

TUNBRIDGE WELLS BOROUGH COUNCIL

FINANCE AND GOVERNANCE CABINET ADVISORY BOARD

MINUTES of the meeting held at the Virtual Meeting - Online, at 6.30 pm on Tuesday, 25 January 2022

Present: Councillor Tom Dawlings (Chairman)
Councillors Scott (Vice-Chairman), Simmons, Chapelard, Hickey, Everitt, Goodship, Hall, Knight and Atkins

Officers in Attendance: Lee Colyer (Director of Finance, Policy and Development (Section 151 Officer)), Jane Fineman (Head of Finance and Procurement), John Antoniadis (Estates Manager), Katie Exon (Corporate Property Manager), Denise Haylett (Head of Facilities and Community Hubs), Claudette Valmond (Head of Legal Partnership and Interim Monitoring Officer) and Caroline Britt (Democratic Services Officer)

Other Members in Attendance:

APOLOGIES

FG64/21 Apologies were received from Councillor Holden.

DECLARATIONS OF INTERESTS

FG65/21 There were no disclosable pecuniary or other significant interests declared at the meeting.

NOTIFICATION OF PERSONS WISHING TO SPEAK

FG66/21 There were no visiting Members or members of the public who had registered to speak.

MINUTES OF THE MEETING DATED 16 NOVEMBER 2021

FG67/21 No amendments were proposed.

RESOLVED – That the minutes dated 16 November 2021 be approved as a correct record.

FORWARD PLAN AS AT 14 JANUARY 2022

FG68/21 No amendments were proposed.

RESOLVED – The Forward Plan as at 14 January 2022 be noted.

***BUDGET 2022/23 & MEDIUM TERMS FINANCIAL STRATEGY**

FG69/21 Lee Colyer, Director of Finance, Policy and Development introduced the report set out in the agenda.

Discussion and questions from Members included the following:

- Government support had been a significant factor in determining the level of deficit the Council faced. Last year the Council had forecast a deficit, however Government had provided sufficient funds that meant

- the Council ended the year with a small surplus.
- The shortfall for this year that would have been met by using reserves had been halved, again due to support provided by Central Government.
 - The Local Government Finance Settlement was received late and was only for one year. The new Secretary of State made clear that this would be the final year of having a single year settlement, in future Government would provide a multi-year settlement.
 - A multi-year settlement would provide some certainty of Government funding that would allow for better medium term stability.
 - Discussions with the Portfolio holder took place every fortnight and covered updates on local finances, any emerging legislation and technical guidance received from Government.
 - The level of changes required would be quite fundamental. Given that the settlement was published late, only for one year and with only a few months' notice, it would not be prudent to make fundamental decisions for the medium/longer term without some certainty of what the Council might expect to receive from Government and a timescale that would allow proper discussion and consultation.
 - One of the main focuses had been the arrangements for co-working at the Town Hall. It was hoped this would raise significant income and a share in expenses in running the Town Hall. This should allow the Council to remain at the Town Hall for the foreseeable future. Further details would be available over the next few months.
 - Appendix A of the report set out the Council's projections over the next 6 years. These had been updated to reflect Government funding. In addition Cabinet had agreed for the Grounds Maintenance contract to be extended where previously £500k had been allowed as an additional cost if the contract had gone back out to market. The cost for the extension was lower. Overall, the deficit for future years was lower but there remained an issue still to be resolved because the level of income was not sufficient to sustain the current range of services the Council provided.
 - The budget for next year assumed the garden waste services was fully operational and the income budgeted would be received.
 - The budget did not include any details associated with the letting out of the Town Hall as no decision had yet been taken. However, if it was approved, it would improve projections as it would provide an income stream to the Council whilst also reducing operational and running costs
 - The Labour Group rejected the budget, their reasons included:
 - o The Council Tax Support Grant should be reassessed with the aim to provide an uplift to help those hardest hit in the Community.
 - o There was no will by Cabinet to respond to this request as reflected by the budget.
 - o The lack of social and affordable housing had been repeatedly highlighted. There were hundreds of families/individuals in poor and overcrowded housing who were still on the Council's waiting list. Other Councils were taking the housing crisis head on by building social and affordable housing, however, TWBC's budget failed to address the housing crisis in the Borough.
 - o The Council had not taken significant steps to address Climate Emergency that would secure Carbon Neutrality targets by 2030. Money had been allocated for a Carbon Assessment

