

COUNCIL MEETING – 22 JULY 2014

REPORT OF THE RESOURCES COMMITTEE

25 June 2014

Present: Councillors Bell (Chairman), Allebone, Carr, Dholakia, Graves, Griffiths, Harrington, Henley, Morrall, Partridge-Underwood, Scarborough, Ward and M Waters.

Also present: Mr J T Campbell, Chief Executive, Miss S Lyons, Solicitor/Monitoring Officer, Mrs L Elliott, Head of Finance, Mrs B Lawrence, Head of Resources, Miss J Thomas, Interim Head of Planning and Local Development, Mrs V Phillipson, Principal Policy and Regeneration Manager, Mr N Robinson, Principal Revenue and Benefits Manager, Mrs S Knowles, Principal Accountancy Manager and Mrs C A Mundy, Democratic Services Officer.

(Councillors Bass and G Lawman attended as observers.)

1. APOLOGIES FOR ABSENCE

RESOLVED to note that apologies were received from Councillors Emerson and Hollyman.

2. CONFIRMATION OF MINUTES

RESOLVED that the minutes of the meeting held on 19 March 2014 be confirmed and signed.

3. 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 under-mentioned councillors declared an interest in the following items:

Councillor	Minute no.	Report Title	Reason
Bell	9	Review of local government pension scheme discretions	Personal – member of the Local Government Pension Scheme.
Carr	9	Review of local government pension scheme discretions	Personal – member of the Local Government Pension Scheme.
Dholakia	9	Review of local government pension scheme discretions	Personal – member of the Local Government Pension Scheme.
Graves	9	Review of local government pension scheme discretions	Personal – member of the Local Government Pension Scheme.

Griffiths	9	Review of local government pension scheme discretions	Personal – member of the Local Government Pension Scheme.
Morrall	9	Review of local government pension scheme discretions	Personal – member of the Local Government Pension Scheme.
Partridge-Underwood	9	Review of local government pension scheme discretions	Personal – member of the Local Government Pension Scheme.
Partridge-Underwood	17	Glamis Hall	Personal – Director of Oakfield – another day care provider.
Scarborough	8	Notification of urgent actions	Personal – Daughter is a member of Wellingborough Rugby Club.
Ward	9	Review of local government pension scheme discretions	Personal – member of the Local Government Pension Scheme.

4. 2013-14 REVENUE AND CAPITAL OUTTURN

The annexed circulated report of the Head of Finance was received to update members on the council's revenue and capital expenditure against approved budget for the financial year 2013-14.

Appended to the report was the revenue monitoring position to 31 March 2014, the capital programme monitoring position to 31 March 2014 and the capital programme funding position. Further detailed information was provided within the report.

The Principal Accountancy Manager made particular reference to the additional funding received from planning income, the unused budget provision for welfare reform of £250,000 and business rates growth. The report also detailed the underspend in capital of £3.858m and the reprofiling of expenditure in the programme for 2014-15.

Members asked for clarification that the sum of approximately £9m was in reserves as at 31 March 2014. Officers stated this would be clarified in the statement of accounts report to be presented to the Audit committee on 8 July. Reference was also made to capital expenditure for the year being less than £2m. The Head of Finance clarified that this was the case and that she had carried out some reprofiling work.

RESOLVED that:

- (i) the outturn position be noted, subject to audit, as outlined in the report along with the reasons for the projected outturn variations at 31 March 2014;

- (ii) the position be noted on the capital programme and the reasons for the variances and re-profiled budgets as detailed in Appendix 2 of the report;
- (iii) the position be noted on the funding of the capital programme as detailed in Appendix 3 of the report;
- (iv) approval be given to the contributions to reserves and utilisation as detailed in the report at paragraph 6.12.

5. TREASURY MANAGEMENT – ANNUAL REPORT 2013-14

The annexed circulated report of the Head of Finance was received on the annual report of treasury management activity for 2013-14. The treasury management function contributes towards the council's overall objective of the efficient use of resources.

The report detailed the outturn position in respect of the application of the treasury management strategy for 2013-14 and sought member approval to amend the current 2014-15 strategy as detailed in the report.

Appended to the report were the prudential indicators, market update for 2013-14 and credit worthiness policy amendments for approval.

