

FINANCE & GOVERNANCE CABINET ADVISORY BOARD

Tuesday, 13 November 2018

**Present: Councillor David Reilly (Chairman)
Councillors Mrs Soyke (Vice-Chairman), Chapelard, Dawlings, Heasman, Holden,
Jukes, Lewis, Scott and Uddin**

Officers in Attendance: John Antoniadis (Estates Manager), David Candlin (Head of Economic Development and Property), Lee Colyer (Director of Finance, Policy and Development (Section 151 Officer)), Jane Fineman (Head of Finance and Procurement), Keith Trowell (Team Leader - Corporate Governance (Deputy Monitoring Officer)) and Mark O'Callaghan (Democratic Services Officer)

Other Members in Attendance: None

APOLOGIES

FG47/18 There were no apologies. Councillor Lewis-Grey was not present.

DECLARATIONS OF INTERESTS

FG48/18 There were no disclosable pecuniary or other significant interests declared at the meeting.

NOTIFICATION OF VISITING MEMBERS WISHING TO SPEAK

FG49/18 There were no Visiting Members who had registered as wishing to speak.

MINUTES OF THE MEETING DATED 02 OCTOBER 2018

FG50/18 Members reviewed the minutes. No amendments were proposed.

RESOLVED – That the minutes of the meeting dated 02 October 2018 be approved as a correct record.

WORK PROGRAMME AS AT 02 NOVEMBER 2018

FG51/18 Members considered the work programme. No amendments were proposed.

RESOLVED – That the Work Programme as at 02 November 2018 be noted.

CALVERLEY SQUARE DEVELOPMENT UPDATE

FG52/18 David Candlin, Head of Economic Development and Property, introduced the report.

The discussion included consideration of the following additional matters:

- The comprehensive report, which was only a summary of the hundreds of pages of reports available to the project team, was commended.
- The funding strategy was running ahead of schedule with £316k already in reserve, further savings and an increased share of Business Rates were expected which would result by the end of the year in £618k in reserve.

- Experience of the Business Rates Retention Scheme and recent changes to the appeals process gave confidence in Business Rates receipts which allowed the Council to utilise the increased income to maintain the community grants budget for at least two years.
- The project was on track and on budget.
- Consultant B scored more highly on service and technical experience making them the preferred supplier over the cheaper Consultant A.
- The cost of purchasing The Lodge was close to budget. The property was generating rental income and avoided CPO liability.
- Income from Business Rates pilot was not guaranteed but the Kent pilot was a strong bid as it included a multi-tiered area.
- Whilst imperfect, Business Rates income was reliable as Tunbridge Wells remained vibrant and Rates were liable even if buildings were vacant.
- There were no fundamental changes to the layout of the Theatre and the Council was now looking at interior fittings to ensure a unique and high quality finish.

The decision was made taking the related exempt information as read.

RESOLVED – That the recommendations set out in the report be supported.

DRAFT ASSET MANAGEMENT PLAN 2019/20

FG53/18 John Antoniadou, Estates Manager, introduced the report.

The discussion included consideration of the following additional matters:

- Income from the sale of Holly Farm was a significant capital gain and the Council has been able to sell as is.
- Crescent Car Park renovation had overrun due to more structural repairs being necessary than expected, works would pause for Christmas and resume in the new year. The cost was still on budget.
- The format of the asset register would change before the final report to Cabinet to show greater detail and take account of recent changes to the Transparency Code.
- Recent acquisitions were not shown on the asset register as they had been leased to Tunbridge Wells Property Holdings Limited, in future the asset register would show all properties.
- The Council had released non-performing land for housing which would typically be much-needed starter homes and ultimately provide income through Council Tax.

RESOLVED – That the recommendations set out in the report be supported.

PERFORMANCE SUMMARY: QUARTER 2

FG54/18 Lee Colyer, Director of Finance, Policy and Development, introduced the report.

The discussion included consideration of the following additional matters:

- Overall collection rates for Council Tax were good but the Council was looking to improve the time taken to process.