- Survey, this was not a Citizen's Assembly which was originally requested.
- Applications for funding on street electrical vehicle charging had not been taken forward.
 - The budget failed to deliver on the strategies included in the 5-year plan (2017-2022) and failed to address some of the serious income issues including the reduction of car parking income which was unlikely to recover and garden waste collection service which did not appear to have been mentioned.
- It was possible that the economy would recover to pre covid levels, it was also possible that Government funding could be maintained at current levels. But given the current levels of uncertainty, a prudent budget was considered the most suitable approach.
 - The Council had received in excess of £50m in Government funding for covid support schemes and had sought to distribute it as quickly as was practically possible so that businesses/employment could continue to operate.
 - The Council provided the resources to ensure payments to businesses were made in a timely manner – this included those businesses that didn't pay business rates.
 - The Council Tax Reduction Scheme for next year had already been approved by Full Council. However, if the scheme were to change, the additional cost would be proportionate across all the preceptors. If the Council made changes and if they took on the entirety of the additional cost, it would cost the Council approximately £1m.
 - The Council already had measures in place where developers contributed significantly to the building of social and affordable housing.
 - The Council had authority to dispose of land at Warwick Park. If this development were taken forward for residential use, it would receive a receipt approaching £1m. A piece of land at Benhall Mill Depot which had also been identified by the Council as surplus had recently been turned down by the Planning Committee.
 - There were a number of ways of delivering a Citizen's Assembly, but a reasonable estimate of costs would be approximately £100k.
 - The Council now had software that, depending on the specification required, could facilitate something similar to a Citizen's Assembly. The cost of this software was about £11k.
 - The projection for Fees and Charges was based on the current year's budget. The lower level of income expected for the next financial year was then projected to increase by 3% each year.
 - Car parking charges were set by the Council and this was the rate the public paid to park. However, Appendix A referred to the level of income, which could increase if car park usage increased. At present car parking income next year was projected to be £1.7m lower than currently budgeted for. At this stage it was not possible to predict what level of recovery the Council could expect from car parks but there was doubt as to whether the recovery would generate sufficient income over the next 6 years to bridge the funding gap.
 - It was noted that TWBC were the billing authority for the collection of Council Tax. However it retained only 10% of the total amount collected.
 - The current Council Tax Reduction Scheme provided 80% relief for those households in need. Given that 90% of the tax collected was not for TWBC, to increase the amount to 100% would be very difficult

- for the Council to deliver.
- The Council delivered 272 affordable houses. This was largely due to planning policy that now enabled the Council to get developers to include provision for affordable housing which could then be sold on to social housing providers.
 - The Council was not a large social housing provider and hadn't been since the Town and Country properties were sold.
 - The majority of the Council's direct carbon emissions came from its properties and particularly, the sports centres, Town Hall and Assembly Hall Theatre. These were expensive buildings to maintain and it would therefore take some time for reductions to take effect. The Council were applying for Government grants as and when they became available.
 - Electric Vehicle Charging was a matter for Kent County Council. Discussions between TWBC and Kent County Council continued to take place on this matter. TWBC were able to provide Electric Vehicle Charging points in its car parks, which it was doing.
 - It was questioned, out of the 272 social housing, how many were social and how many were affordable. But in any case the waiting list for social housing was increasing year on year, so the number remained small.
 - The reduction in carbon emissions should be Borough wide and not just concentrated on buildings alone.
 - It was suggested that the loss from garden waste income was likely to be higher than in quarter 3.
 - Garden waste was a subscription service that residents were required to sign up to. Residents were not being charged for collections not made.
 - The reasons for the large difference in reserves from £39m shown in 2021 to the £18m being forecast for the end of 2022 was simply down to the fact the Council was holding money for Business Rate Support Grants on behalf of the Government.
 - It was suggested that the budget had been hampered by Cabinet and the Portfolio holder to follow Government policy to allow the effects of the pandemic to play out before considering how best to plan for the medium and longer term.
 - The Council had a 5-year deficit and no plan to address it.
 - The Cabinet should allow the Council to forecast for future years that included looking at where increases could be introduced and where savings could be made that would help reduce/close the deficit.
 - Cabinet should provide explicit guidance and recommendations on how the Council could close the budget gap over the next year and the following 5 years.
 - Measures to reduce the deficit were already in progress, most notably the co-working tender that was currently in train.
 - Decisions on cutting any of the Council's services should not be undertaken at a time when the level of recovery was unclear. The next few months would allow an opportunity to see what happens. It would be wrong to consider cutting services when in a year's time the picture could be significantly different.
 - Reserves were there to be used during difficult times.
 - The deficit had reduced since the last Cabinet Advisory Board, from £2m to less than £1m.
 - The Council had received a 1 year settlement from Government. Government had now promised a multi-year settlement next year. In addition there would be a successor to the New Homes Bonus