R1 RECOMMENDED that:

- (i) that the contents of the report and outturn position be noted;
- (ii) the changes to the credit worthiness policy contained in the investment strategy previously agreed by council in April 2014 be approved;
- (iii) the increase to the Lloyds Bank total investment limit to £6m be approved.

6. CAPITAL REVIEW PROGRESS UPDATE

The annexed circulated report of the Head of Finance was received on the progress made on the capital programme review.

Resources Committee had requested a review on the progress of the capital programme to ensure that the resources allocated to the schemes reflected the priorities of members and to ensure that resources were appropriately allocated.

A number of issues had been raised during the review over whether approved schemes would proceed. A future report to Resources Committee would make suggestions as to how the initial analysis of the current process could be improved and as to how the current scoring method and grouping of schemes could be improved for the 2015-16 capital programme. The report also detailed three new capital projects for a waste transfer station at Trafalgar House in the sum of £50000; the Aggresso financial system upgrade at a cost of £30000; and the resurfacing of the car park at the Olympic Way shops at a cost of £2185.

The Head of Finance updated the committee on the waste transfer station as the costing for this had increased to £105,000 but it was considered that the return it would generate would continue to make this viable.

Members welcomed the report and thanked officers for including the administration and opposition groups in the initial discussion process. They considered and agreed the proposals for the new schemes detailed within the report. The chairman informed the meeting that a workshop would be arranged for members to attend sometime in the future.

RESOLVED to:

- (i) note the progress to date on the review along with the key tasks to be undertaken as part of the full review process;
- (ii) agree the inclusion in the approved capital programme of new schemes as proposed in the report;
- (iii) agree to the changes to the currently approved capital programme as outlined in the report.

7. TOWN AND COUNTY PLANNING ACT SECTION 106 – PROJECT UPDATE

The annexed circulated report of the Head of Planning and Local Development and the Head of Finance was received to provide an update on Section 106 expenditure and to seek approval for monies to be spent and to note the urgent actions taken in relation to Town and Country Planning Action Section 106 monies.

The committee was informed that Section 106 monies were collected as part of the contribution made by a developer to mitigate the impact of development. The council has a duty to ensure that the money collected is properly allocated for the purpose it had been obtained for. The monies were held in trust and not included in the medium term financial plan.

The report detailed the commitment and spend of Section 106 contributions, including the urgent actions taken in relation to monies spent on the allotments at Ladywell, Breezehil, Brook Farm and Doddington Road and the floodlighting at Wellingborough Rugby Football Club (WRFC).

Members thanked officers for the report and expressed their support for the allocation of funding which had made or would make a significant difference in several wards.

RESOLVED that:

- (i) the urgent action taken be noted for the allocation of £13398 from (WP/2014/0416) Grant Road to finance improvements to allotment sites at Doddington Road, Breezehill, Ladywell and Brook Farm;
- (ii) the urgent action taken be noted for the re-allocation of £6258 from (WP/2006/0048/F), The Lindens, Midland Road and £100 from

- (WP/2009/0013), John Lea, to Wellingborough Rugby Club to be used to finance a flood lighting scheme;
- (iii) approval be given to £14,248 made up of £12,000 from the Section 106 funding, £334 from (WP/2008/0023), 101 Croyland Road and £1914 from (WP/2009/0013), John Lea to be used to finance the Olympic Way shops scheme.

8. NOTIFICATION OF URGENT ACTIONS

The annexed circulated report of the Head of Finance was received on the urgent action taken in respect of the setting of fees for family grave plots and the roll out of Superfast Broadband for Northamptonshire.

Appended to the report were the signed urgent action forms.

RESOLVED that the urgent actions taken be noted.

9. REVIEW OF LOCAL GOVERNMENT PENSION SCHEME DISCRETIONS

The annexed circulated report of the Head of Resources was received to review the council's approach to discretions available to it as a designated employer within the Local Government Pension Scheme (LGPS).

Existing discretions were appended to the report along with requirements for decisions in respect of new regulations so that they could be included in the council's policy. These were further detailed within the report.

RESOLVED that approval be given to adoption of the pension discretions set out in the report.

