

MEETING OF THE RESOURCES POLICY DEVELOPMENT GROUP

THURSDAY, 26 JANUARY 2017 2.00 PM



GROUP MEMBERS PRESENT

Councillor George Chivers	Councillor Charmaine Morgan
Councillor Michael Cook (Chairman)	Councillor Adam Stokes
Councillor Mike Exton	Councillor Brian Sumner
Councillor Graham Jeal	Councillor Paul Wood
Councillor Matthew Lee (Vice-Chairman)	

EXECUTIVE MEMBER

Councillor Bob Adams, Leader and Executive Member Growth
Councillor Teri Bryant, Executive Member Finance & IT
Councillor Mrs Frances Cartwright, Executive Member Governance

OFFICERS

Strategic Director Corporate (Daren Turner)
Executive Manager Commercial (Judith Davids)
Business Manager People and OD (Elaine Pepper)
Corporate Finance Manager (Richard Wyles)
Business Manager Venues and Facilities (Paul Stokes)
Business Manager Legal and Democratic Services (John Armstrong)
Legal Executive (Shelly Hardy)
Executive Manager Property (Neil Cucksey)
Strategic Lead Programme Delivery (Lee Sirdifield)
Administration Assistant, Democratic Services (Anita Eckersley)

43. MEMBERSHIP

The PDG was notified that Councillor George Chivers would be substituting for Councillor Damien Evans for this meeting only.

44. APOLOGIES

An apology for absence was received from Councillor Damien Evans.

An apology for absence was also received from Councillor Linda Wootten, Executive Member Housing.

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45. DISCLOSURE OF INTERESTS

No interests were disclosed.

46. ACTION NOTES FROM THE MEETING HELD ON 8 NOVEMBER 2016

It was noted that in respect of action note 39 regarding the Art Centres and Corn Exchange, Members would be provided with detailed information in preparation for the review of subsidies once it had been arranged.

The action notes from the meeting held on 8 November 2016 were noted.

47. UPDATES FROM PREVIOUS MEETING

It was noted that all the Action Notes from the previous meeting had been actioned.

48. FEEDBACK FROM THE EXECUTIVE

It was noted that the following recommendations from the previous meeting had been submitted to the Executive and approved.

Action Note 38: Council Tax Base 2017/18

Action Note 39: Fees and Charges

Action Note 40: Review of Charges Scheme for Building Control

49. CORPORATE ENFORCEMENT POLICY

The Business Manager – Legal & Democratic Services presented report number LDS198 on the changes to the Corporate Enforcement Policy and other policies. The purpose of the report was to provide Members with an awareness of the revised draft Corporate Enforcement Policy (CEP) and of the changes to other policies that required updating.

Members of the PDG were being asked to consider the draft revised Corporate Enforcement Policy (CEP) and make a recommendation to the Executive Member for Governance to approve the adoption of these policies.

The PDG was informed that the Corporate Enforcement Policy (CEP) provided a single over-arching policy containing key factors and principles common to all aspects of enforcement undertaken by the Council. The aim was for a consistent approach that would ensure good practice when enforcement activities were undertaken. Fair and effective enforcement was essential to protect economic interests, public health and safety and the environment. The

Corporate Enforcement Policy (CEP) was supported by a number of service specific policy documents that set out greater detail in respect of the enforcement practice for each particular service area. This would ensure consistency across all services as well as with the Corporate Enforcement Policy (CEP). Each service enforcement policy included a reference to the Corporate Enforcement Policy (CEP) as well as updated web links to all the relevant policies, regulations and procedures.

The review of these policies also reflected the changes in the organisational structure in respect of the Neighbourhood Team as well as the changes of remit within the wider Environmental Services Team. As a result of this it had been considered appropriate to have one service specific enforcement policy that covered Environmental Services and Waste and Recycling. This change was reflected in the Environmental Services Enforcement Policy.

Service specific policies covered were:

- Development Management
- Building Control
- Environmental Services
- Debt and recovery
- Waste and Recycling

Members discussed the impact of lorries parking overnight where no toilet facilities were available and how this issue could be tackled, whether a working group may be required to look at how to deal with this issue or whether it was an issue for Highways at Lincolnshire County Council (LCC).

Further discussion took place on the metrics behind the policies and whether this was readily available and when the documents would come into force.

Members were informed that overnight parking was more a highways issue and noted that the metrics behind the policies could be provided at a future meeting.

Recommendation:

That the Resources PDG recommends to the Executive Member for Governance that the Corporate Enforcement Policy (CEP) and associated service Enforcement Policies as outlined in the appendices are approved and adopted.