scheme. Also, provision had been included for the additional National Insurance contributions that were coming into force in April 2022.

- As the country emerged from the pandemic the Government would make changes that would give Councils better assurance of what funding would be available.
- The pressures on Local Government could not be ignored by Central Government.
- The Council was estimating revenue that would allow for additional development and growth.
- The budget consultation largely supported the current strategy.
- It was suggested that the recommendations to Cabinet would be supported but subject to the issues addressed.

A recorded vote was requested:

Recommendations 1 & 2

For: Cllr Goodship, Hickey, Simmons, Scott and Dawlings (5)
 Against: Cllr Everitt (1)
 Abstain: Cllr Atkins, Chapelard, Hall and Knight (4)

Recommendations 3 & 4

For: Cllr Goodship, Hall, Hickey, Simmons, Scott and Dawlings (6)
 Against: Cllr Everitt (1)
 Abstain: Cllr Atkins, Chapelard, Knight (3)

RESOLVED – That the recommendations to Cabinet be supported subject to the following:

- That Cabinet work to provide guidance and recommendations to the Council that will facilitate the (indicative) development of a plan to close the medium term financial deficit.

PROPERTY TRANSACTION REPORT JULY TO DECEMBER 2021

FG70/21 John Antoniades, Estates Manager introduced the report set out in the agenda.

To note, the matter was decided in 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.

***ASSET MANAGEMENT PLAN 2022/23**

FG71/21 John Antoniades, Estates Manager introduced the report set out in the agenda.

Discussion and questions from Members included the following:

- The 5-Year Plan was effectively no more and given the current uncertainty it was not possible to develop a new Plan.
- The focus was now on the Town Hall and would remain so until the

- Council was in a position to undertake something else.
- The figures for the maintenance on the Sports Centres were based on condition surveys that were undertaken two years ago. It was noted they were very high both in the short and medium term
 - The St John's sport centre wasn't in the best of conditions. A lot of plant replacement would be needed along with works to the roof. The heating system would also require updating.
 - It was unfortunate but not unusual that the life cycle of several of the component parts would come at the same time.

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

***TREASURY MANAGEMENT POLICY AND STRATEGY**

FG72/21 Jane Fineman, Head of Finance, Procurement and Parking introduced the report set out in the agenda.

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

***CAPITAL STRATEGY**

FG73/21 Jane Fineman, Head of Finance, Procurement and Parking introduced the report set out in the agenda.

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

CCTV MONITORING CONTRACT

FG74/21 Denise Haylett, Head of Facilities and Community Hubs introduced the report set out in the agenda.

Discussion and questions from Members included the following:

- Monitoring would be active and the hours of operation would be:
 - o Monday to Wednesday 8am – 1am (+1)
 - o Thursday 8am – 4am (+1)
 - o Friday and Saturday 8am - 5am (+1)
 - o Sunday 9am – 1am (+1)
- If the Kent Partnership went ahead then monitoring would be 24/7.
- The officer working with the supplier wrote the tender document and was involved in the procurement exercise.
- The tender was open to anyone who wanted to apply. The Council only received 3 replies none of which were from Tunbridge Wells.
- The maintenance of cameras currently rested with Tonbridge and Malling with Tunbridge Wells responsible for monitoring and staffing.
- TWBC therefore already paid a contribution to Tonbridge and Malling for camera maintenance.
- There would be no additional cost for maintenance under the new contract.
- Savings would include out of hours costs which were currently provided by Medway City Council. There would also be no need to use duty managers. Total savings for this would be £50k a year.

To note, the matter was decided in 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

FG75/21 There was no urgent business.

DATE OF THE NEXT MEETING

FG76/21 The next meeting is scheduled for Tuesday 1 March at 6:30pm.

NOTES:

The meeting concluded at 8.20 pm.