10. REVIEW OF POLLING DISTRICTS AND POLLING PLACES

The annexed circulated report of the Head of Resources was received to seek authority to commence a statutory review of polling districts and polling places for the Borough of Wellingborough to take effect on 1 December 2014 on the publication of the new Register of Electors.

The Electoral Registration and Administration Act 2013 introduced a statutory duty on all local authorities to carry out and complete a review of polling districts and polling places between 1 October 2013 and 31 January 2015. The authority needs to ensure that all the electors in the constituency have such reasonable facilities for voting as are practicable in the circumstances. So far as is reasonable and practicable, the polling places it is responsible for must be accessible to all electors, including those who are disabled. When considering the designation of a polling place, it must have regard to the accessibility needs of disabled persons. An extensive consultation procedure would now be undertaken.

The Head of Resources explained that Wilby Working Mens' Club and the Earls Barton Methodist Church had been found to be unsuitable as polling

stations at the election on 22 May 2014 and that, in both cases, polling stations would need to be relocated at schools as the only suitable alternative.

The use of the Independent Wesleyan Chapel at Finedon as a polling station had provided the advantage of the school remaining open and only four complaints had been received about the change of venue. Councillor Ward commented that the local Police Community Support Officer had recently attended a parish council meeting where concern had been expressed over residents parking near the chapel so this would need to be taken into account on polling day. He would formally pass this feedback to the Head of Resources.

A number of voters had complained about the portakabin at Cox's site in Westfield Road and the building/yard being inhospitable and unpleasant. Councillor Allebone considered that the site was good with plenty of parking.

Councillor Griffiths asked where the residents of John Lea Estate would vote. The Head of Resources said that she believed the only suitable place would be the Cemetery Chapel in Doddington Road. Councillor Griffiths considered this would be a good place.

Councillor Dholakia referred to Victoria Ward and the Head of Resources confirmed that there would be more than one polling station to cover this ward.

Members also asked if postal voting was promoted as they considered this to be so much easier for voters.

The Head of Resources clarified that any form that was sent out for the public to register to vote contained a tick box for people to receive a postal vote application form. During the recent election 10,000 postal votes had been issued and there had been a high turnout on these postal votes. Postal voting was also heavily promoted on the website and around election time.

R2 RECOMMENDED that:

- (i) the proposed polling districts and polling places be published for the new wards in the borough, as set out in the report;
- (ii) consultation commence on the new polling districts and polling places by the adoption of the terms of reference and the publication of the formal notice of review;
- (iii) a future report be made to Resources Committee to consider representations received during the review.

11. LIVING WAGE

The annexed circulated report of the Head of Resources was received in relation to the options available to the council in implementing a 'living wage' policy.

The report detailed the concept of the living wage in that a minimum hourly wage should be paid to all employees, sufficient for them to be able to enjoy a reasonable standard of living.

The national minimum wage is current set at £6.31 for anyone over 21, with lower rates for younger people. The living wage is recommended to be £7.65 per hour, with higher rates in London.

Members had requested officers to explore 'living wage' accreditation. Currently no employee on the permanent establishment is paid less than the living wage. In terms of the council's 59 salary points, the living wage falls between points 10 (£7.26 per hour) and 11 (£7.71 per hour). No-one is paid below point 11, although a few individuals on trainee contracts or maternity cover are on fixed term or temporary contracts, at a lower rate.

The living wage could be adopted for all permanent employees at no additional cost. Should full accreditation be required this would have to include people who are not direct employees of the council but are working on site at least two hours per week for eight consecutive weeks, such as those working for contractors.

In addition the council also employs casual workers to support events and there would be financial implications if the living wage was adopted.

It was therefore recommended that the council not agree to become accredited as a living wage employer in full, but continue to ensure that employees on the council's own payroll are paid a minimum of spinal column point 11. This would need to be reviewed if the make-up of the workforce were to change significantly.

Members discussed the options with a number expressing their concern over the fact that people working at the council as contractors may not be receiving a living wage. Other members considered that it would be wrong for small businesses to be forced to pay a living wage.

Councillor Scarborough proposed an amendment, which was seconded by Councillor Dholakia, to the recommendation within the report as follows:

“that the council pays a living wage to all employees on the current establishment, and pursues accreditation by the Living Wage Foundation”.

