

TUNBRIDGE WELLS BOROUGH COUNCIL

FINANCE AND GOVERNANCE CABINET ADVISORY BOARD

MINUTES of the meeting held at the Council Chamber, Town Hall, Royal Tunbridge Wells, TN1 1RS, at 6.30 pm on Tuesday, 11 July 2023

Present: Councillor Christopher Hall (Chair)
Councillors Sankey (Vice-Chair), Dawlings, Ellis, Francis, Goodship, Moon and Osborne

Officers in Attendance: Lee Colyer (Director of Finance, Policy and Development (Section 151 Officer)), Jane Fineman (Head of Finance and Procurement), David Candlin (Head of Economic Development and Property), Peter Benfield (Senior Estates Officer) and Louise Kellam (Democratic Services Officer)

Other Members in Attendance: Councillors O'Connell and Brice

APOLOGIES

FG13/23 Apologies were received from Councillors McMillan, Knight and Holden.

DECLARATIONS OF INTERESTS

FG14/23 There were no disclosable or other significant interests declared at the meeting.

NOTIFICATION OF PERSONS WISHING TO SPEAK

FG15/23 Councillors O'Connell and Brice had registered to speak on Agenda Item 8 – Dunorlan Parking, Consultation Response.

MINUTES OF THE MEETING DATED 6 JUNE 2023

FG16/23 No amendments were proposed.

RESOLVED – That the minutes of the meeting dated 6 June 2023 be approved as a correct record.

FORWARD PLAN AS AT 23 JUNE 2023

FG17/23 No amendments were proposed.

RESOLVED – That the Forward Plan as at 23 June 2023 be noted.

STRATEGIC RISK REGISTER

FG18/23 Lee Colyer, Director of Finance, Policy and Development introduced the report set out in the agenda.

Discussion and questions from Members including the following:

- The cross cutting details included in the report refer to the Risk Register itself, rather than for the specific components contained within the report.

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

BUDGET PROJECTION AND STRATEGY 2024/25

FG19/23 Lee Colyer, Director of Finance, Policy and Development introduced the report set out in the agenda.

Discussion and questions from Members including the following:

- Town Hall occupational costs refer to the proposed co-working arrangements.
- When the agreement came into force, the Council would be able to reduce its occupational costs. The Council would pay less Business Rates, less cleaning costs etc.
- There were two components of the financial benefits from the co-working arrangements. The first was a reduction in the Council's operating costs. The Council would also receive rent. However, the rent collected was not included as it would be needed to repay the capital costs associated with the works required to bring the building up to the standard required in order for it to be let.
- Although it had not been possible for the last couple of years due to the pandemic, Councils should balance their revenue budget without recourse to using reserves.
- Now the pandemic had settled, the Council was aware of how much it would get from Government, it needed to try and balance the budget in accordance with the income it had available, alongside the demands it had on its services.
- If necessary, the Council could temporarily dip into its reserves but it was noted that the Council had internal borrowing commitments that still needed to be repaid. The use of reserves and the cost of repaying internal borrowing would bring the Council very close to its minimum level of reserves.
- The Council received interest on reserves, but the intention was to use the interest to fund the Council's capital programme.
- The graph included at 2.20 demonstrated that in the South East, public sector pay was considerably less than for the private sector. This meant the Council faced particular challenges when trying to recruit staff.
- The Council's pension costs had held fairly stable. This was primarily because of the returns and actuaries. Local Government, used the revenue from pension contributions to acquire assets, which grow and generate returns. Those returns were sufficient to meet the liabilities associated with the pension scheme.
- The Council took the decision to come out of national pay bargaining, so it had control of its own pay scheme and pay policy. The Council had a very good relationship with its Union and was very transparent with salary details.
- At this stage, a 5% increase in all establishment costs had been included. Discussions would be ongoing, with regular benchmarking checks to the local market made.
- The budget was set on the basis of the Council having a full complement of staff. However, the Council understood that it would struggle to recruit to the optimum level and that there would be changes in staff throughout the year.

- The Council netted off the vacancy factor, which for next year, had been set at £500,000. The forecast budget had therefore already taken into account that it would not be able to recruit and/or retain the required number of staff needed.
- The best place to look at forecast for interest rates was in the quarterly Treasury Management Reports. These reports provided details of forecasts for the next 3 to 4 years.
- Because investment decisions were taken all the time, the forecast included in the budget was not directly linked to interest rates. Based on the deals currently in place, the Council had included a working forecast that it was confident of achieving of £2m.
- In order to recruit, the Council needed an HR Strategy. A Members Briefing had been organised that would explain how the Council was going about addressing its recruitment and retention issues.
- One of the auditors recommendations was that the Council produce a Work Force plan, which would then come forward through the Council's decision making process. This would allow for an informed debate by Members.
- The Public Sector tended to work on a quite rigid pay structure, but the Council had the flexibility to introduce a new set of scales, and this was something that could be looked at as part of the new HR Strategy.
- The first draft of the HR Strategy was due to come forward in September 2023.
- Increases in car parking charges was political issue and would therefore require a political decision.
- Employments issues remained a concern and would be brought to the attention of Cabinet.

