

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, 24 January 2023

Present: Councillor Christopher Hall (Chair)
Councillors Sankey (Vice-Chair), Brice, Dawlings, Goodship, Knight, Morton, Pound, Hickey and Fairweather

Officers in Attendance: Lee Colyer (Director of Finance, Policy and Development (Section 151 Officer)), David Candlin (Head of Economic Development and Property), Max Horgan, Dan Hutchins (Procurement Manager), Claudette Valmond (Head of Legal Partnership and Interim Monitoring Officer) and Caroline Britt (Democratic Services Officer)

Other Members in Attendance: Councillors Bailey and Chapelard

APOLOGIES

FG67/22 Apologies were received from Councillor Rogers.

DECLARATIONS OF INTERESTS

FG68/22 There were no disclosable pecuniary or other significant interests declared at the meeting.

NOTIFICATION OF PERSONS WISHING TO SPEAK

FG69/22 Councillor Matthew Bailey had registered to speak on Agenda Item 9 – Asset Management Plan 2023/24.

MINUTES OF THE MEETING DATED 15 NOVEMBER 2022

FG70/22 No amendments were proposed.

RESOLVED – That the minutes of the meeting dated 15 November 2022 be approved as a correct record.

FORWARD PLAN AS AT 12 JANUARY 2023

FG71/22 No amendments were proposed.

RESOLVED – That the Forward Plan as at 12 January 2023 be noted.

BOROUGH PARTNERSHIP PLAN: BUILDING A BETTER BOROUGH

FG72/22 Councillor Ben Chapelard, Leader of the Council introduced the report set out in the agenda.

Discussion and questions from Members included the following:

- The Plan, whether the 5-year plan or an Interim Plan was the purview of the Council, not the administration. This had been raised at Overview and Scrutiny and would be taken back to Cabinet Members and considered before going forward to Cabinet.

- The version of the plan was a final version for the purposes of presenting it to the Cabinet Advisory Boards. The document was a live document and would be updated as projects were started/taken forward.
- A draft Strategic Plan would be available by spring 2024.
- The Plan should read towns not town and this would be rectified for the next version.
- It was hoped that staff would be comfortable approaching Members to discuss and share their roles. A number of days had already been spent back on the 'shop floor' to gain a better understanding of what officers did.
- The Council was hoping to recruit a new Head of Human Resources that would look at how to better recruit, support and develop staff.
- How the Council handled enquiries etc. was currently done in person by Call Centre staff. Consideration would be given as to whether this was the most effective way of handling calls or whether the Council should consider giving higher permissions to the Call Centre staff to see whether this would make the system more efficient.
- An example of where cost efficiencies had been achieved was the de-carbonisation of the Weald Sports Centre.
- Following the submission of the draft Local Plan, the Council had now received an initial findings letter from the Inspector. The letter included a number of modifications which the Inspector had suggested either needed to be adopted or considered by the Council. The Council now had time to consider the modifications before submitting a revised draft Plan. Due to the complex nature of this work there was currently no timescale, but work was ongoing.
- The Community Safety Unit (CSU) was not included as a specific priority but would continue 'business as usual'.
- Reference was made to the Budget Report (Agenda Item 7) and in particular paragraphs 2.65 and 2.66. Paragraph 2.65 gave details of three improvement recommendations made by the external auditors:
 - o A new corporate plan be brought forward, this will provide the focus required to help meet the challenges ahead.
 - o In line with the new corporate plan, the Council should develop a long-term savings plan, failure to do so could lead to an unsustainable financial position developing; and
 - o A Human Resources Strategy should be prepared, formally approved; and circulated to appropriate officers.
- Paragraph 2.66 stated that the recommendations were welcomed and would address the issues faced by the Council without a Corporate Plan.
- It was suggested that the auditors would want the Council to produce an Interim Plan, pending the creation of a new 5-Year Plan. It was further suggested the Interim Plan should show continuity with matters that had been included in the budget for 2022/23. Items included co-working, Local Plan, Neighbourhood Development Plans, Town Centre Area Plan Carbon Reduction Plan and Social Housing.
- The report should look to address the financial challenges ahead, addressing the inflationary pressures, how to increase income and reduce costs. It also needed to ensure resources were sufficient to match the needs for delivery.
- It was suggested the Report in its current form was not what was envisaged by the auditors. The Report should come from the Council, not the administration.
- The Report should be redrafted along the lines of what the auditors

would expect.

- A request was made for an alternative recommendation to be put forward, that the report should be redrafted so that it delivered the three recommendations that the auditors had proposed (as detailed in Paragraph 2.65 and 2.66 of the Budget Report at Agenda Item 7).
- It was made clear that the comments raised at the meeting could be taken forward and considered prior to the final version being submitted.
- On the basis that the comments and concerns raised would be addressed, the suggested amended recommendation was withdrawn.