On being put to the vote the motion was declared lost with 3 votes in favour and 8 against.

The original recommendation was put to the vote and declared carried with 8 votes in favour and 3 against.

RESOLVED that the council pays a living wage to all employees on its current establishment, but does not pursue accreditation by the Living Wage Foundation.

12. ALLOCATIONS PROCESS FOR VOLUNTARY SECTOR GRANTS

The annexed circulated report of the Head of Resources was received on the establishment of a member working party to consider the allocations process for voluntary sector grants for 2015-16.

The draft terms of reference for the grants working party were appended to the report and detailed the purpose of the working party and as well as the duration of its existence.

RESOLVED that:

- (i) approval be given to a member working party being established to review current service level agreement grant arrangements and to report back to Resources Committee in autumn 2014 on recommendations for future service delivery;
- (ii) the working party membership be Councillors Bell, Graves and Morrall, with one further Conservative group vacancy and one vacancy to be filled by the Labour group at the Council meeting to be held on 22 July 2014.

13. CROYLAND HALL AND CROYLAND ABBEY

The annexed circulated report of the Head of Resources was received on the preservation and use of Croyland Hall and Croyland Abbey to protect the character of a key listed building in the council's ownership as well as providing an invest-to-save opportunity for the council.

The report proposed that the Hall and Abbey be converted into modern residential apartments enhancing and protecting the listed buildings' features.

The report detailed four options for conversion schemes. Advice had been sought from an experienced local agent and a summary of the recommendation was detailed within the report.

Taking the alternative schemes into account it was recommended that the optimum proposal was to convert Croyland Hall and Croyland Abbey into 15 apartments. The estimated cost of the conversion would be in the region of £1.1million and was expected to provide a return of 6.8% on investment.

As the council could not be a direct landlord it was proposed that the creation of an appropriate legal structure would need to be considered.

Members fully supported the option for the provision of residential apartments on the site and considered that this was indeed the best way of protecting the historical buildings.

RESOLVED that approval be given:

- (i) to seek planning approval to convert Croyland Hall and Croyland Abbey into 15 apartments for rental;
- (ii) for the project to be included on the list of capital projects for funding;
- (iii) to officers investigating and reporting back on the creation of a suitable legal structure to provide the council with an income from a rental scheme of this kind, as well as any other appropriate council projects.

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

The annexed circulated report of the Director of Resources was received on the write-off of irrecoverable non-domestic rates, council tax, sundry debts and housing benefit overpayments and to note amounts written off under delegated powers for council tax, non-domestic rates, sundry debts and housing benefit overpayments.

RESOLVED that:

- (i) approval be given to the sum of £125,292.58 of irrecoverable council tax, non-domestic rates and housing benefit overpayments being written-off;
- (ii) it be noted that the net amount of £71,330.44 has been written off under the delegated powers of the Section 151 officer.

15. EXCLUSION OF PRESS AND PUBLIC

RESOLVED that the press and public be excluded from the meeting during consideration of the following items in accordance with Section 100A(4) to the Local Government Act 1972 on the grounds that they would involve the likely disclosure of exempt information of the descriptions shown in schedule 12A to the Act:

Min. no.	Item	Paragraph of Schedule 12A
16	Exempt appendices - Irrecoverable Non-Domestic Rates, Council Tax, Sundry Debts and Housing Benefit Overpayments	E3
17	Glamis Hall	E4
18	Leisure Services Procurement update	E3
19	Shared Service Options	E4

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

The exempt circulated appendices were received.

Members asked a number of questions for the purpose of clarity which were responded to by the Principal Manager Revenue and Benefits.

RESOLVED that the exempt appendices be noted.

(Councillor Partridge-Underwood left the meeting having declared a personal interest on the following item and did not return.)

17. GLAMIS HALL

The annexed circulated exempt report of the Head of Resources was received regarding the future of the Glamis Hall building.

The report informed members that the Glamis Hall building was at the end of its useful life and no longer fit for purpose. It was currently used as a base for council run day care services for older people. Such service is discretionary for a borough council to provide and there was concern that the services provided were no longer suitable for the needs of the users. The hall was also used as a sports hall with associated facilities for hire in the evenings and at weekends.