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

DUNORLAN PARKING CONSULTATION RESPONSE

FG20/23 Jane Fineman, Head of Finance, Procurement and Parking introduced the report set out in the agenda.

Councillor O'Connell had registered to speak which included the following comments:

- Would like the Committee to reject the recommendation to introduce car parking charges (recommendation 2) and instead include a new recommendation to retain free parking at Dunorlan Park.
- The reason was because this was what residents wanted (including via a well-supported petition and the Council's Talking Point consultation).
- 50% of the 1,008 respondents opted to keep parking free.
- The Council actively encouraged residents to respond to consultations and seek to take their views into account.
- Whilst the views of residents were not binding, it was important that they be given due weight as part of the decision making process.
- Was the Council now going to ignore the 50% respondents who wanted to keep parking free in Dunorlan.
- It was noted, that at least charging Option B did take notice of the 34% of residents that opted for a period of free parking, followed by

charging.

- If Cabinet opted for a parking regime, it would be absolutely essential that the option in paragraph 3.8 (to give free parking to volunteers and businesses) was adopted.
- The freeform comments made interesting reading. Residents were passionate about keeping parking free. This was also the case when going door to door in Park Ward.
- An argument raised in support of parking charges was to deter all day parking by commuters. A suggestion had been made for a longer free period of parking, followed by a charge at a higher rate, that would discourage all day parking.
- It was accepted there were significant financial challenges being faced by the Council, but rather than continue with a heavy reliance on income from car parking charges, surely it was time to diversify and look for innovative solutions for raising revenue.
- It was important to listen to the views of residents, and the recommendation to Cabinet should be keep Dunorlan car park free.

Councillor Brice had registered to speak which included the following comments:

- A regular user of the park but was not speaking as a representative of any organisation connected to the park.
- Believe that it was entirely correct to introduce car parking fees at the park.
- It was not sensible that Dunorlan Park did not charge for parking. It was the only car park in the town that didn't charge.
- The introduction of charges should have been done years ago and would have had a significant contribution to the deficit.
- Residents within walking distance of the park should not have to subsidise those who drive to the park.
- This not only applied to the residents of Culverden, but also those in Park and Sherwood, who were also able to walk to the park.
- Option A would be the preference.
- The results of the consultation was 50% of respondents, not 50% of residents.
- It was suggested that most of those who responded were car drivers, who would in any case be more likely to respond to want to pay nothing for parking.
- If Cabinet agreed to introduce parking, could they consider using some of the income for improvements at the park, in particular the permanent flooding problem at the end of the large lake. Failure to take remedial action may result in the park losing its green flag award.
- AXA were moving their staff from the Tunbridge Wells office to the their site in Hawkenbury. This could result in AXA staff parking at the park all day which would mean no spaces for anybody else.
- It might therefore be prudent to review the use of all day parking in 6 months' time.

Discussion and questions from Members included the following:

- The park cost the Council approximately £175,000 a year in maintenance. Any revenue received from car parking charges would go towards the maintenance of the park.
- It would be at the discretion of Members whether they wanted to ring fence any amount for capital purposes.