Action Notes:

That the Resources PDG are provided with examples of enforcement measures undertaken to assess the effectiveness of the Corporate Enforcement Policy (CEP) and associated service Enforcement Policies at a future meeting.

Councillor Bob Adams, Leader and Executive Member Growth left the meeting at 14:29.

50. SOUTH KESTEVEN DISTRICT COUNCIL CIVIL ENFORCEMENT OFF STREET PARKING PLACES ORDER 2017

The Business Manager – Legal & Democratic Services presented report number LDS199 on the draft South Kesteven District Council Civil Enforcement Off-Street Parking Places Order 2017 (“new Parking Order”).

The purpose of the report was to provide Members with an opportunity to understand the proposed new Parking Order and provide feedback before making a recommendation to the Executive that the Council goes out to consultation on the proposed new Parking Order in accordance with the relevant Regulations.

Members were informed that the Council had identified potential safety issues for both pedestrians and other road users on land off St. Catherine’s Road, Grantham at the rear of Welham Street car park due in part to unregulated car parking. It was proposed that the new Parking Order would amend the existing Parking Order; South Kesteven District Council Civil Enforcement Off-Street Parking Places Order 2012 (“Existing Parking Order”). The amendments were highlighted in red on the tracked changed document at Appendix 2 of the report.

An overview of the rationale for seeking to introduce a new parking order was provided:

- a) A new Parking Order would include a further area of land edged red on plan F in Appendix 1, known as land off St. Catherine’s Road and situated at the rear of Welham Street Car Park. The new Parking Order would provide for a maximum of two disabled parking spaces free of charge, provided the disabled clock and badge were displayed in a conspicuous place in the vehicle and the other provisions of the new Parking Order were adhered to.
- b) A new order would also provide an opportunity to include reference to Cashless Parking Prepayment Scheme. Although not necessary for enforcement purposes it would be a way of ensuring further clarity and would remove any doubt around those circumstances where enforcement action may be taken.
- c) Under the Road Traffic Regulation Act 1984, Local Authorities had the power to regulate the use of off-street parking places by way of a Parking Order providing that consultation was carried out with the statutory bodies (Freight Transport Association, the Road Haulage Association, the Chief Officer of Police and the local Highway Authority – Lincolnshire County Council) and the general public. The consultation had to be in accordance with the Local Authorities Traffic Orders (Procedure) (England and Wales)

Regulations 1996. The consultation would consist of sending a copy of the new Parking Order to statutory bodies, publishing a notice of the proposals in the local newspaper circulated in the area to which the Order relates. A notice would also need to be placed in the affected areas. The same notice and a copy of the new Parking Order would be available for inspection at the Council's Customer Service Area.

The Business Manager Venues and Facilities noted the comment regarding the timing of issuing and re-issuing parking permits and said he would follow this up.

Further comment was also made regarding the Car Parking Strategy and whether a summit similar to the recent housing summit should be undertaken for all Members to have an input into a new Strategy bearing in mind their knowledge of their particular area of the District.

Recommendation:

Following consideration of the draft South Kesteven District Council Civil Enforcement Off-Street Parking Places Order 2017 ("new Parking Order"), the Resources PDG recommends to the Executive that the Council goes out to consultation in accordance with the relevant Regulations.

51. PENSIONS POLICY STATEMENT

The Executive Manager – Commercial presented report COM003 on the Pensions Policy Statement 2017. The report highlighted updates that were required following recent guidance from the Council's pension scheme administrators, West Yorkshire Pension Fund (WYPF). The proposed changes were essential to ensure the ongoing compliance of the Council's Pensions Policy Statement.

The report outlined the requirement on employers to formulate, publish and keep under review a policy statement in relation to exercising discretions under the Local Government Pension Scheme (LGPS).

Members were informed that previously there had been two discretions the Council had chosen not to adopt. The new guidance now provided greater clarity and indicated this would no longer be an option. Criteria would need to be available for assessing these discretions when making a decision.

Councillor C Morgan arrived at 14:35

Members queried what impact 5.2 of the policy regarding Shared Additional Pension Contributions (APCs) would have and whether there was potential for retrospective payments. It was noted that previous guidance had been followed correctly and that the existing policy was not incorrect but new guidance provided greater clarity and brought all local authority pension

schemes into line. Further guidance had been sought from both West Yorkshire Pension Fund (WYPF) and Freeths an external legal adviser.

Further discussion took place around how the updated document would be circulated to all staff, whether the policy would apply to Parish Councils, how SKDC's discretions compared with other local authorities and confirmation that the new Pension Policy Statement would be fully compliant with LGPS regulations.

Members were informed that the document, once finalised and approved, would be published on the Council's Intranet for staff to access; that all authorities which were Members of the LGPS would have received this guidance and that the policy was compliant with LGPS regulations.