- Government funding for the implementation of Universal Credit, due to commence on 21 January 2019, was inadequate and there was a lack of specialist staff. However, the Council was mindful of the importance of processing claims in a timely manner and agency staff could be employed in the interim.
- The total number of crimes had fallen across the Borough.
- Performance indicators relating to the Museum had been suspended during refurbishment works.
- Fluctuations in performance due to seasonality were built into the targets.

RESOLVED – That the recommendations set out in the report be supported.

COMPLAINTS SUMMARY: QUARTER 1 AND 2

FG55/18 Lee Colyer, Director of Finance, Policy and Development, introduced the report.

The report was taken as read.

RESOLVED – That the recommendations set out in the report be supported.

QUARTERLY FINANCIAL MONITORING REPORTS: QUARTER 2

FG56/18 Jane Fineman, Head of Finance and Procurement, provided a verbal report of any significant variations to the agreed budget noting that there were no matters of urgent concern.

The discussion included consideration of the following additional matters:

- In the normal course of monitoring the revenue budget, no amendments would be made in Quarter 1 unless a clear mistake had been made. Quarter 2 may address significant variations. Quarter 3 would start looking in more detail and any potential funding gaps to be identified would be address with a view to resolving any issues by the end of Quarter 4.
- Dowding House was full but unfortunately there was still demand for assistance which would require the continued use of Bed and Breakfast services.

RESOLVED – That the verbal report be noted.

FEES AND CHARGES SETTING 2019/20

FG57/18 Jane Fineman, Head of Finance and Procurement, introduced the report.

The discussion included consideration of the following additional matters:

- £700k of income included in the funding strategy for the Calverley Square development were the accumulated savings from the renegotiated waste contract over 3 years. This was not related to the £642k budgeted income from the opt-in green waste service as set out in the annual fees and charges report.
- The Government had not yet followed through with its stated intention of centralising Land Charges, therefore the projected income was included in next year's budget.

- New charges for Planning Performance Agreements were proposed to recharge the cost of supporting major developments. Such charges were common in other authorities and did not have a dissuasive effect on large-scale developers.
- Planning Performance Agreements may assist the winning of Building Control contracts as the Council would already be engaged with the client.
- The healthy projections for the Ice Rink were welcomed.

RESOLVED – That the recommendations set out in the report be supported.

DRAFT BUDGET 2019/20 AND MEDIUM TERM FINANCIAL STRATEGY UPDATE

FG58/18 Lee Colyer, Director of Finance, Policy and Development, introduced the report noting that, provided the Government followed through with its pledge to remove negative support grant, the council was confident of closing the remaining £76k funding gap.

The discussion included consideration of the following additional matters:

- The Government's fair funding review provided an opportunity to address a number of historical inequalities. The Council was engaging proactively with the various consultation exercises but remained realistic in its expectations on timescales. Construction of new fair funding models would commence in May 2019 with specific details being released around December 2019.
- The Council's efficiency and effectiveness despite low Council Tax and low spending power was welcomed.
- The Council Tax cap was a blunt instrument which did not take account of local circumstances and was undemocratic.
- The Council would also welcome the opportunity to review Council Tax banding as property values had diverged considerably from the levels established 25 years ago but this was controlled centrally and was unlikely to change.

RESOLVED – That the recommendations set out in the report be supported.

CALCULATION OF COUNCIL TAX BASE

FG59/18 Jane Fineman, Head of Finance and Procurement, introduced the report.

The discussion included consideration of the following additional matters:

- Proposals would come forward at a later date to charge a 100 per cent Council Tax surcharge on properties empty more than 2 years. Awaiting probate provided an exemption to the surcharge.

RESOLVED – That the recommendations set out in the report be supported.

URGENT BUSINESS

FG60/18 There was no urgent business.

DATE OF THE NEXT MEETING

FG61/18 The next meeting would be held on Tuesday 15 January 2019, at 6.30pm in Committee Room A at the Town Hall.

NOTES:

The meeting concluded at 8.15 pm.

Councillor Chapelard left during FG57/18.

An audio recording of this meeting is available on the Tunbridge Wells Borough Council website.