A Recorded Vote was requested:

For: Cllrs Brice, Dawlings, Fairweather, Goodship, Hickey, Knight, Morton, Pound, Sankey and Hall - 10

Against: 0

Abstain: 0

RESOLVED: That the recommendations to Cabinet be supported subject to the issues it has identified being taken into account by the Cabinet. Those issues related to the need to redraft the Plan so that it delivered the three improvement recommendations as detailed by the auditors:

- A new corporate plan be brought forward, this will provide the focus required to help meet the challenges ahead.
- In line with the new corporate plan, the Council should develop a long-term savings plan, failure to do so could lead to an unsustainable financial position developing: and
- A Human Resources Strategy should be prepared, formally approved, and circulated to appropriate officers.

***BUDGET 2023/24 AND MEDIUM TERM FINANCIAL STRATEGY**

FG73/22 Lee Colyer, Director of Finance, Policy and Development introduced the report set out in the agenda.

A verbal summary of the results of the budget survey were provided. Full details would be included in the report going forward to Cabinet and Full Council.

- The budget survey closed on Friday 20 January 2023.
- 1,160 people responded to the survey, which made the budget survey statistically significant.
- Rubbish and recycling came top of the list of statutory services residents valued the most. Housing and Street Cleansing were 2nd and 3rd respectively.
- Residents were asked to allocate funding across the services to see how they compared to what had been included in the draft budget. The areas residents were most likely to reduce the budget were:
 - o The Amelia Scott
 - o Property

- Assembly Hall Theatre
- The public were also asked to weight the Focus on Five – Vibrant and Safer Towns and Villages and Safeguarding Finances came out on top.
- 68% of residents replied that they thought the Council provided value for money.
- 57% supported an increase in Council Tax. However 67% were not prepared to make voluntary contributions on Council Services.

Discussion and questions from Members included the following:

- The £17.2m of employee costs shown on the graph on Page 54 of the budget report was the cost of a fully costed establishment i.e. it included all the current staff vacancy costs.
- Staffing levels at the Council was currently running at about 85%. The Council was currently experiencing very difficult staff retention issues, with a current staff turnover rate of about 25%.
- The information included in the Core Spending Power (Page 58) came from Central Government. The graph summarised the amount of income available from Council Tax and Government Grants. TWBC had been locked into a very low level of Council Tax rate, which when you multiplied it by the Council Tax Base, you then got the total Council Tax income. As an example, TWBC received between £2-3m less than Sevenoaks and Tonbridge and Malling, but were very similar types of authority.
- The 2022-23 budget was prepared following the pandemic which had significantly impacted on the Council's finances. The financial focus was therefore more to see how income levels would recover and at what levels they would plateau before consideration should be given to addressing any deficit.
- It had been suggested that the Council's finances were in a shambolic state and this was refuted by some Members. The Council had received 13 consecutive years of unqualified audit reports which was a remarkable achievement.
- All local authorities were financially stretched, however TWBC were in a better position than most. At Quarter 2, the Council was showing signs of recovery, with increases in car parking revenue and investment income.
- Inflationary pressures, especially increasing energy costs and the inflators built into contracts were a major concern. However the rush to implement higher fees and charges particularly in car parks was insensitive, especially for businesses.
- The in-year budget review did not attempt to reduce the Council's expenditure but instead moved money to the Community Support Fund.
- There were encouraging signs that income levels would recover and it was still hoped that there would not be a revenue deficit by the end of 2022/23.
- It was hoped that shortfalls would be addressed by the co-working arrangements for the Town Hall that would both provide an income and enable the Council to share maintenance and running costs.
- For 2023/24 the revenue deficit was now expected to be £943k. This was now a structural deficit. The inflationary pressures on outgoings were now outstripping the Council's income. There were currently no plans in the 2023/24 budget that provided details of how this issue was to be addressed.

- The impact on the High Street had been affected significantly by the decisions made in Central Government and much less by what was happening at a local level.
- The Council had to focus on reducing its expenditure and not get distracted by other events, such as elections or projects.
- TWBC had a stagnant population and was the only district in Kent where the 25 to 49 year old population was declining. The Council had both a structural and strategic deficit which was why housing was a fundamental component which would help to lift both the spending power, infrastructure and economic development across the Borough.
- Before the budget progressed to Cabinet, consideration should be given to how savings and addressing the structural deficit would be taken forward, with the emphasis on how those savings would be delivered.
- It was suggested that this had already been included in the report as part of the savings plan that was already being worked up.

A vote was taken by a show of hands:

For: 7

Against: 1

Abstain: 2

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

PROPERTY TRANSACTION REPORT JULY TO DECEMBER 2022

FG74/22 David Candlin, Head of Economic Development and Property introduced the report set out in the agenda.

Discussion and questions from Members included the following:

- As set out in the Constitution, the Council employed independent, external valuers to determine the value of an asset.
- Leases, once in place were based on 'upwards only' with increases based on RPI (Retail Price Index).