The Glamis Hall Members Working Party had looked at the feasibility of a number of options utilising the current and alternative sites and these discussions and conclusions were summarised in the report. The recommendation of the working party was that the building be closed. It also recommended that work be undertaken with users and potential providers to establish the future needs of clients in terms of accessing alternative services. Provision of an alternative sports changing room with some level of community use would be investigated. Employee consultation would also be required for the 11 council employees on site.

Members discussed the recommendation and agreed that the building was no longer fit for purpose, and that the client base had changed over the years with users needing more care provision than previously required. The closure would affect the elderly across the borough and they considered that it was of great importance to ensure that alternative care was available for the client-base. It was essential that the transition was made as easy as possible for them and the employees.

RESOLVED that:

- (i) the Glamis Hall building be closed from 1 January 2015;
- (ii) liaison take place with stakeholders to look at ways of accessing similar services to those currently offered on the Glamis Hall site; and that a report on the findings be made to the Resources Committee in September 2014.

18. LEISURE SERVICES PROCUREMENT UPDATE

The annexed circulated exempt joint report of the Head of Finance and the Head of Resources was received to update members on the procurement of Leisure Services and the negotiations with Places for People (PfP), formerly DC Leisure Ltd (DCLL), to extend the current contract on revised terms and conditions.

The report detailed the negotiations that had been taking place for a new contract with Places for People who had indicated that if the opening times at Redwell Leisure Centre were reviewed its current contract and services could continue to be delivered, but at a nil net revenue cost.

Members discussed the information contained within the report and praised officers for their negotiations. A number asked detailed questions about the current maintenance levels of the tennis courts, the under-use of the outside pitches and cricket field, and the decoration of the Redwell building. The heads of service clarified that this was outside the scope of the contract negotiations, but would be addressed as part of the ongoing leisure management arrangements.

RESOLVED that:

- (i) the opening times of Redwell Leisure Centre be amended, for casual users, with effect from 1 January 2015, as outlined in the method statement appended to the report;
- (ii) the Head of Resources and Head of Finance be instructed to conclude the negotiations on the contract extension with Places for People to establish an updated specification and revised extended contract at a nil revenue cost;
- (iii) delegation be given to the Chief Executive, in consultation with the Leader of the Council, to sign the contract on behalf of the council once the commercial negotiations and legal agreements are completed.

19. SHARED SERVICE OPTIONS

The annexed circulated exempt report of the Head of Resources was received in relation to ongoing investigations into further shared service arrangements.

The report outlined some options for further sharing of services as a means of reducing the underlying deficit in the revenue budget, as well as to provide a more resilient and modern approach. Work was ongoing in considering further partnership working arrangements in respect of service delivery.

The report made reference to the Revenue and Benefits area, Environmental Health Services, Building Control and Human Resource/Organisational Development.

The Head of Resources updated members on the position regarding Environmental Health, Building Control and Human Resources/Organisational Development. With regard to other services no active investigations were being made at the current time but may be considered in future, together with any consequential structural reviews at management level or below.

The Head of Finance referred to the Revenue and Benefits service. She clarified that discussions had taken place with two potential partners. Initial assessments of the two offerings had indicated a preference for one partner, LGSS, to move forward to the provision of a detailed business case to demonstrate good levels of service and a reduction in costs.

Members asked a number of questions in respect of how savings would be made, and whether there would be any redundancies. They also asked for confirmation that a decision would not be made until a further report was presented to committee.

Officers clarified that further work would be undertaken during the summer months to prepare a full business case with a report being submitted to either the September or October Resources Committee. This would then allow sufficient time for full consultation on the proposals with staff before a formal decision is made.

An equalities impact analysis would demonstrate the level and scope of the wider need for consultation.

RESOLVED that:

- (i) approval be given to LGSS being identified as a preferred partner for the provision of revenue and benefits services, subject to the production of a detailed business case demonstrating good levels of service and a reduction in costs; and the submission of a report to Resources Committee in the autumn;
- (ii) the position be noted in respect of other potential partnership opportunities which will be the subject of any necessary further reports in due course, with the council not restricting itself to one partner but continuing to identify best value in terms of both cost and quality of service.

Chairman

The meeting concluded at 9.10pm.