated.

In 2017 the council had increased the average Band D council tax by £5.00 (4.96%) and also agreed to increase the council tax in 2018-19 and 2019-20 by £5.00 or 1.99%, whichever is the greater, subject to meeting the referendum criteria and on consideration of the local circumstances at the time of the setting of the budget. It was recommended that members agree a council tax increase of £5 in the draft budget for consultation.

Council, at its meeting on 17 October 2017 had agreed to submit a bid for pilot status for 100% business rates retention as part of the Northamptonshire Pool. The bid had been submitted at the end of October 2017 and the outcome was awaited.

Details of the proposed fees and charges were appended to the report for member approval.

The draft budget was based on a standstill position, though a central inflation budget had been included in the medium term financial plan. Service areas had absorbed the inflationary pressures whilst maintaining current service levels, but this was becoming increasingly hard to deliver. The central inflation budget could be made available to ensure service levels did not suffer as a last resort.

The Homelessness Reduction Act would come into effect on 3 April 2018 and would have a significant effect on housing duties. Sufficient officers would need to be recruited and it was proposed to add two new housing options officers, on fixed term contracts, on scale 24-30 (£21,962 to £26,822) to the establishment. These will be funded from a grant from central government which is ring-fenced for homelessness initiatives.

Before the final budget is published, the senior management team will undertake a full review of the 2018-19 standstill budget to identify potential further efficiencies through structuring and service delivery changes, in line with agreed corporate priorities.

The report also detailed the consultation process.

RESOLVED that approval be given:

- (i) to the indicative level of council tax increase to be included in the budget assumptions as part of the consultation;
- (ii) to consult on the use of reserves to support the underlying revenue budget deficit over the short term to allow for more robust service delivery options to be developed and implemented;
- (iii) to the proposed draft fees and charges schedule and for its inclusion in the information for consultation;
- (iv) to the draft 2018-19 revenue budget for consultation;
- (v) to increase the employee establishment by two full time equivalents to support our statutory homelessness duties;
- (vi) to the method of consultation proposed in the report.

12. IRRECOVERABLE COUNCIL TAX, HOUSING BENEFIT OVERPAYMENTS, NON-DOMESTIC RATES AND SUNDRY DEBTS

The annexed circulated report and exempt appendices of the section 151 officer was received to request approval to the write off of irrecoverable debts.

The total amount to be written off is as detailed below:

• Council tax cases	£19,922.94
• Non-domestic rate cases	£2,580.12
• Housing benefit overpayment cases	£17,076.72

RESOLVED that:

- (i) the sum of £39,579.78 of irrecoverable council tax, non-domestic rates and housing benefit overpayments be written off;
- (ii) it be noted that the sum of £42,227.68 be written off under the delegated powers of the section 151 officer.

Chairman

The meeting concluded at 9.05pm.