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

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

***ASSET MANAGEMENT PLAN 2023/24**

FG75/22 Councillor Matthew Bailey had registered to speak which included the following:

- The decision by the administration to declare the Wesley Centre in Paddock as surplus asset and to consider it for sale or development.
- The Wesley Centre was a historic building and was still widely used by children, youth and adult community groups and would be a big loss to these groups if it were no longer there.
- The Wesley Centre was one of only two Council owned community facilities in Paddock Wood, the other being the Day Centre on

- Commercial Road which was very small.
- The loss of the Wesley Centre would reduce the ability to properly manage the current needs of the town and future needs as the town expanded.
- There existed a small green space behind the Wesley Centre which the Council had previously considered for possible residential development.
- This was not the appropriate time to sell off a small piece of Council land for housing, given the amount of greenspace already being lost in the area.
- The provision for new housing was already unpopular in the area, and the loss of more greenspace in the town would further despair the local community.
- Paddock Wood Town Council and the Borough Councillors for Paddock Wood were opposed to the selling of the Wesley Centre or developing the land to the rear of the building. This position was also backed by Heritage Wood and by many local residents.
- It was understood that the Town Council had today written to the Portfolio Holder and further correspondence would be received in due course.

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

- The Asset Management Plan (AMP) was still out to consultation, with a closing date of 9 February 2023. Verbal updates of the responses received would be given to both the CAB and at Cabinet. Full details would be submitted for Full Council.
- To give an update of the responses received to date:
 - o 85 people had read the AMP, of which 44 had left comments.
 - o 7 comments were related to car parks in Tunbridge Wells.
 - o 1 comment on the Civic Complex
 - o 3 comments on the Council's disposal policy
 - o 33 comments on an asset in Paddock Wood
 - o All comments rested on assets not being disposed.

Discussion and questions from Members included the following:

- Under the section titled 'Assets Declared Surplus 2023/24' the wording to be amended to read 'The following assets have been declared surplus and identified for *potential/possible* disposal in 2023/24'.
- Although the AMP was still out to consultation, it was possible to make a recommendation to Full Council, as the assets would still be reviewed before any decisions were taken.
- The AMP gave details of the procedures and mechanisms in place where assets were being considered for disposal. This included the Property Asset Oversight Panel which it was hoped would be re-established soon.
- The term 'disposal' had different outcomes, and could mean either the sale or lease of an asset.
- Car parks would be looked at in broad terms as part of the car parking strategy and would not be considered in isolation.
- The report sought to identify sites for review. It was recognised that not all would be actioned in 2023/24.
- Appendix 1 of the Draft Asset Management Plan (Appendix A – page

93 of the agenda pack) set out the key principles when consideration was given to the disposal of assets. It further stated that the Council would ensure that decisions for the strategic management of Council owned assets were made on a case-by-case basis based on comprehensive options analysis (bullet point 4, page 94 refers).

- The AMP allowed the Council to start to look at its assets. More detail would be forthcoming as the work developed.
- The decision whether to sell or lease an asset would be open for discussion.

A vote was taken by a show of hands:

For: 9

Against: 1

Abstain: 0

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

***TREASURY MANAGEMENT POLICY AND STRATEGY**

FG76/22 Lee Colyer, Director of Finance, Policy and Development introduced the report set out in the agenda.

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

***CAPITAL STRATEGY**

FG77/22 Lee Colyer, Director of Finance, Policy and Development introduced the report set out in the agenda.

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

DISPOSAL OF LAND AND PUBLIC CONVENIENCES IN BRENCHLEY AND MATFIELD

FG78/22 Max Horgan, Estates Surveyor introduced the report set out in the agenda.

Discussion and questions from Members included the following:

- It was current Council policy to transfer the freehold rather than lease the property. The Council had already transferred 6 public conveniences.
- Parish Councils had the capacity to take on these properties and as long as the assets were kept for community use, this policy would continue to be promoted.
- One of the first public conveniences transferred was in Hawkhurst where the Parish Council subsequently decided to close the facility. The Parish Council were able to provide facilities elsewhere and the site had now been redeveloped. The money received from the disposal of the asset was being used in the community.
- There were examples of when assets had been taken over and then closed. There was no requirement for Parish Councils to provide

- public conveniences.
- Brenchley and Matfield had indicated that they intended to retain the buildings as public conveniences. However there was the freedom in the future for them to change the use, at which time the Council's clawback would come into effect.
 - The public conveniences in Pennington Road was listed back in 2013 as a Council asset for disposal. Southborough Town Council were asked to submit a business case to take on this asset, but the request was declined. As such Cabinet at the time decided to dispose of the asset via an open auction.
 - Ultimately it was the decision of the Town or Parish Council as to whether they wanted to take on the asset.
 - Clawback was based on 100% valuation. As such if the asset was converted for any other use (residential, commercial etc.) that didn't fit into the Community use bracket, then the Council would clawback 100% of the value.

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

PROCUREMENT PROCESS AND POLICY UPDATES

FG79/22 Dan Hutchins, Procurement Manager introduced the report set out in the Agenda.

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

URGENT BUSINESS

FG80/22 There was no urgent business.

DATE OF THE NEXT MEETING

FG81/22 The next meeting is scheduled for Tuesday 7 March 2023 at 6:30pm

NOTES:

The meeting concluded at 8.10 pm.