Recommendation:

That the Resources PDG notes the required updates to the Council's Pensions Policy Statement 2017.

Councillor Frances Cartwright – Executive Member Governance left the meeting at 14:48

52. FINANCIAL REPORT FOR 2016/17- QUARTER 2 FORECAST MONITORING INFORMATION

The Corporate Finance Manager presented report number CFM397 on the budget monitoring information which included a summary of the forecast outturn position as at the end of Quarter two against the annual budget for 2016/17 for the General Fund Revenue Budget, the Housing Revenue Account Budget and Capital Programmes – General Fund and HRA. It was noted that due to the timings of the PDG, the information for Quarter two had been too late for the November meeting of the PDG. Details for the end of Quarter 3 would be submitted to the March meeting of the PDG.

Members were verbally informed there had been no significant variances and the outturn position was expected to be in-line with projections. The forecast outturn work undertaken on a quarterly basis by business areas enabled options to be considered on spending proposals for the remainder of the year. It was also used to identify any emerging financial issues that may need investigating so mitigating actions could be put in place if required.

The PDG was informed of a 1.7% variance on the Budget forecast outturn for 31st March 2017 as at Quarter 2 projections. The detail of the variances was summarised by priority area in Table A in the report.

Table 'B' outlined the main factors impacting on the forecast variance position. Table 'C' provided further detail on the general fund significant income streams. It was noted that the majority of the discretionary income was outside the

Council's direct control or influence.

There had been little movement on Table 'E', HRA Variance Analysis, although some key movements with respect to budgeted rental income was being influenced by Universal Credits.

With regards to Capital Programmes and funding it was noted that due to a review of the St Peter's Hill proposed development, the residual budget of £4.529m would be moved to next year. The Property Investment Strategy had a forecast slippage of £5m due to a lack of commercial investment opportunities that met the Council's requirements. Consideration may need to be given to whether the Investment Strategy may need reviewing in light of the difficulties of securing a commercial investment property. It was suggested that the Resources PDG may want to review the Investment Strategy at a later date. The slippage of £5m would be moved across into the following year.

The following issues were discussed by the PDG:

1. Table B – Projected Income unlikely to be received being included in the budget and how this affected projections and budgeting;
2. Table G – The number of project slippages and how external forces impacted on these projects;
3. Whether there was a point at which money set aside for projects could be diverted to other active projects or services rather than be left 'allocated' in the budget until the end of the year;
4. The proposals on the St Peter's Hill Development to be submitted to a future PDG;
5. Table B – Growth – Planning: It was felt that the explanation implied that funding was for a single application. Would other applications be included or receive similar funding;
6. Money aligned for homelessness, how this was used and how the homelessness issue was going to be addressed;
7. Reviewing the Community Fund and the applications and ensuring the Fund continued to be promoted, and
8. Corporate savings: whether the target had been reached and what impact vacant posts and restructuring had on this figure.

Action note:

The Resources PDG note the Financial Report for 2016/17 – Qtr 2 Forecast Monitoring information.

53. POST SETTLEMENT UPDATE

The Corporate Finance Manager gave a presentation on the Post Settlement Update. Members were informed that the presentation would provide an update on the December Settlement; New Homes Bonus; Settlement Funding Assessment; Budget Pressures; Budget Growth; Savings & Efficiencies, Potential council tax levels and future challenges.

The main elements from the Settlement were; the confirmation of continuing cuts to the Revenue Support Grant (RSG); Core Spending Power updates, a new methodology for the distribution of the New Homes Bonus (NHB), part of this being a reduction in backdated payments from 6 years to 4 years in 2017/18; details about the adjusted business rates baselines, tariffs and top ups; confirmation of the availability of a £5 council tax increase for District Councils. No update was available on the consultation findings for the 100% Business Rate Retention (BRR) at this stage but further information was expected in 2017.

Members were shown graphs outlining the projected reduction in funding from £28.1bn down to £17.2bn over the period 2012/13 to 2019/20; the shift in funding from Districts; CLG Council Tax Base assumptions; Settlement funding assessments; Budget Assumptions and Savings, Efficiencies and Income Generation.

A reduction of £241m was forecast nationally in New Homes Bonus (NHB) Funding allocation for 2017/18 from £1,493m to £1,252m. For 2017/18 onwards only growth above 4% would attract New Homes Bonus (NHB) payments and there would be a move to year payments for both existing and future NHB allocations for 2017/18 and then to 4 years from 2018/19. Adjustments to the baseline could be made by the Government in future years to reflect significant and unexpected housing growth.