- Essentially though the report, along with the in year budget review was trying to cover the existing deficit.
- The current maintenance contract with Tivoli would be reviewed in 2026, and it was likely to increase. There was concern of the effect this would have on overall costs at Dunorlan Park.
- It was likely that any price increase submitted by Tivoli would be based on a combination of retail price index (RPI) and the labour price index. It wasn't necessarily the case that even if inflation were to continue to rise, labour costs would rise at the same rate.
- It was fair to assume that if Option B were chosen, all but about £10,000 would be taken up in cost increases.
- A breakdown in the number of people who drove to the park, against the total number of park users was not available.
- A charging system would provide the Council with more data, which would help inform decisions going forward.
- It was suggested that the 'user pays' principle was being incorrectly used to justify introducing charges at the park.
- The 'Friends of Dunorlan Park' had voted unanimously to reject the introduction of car parking charges.
- The Council had further introduced new income streams that were as yet untapped and should have been realised by now had they not been left to drift.
- It was suggested that it was not right to double tax residents to use the park in order to plug a funding gap. The recommendation to introduce charging should not be supported.
- An alternative recommendation (suggested motion) to leave the car park free of charge should be put forward to Cabinet.
- To leave the car park free of charge was an option considered, but was not included as a recommendation to be put forward to Cabinet.
- Subject to the views of Members, a vote could be taken on this as an alternative recommendation to Cabinet.
- Whilst charging for use of the park was distasteful, the reality was that the Council needed funds so on that basis, it was suggested that Option B would be the preference.
- Local Government had to make some hard choices, particularly when trying to ensure the books balanced. An example of this was Haysden Park, where 'user pays' had been applied. Similar concerns had been raised when Tonbridge and Malling had sought to introduce charging, all of which were all unfounded.
- Council Tax had been capped for a number of years so the Council has had to rely on parking as an income stream to make up the revenue budget.
- Options B wouldn't generate a sufficient amount of revenue and so the recommendation should be for Option A.
- Making the motorist pay for the maintenance of the park, when those who walk or cycle to the park do not have to pay was against the principle of 'user pays'.
- Car parking charges should be for managing car parking. It was unlikely that £5 to park all day would not be sufficient to deter commuters from using the car park.
- There was alternative ways of generating income. Charging people for coming into Tunbridge Wells to enjoy the town was not the right way.
- The Council shouldn't be doing anything that might adversely affect businesses in the town.
- Parking fees should only be introduced for parking management

- purposes and not for revenue purposes.
- The park should be available free for those who want to use the park, but not for those who want to park there all day.
 - Managing the car park would extend to residents who live nearby and park there when they were unable to park by their property. This reduced the spaces available for those visiting the park. Car parking charges would help solve this problem.
 - When this issue was raised in summer 2022, it was argued that business rates and interest rates would be higher than forecast, the projected deficit wouldn't materialise, in fact there would be a surplus. The justifications within the report for introducing charging now didn't add up.
 - Parking should be considered as a Borough wide issue, rather than looking at each car park individually.
 - Car parking charges should wait until it can be dealt with holistically within the proposed Car Parking Strategy.
 - There was concern that the recommendations included in the report didn't include an option for the Committee to put its own recommendation forward.
 - Paying to park at Dunorlan was discriminatory. Car users being effectively charged twice to park.
 - The consultation didn't make a distinction between car drivers and non-car drivers, so it was impossible to know what the spilt was.
 - It was feared that the introduction of car parking charges would have a serious detrimental effect on the businesses within the Park.
 - Given the economic climate, it was the wrong time to introduce car parking charges.
 - Members were split as to their preferred option, with 4 supporting the recommendations to Cabinet for either Option A or Option B. The remaining 3 Members would like to see an alternative recommendation put forward to Cabinet for consideration, that car parking at Dunorlan Park remained free of charge.
 - It was important to remember that AXA would be moving their town centre staff to their main office located near the park. It was further noted that businesses located in Haysden Park had not suffered since the introduction of charging.
 - An amendment to recommendation 2 was suggested as follows: 'The Committee recommends we monitor people purchasing all day tickets at the park for a period of 6 months. If there is evidence of significant all day occupancy, Cabinet should increase all day parking rates to the same level as Great Hall car park'.
 - Increasing all day parking would have an impact on residents (families) wanting to spend the day at the park.
 - A consensus approach to all car parks within the Borough wouldn't take account of individual circumstances. Each car park should be considered based on its own merits.
 - More data was required to establish who was using the car park.
 - Clarity was given on the options available to the Committee. It was determined that the option to put forward an alternative recommendation, to leave car parking free at Dunorlan Park, did not have the required votes so there was no need to take this to a formal vote.
 - The Council had a number of significant challenges with income streams and with savings to be made. It was argued that the introduction of charges would be a fair way to bring in revenue and to continue to provide the discretionary services that residents wanted.

- The wording of the recommendations was poor. They should have included a recommendation to reject the introduction of charging.
- The Chair agreed to take on board the comments raised by the Committee but maintained that without the necessary number of votes, there was no requirement to vote specifically on an alternative option not to introduce car parking at Dunorlan Park.

A recorded vote was requested:

For: Cllrs Francis, Osborne, Ellis and Hall (4)
 Against: Cllrs Moon, Goodship and Sankey (3)
 Abstain: Dawlings (1)

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

PROPERTY TRANSACTION REPORT JANUARY TO JUNE 2023

FG21/23 David Candlin, Head of Economic Development and Property introduced the report set out in the agenda.

To note the matter was decided taking the exempt information set out in the Agenda as read.

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

URGENT BUSINESS

FG22/23 There was no urgent business.

DATE OF THE NEXT MEETING

FG23/23 The next meeting is scheduled for Tuesday 5 September 2023 at 6:30pm

NOTES:

The meeting concluded at 7.35 pm.