Members were updated with budget proposals information for 2017/18 including potential areas for growth. It was referenced that any increase in Council Tax would contribute towards offsetting the loss of Revenue Support Grant (RSG) and help support investment in additional green waste collections, town centre cleansing, Local Plan, festival funding and further investment in the Community Fund.

In conclusion Members were reminded of the future challenges ahead such as business rate appeals, 100% Business Rates retention by 2020; Council Tax base growth, national economic cycle outside the control of the Council; further changes to the NHB baseline growth and the need to have a strong and sustainable local economic growth.

Action point:

The PDG noted the information presented in respect of the settlement.

54. ASSET STRATEGY- VISION AND ASSET CHALLENGE

The Executive Manager Property presented report RIM365 on the Asset Strategy, Vision and Asset Challenge. PDG Members were being asked to note the contents of the report and provide feedback and views on an Asset Vision, and on the asset challenge in terms of the scoring methodology and matrix.

Members were informed that the current Vision Statement was focused on operational assets and that the current adopted Property Asset Strategy was due to expire in 2017. With the new Corporate Plan having come into force in 2016 and the current Property Asset Strategy due to expire this year an opportunity was available to formulate a new Vision that would reflect the current objectives and wider ambitions for the future.

It was noted that 3.1.1 to 4.2.5 of the report set out the growth plans in line with the Council's Corporate Plan 2016 – 2020 and highlighted the Council as being "Open for business" and "Commercially and Customer Focused". These outcomes were key to the future asset strategy and for focusing a vision for the property assets going forward.

Section 5 of the report referred to the challenges on all assets including operational properties and investment properties held in the Council's portfolio. The aim was to re-balance the asset portfolio through disposals of under-performing assets and invest into more prime assets that may have the potential to generate a more healthy return to support service delivery.

This provided an opportunity to move from the historic legacy of current property holdings and transform and modernise the asset portfolio. Reassessing the asset management along with combined reinvestment could be an important component in improving the asset performance, balance, and growth and sustainability of income and overall performance of the portfolio moving forward.

The Report contained information to help inform a debate about the asset vision for the revised Property Asset Strategy, post 2017, which would set a direction and context when formulating the Strategy. It was anticipated that the revised Vision would incorporate the principles to be adopted and contain an Asset Management Plan that set out how property asset management would be delivered along with an action plan that would provide clear and measurable actions that could be implemented.

Formulating a Vision and what went into it would need to include a number of appropriate key words or phrases. It was suggested that the Vision should enable a long term strategic vision, deliver corporate objectives, and set a direction for the asset portfolio. With a view to the Council owning, occupying or

using properties that empowered excellent performance in the delivery of its services and Corporate Plan themes on behalf of its residents, businesses and visitors. This could include co-location with other external organisations. Examples of how the Performance Criteria Scoring Matrix had been applied were provided.

The Executive Manager Property described opportunities that the current vision statement had created and had been acted upon. These included the Customer Access point and Library at Bourne, South West Lincolnshire Clinical Commissioning Group and their support contractor collocating at St Peters Hill Grantham, The current opportunity was with the DWP and Members were asked if they had a view about that possible co-location.

Members discussed the issues regarding the property at Broad Street, Stamford; whether the adoption of a “Vision” would prevent similar issues from occurring again; whether all three PDG’s should be considering this issue; the robustness of the weighting selection; whether there would be opportunities to increase the Council’s assets; ensuring that the decision process for disposing of assets, such as public toilets, was transparent; the role of the Executive in respect of decisions on Assets, the need to ensure that the criteria was in place for considering such issues and whether this document would provide that guidance; that the Constitution provided guidance on who could make decisions on the disposal of assets.

Action Points:

- a) That the Resources PDG note the contents of the report, and
- b) That Members at a future meeting are provided with information on the Council’s current asset portfolio and a summary providing them with an understanding of why those assets are held.

55. WORK PROGRAMME

Local Pay Scheme Policy Review

The Executive Manager Commercial informed Members that Council’s local collective agreement for cost of living pay awards had been reviewed, and that a new simplified form of words had been agreed with and signed off by the Unions which would give greater flexibility in determining our own local pay. The changes to the Collective Agreement would need to be approved by Council.

Members were being asked to consider forming a working group to review the mechanisms by which the Council’s cost of living pay awards could be determined. The remit of the working group would be to consider the criteria that could be applied, and the approval route and mechanisms that would be necessary for the local determination of the Council’s cost of living pay award

each year.

It was noted there was a time constraint in respect of ensuring this Scheme was included in the start of the budget setting process in September 2017.

Action Note:

That a working group be arranged between May and July 2017 to review the Local Pay Scheme Policy.

56. CLOSE OF MEETING

The meeting closed at 16.20.