



POLICY, FINANCE AND ADMINISTRATION COMMITTEE

PARKSIDE, STATION APPROACH, BURTON STREET, MELTON MOWBRAY

25 SEPTEMBER 2012

PRESENT:-

Councillors J.B.Rhodes (Chairman),
G. Bush, P. Cumbers, A. Freer-Jones,
E. Hutchison, M. O'Callaghan,
P.M. Posnett, D.R. Wright, J. Wyatt

Councillor J. Moulding – As Observer

Chief Executive, Strategic Director (KA),
Head of Central Services, Head of Communications,
Corporate Property Officer, HR & Communications Manager,
Committee Support Officers (LS and JR).

P23. APOLOGIES FOR ABSENCE

An apology for absence was received from Councillors Barnes.

P24. MINUTES

The minutes of the meeting held on 3 July 2012 were confirmed and authorised to be signed by the Chairman.

P25. DECLARATIONS OF INTEREST

Councillors Posnett and Rhodes declared personal interests in any matters relating to Leicestershire County Council due to their roles as County Councillors.

Councillors Cumbers and Freer-Jones declared pecuniary and personal interests in Minute P38 Major Property Update with regard to matters requiring planning permission due to their membership of the Development Committee.

P26. RECOMMENDATIONS FROM OTHER COMMITTEES

There were no recommendations from other committees.

P27. UPDATE ON DECISIONS

The Chief Executive submitted an update on decisions from previous meetings of the Committee.

RESOLVED that the Update on Decisions document be updated to reflect progress and work completed.

P28. HR POLICIES

The Head of Communications submitted a report previously circulated which sought approval for the implementation of a rewards and benefits package for staff and to approve a revised Mobile Phone Policy. Details of the reward and benefits package were given in the report and in response to a question on the feedback from staff and the trade unions, the Head of Communications confirmed that it was felt that the scheme was a positive package. A question was also asked as to why the company P&MM had been selected to which the HR & Communications Manager replied that this company combined all the benefits in one site and therefore represented an easier system to use and was best value for money.

RESOLVED

- (1) the rewards and benefits package be approved for implementation with P&MM;
- (2) to approve the revised Mobile Phone Policy;
- (3) that the Head of Communications be granted delegated authority to update and/or revise the policies in line with current legislation and good practice in consultation with the recognised trade unions and Management Team.

P29. VICTORIAN FAYRE – REQUEST FOR CONTRIBUTION

Members had before them a report prepared by the Head of Communities & Neighbourhoods which sought approval for a one-off contribution of £5,000 towards the Melton Mowbray Victorian Fayre 2012. In presenting the report, the Chief Executive outlined what benefits the event brought to the town and that the organisers were facing additional expenditure this year. The one-off grant was recommended to assist the organisers to move forward in the future.

It was proposed by Councillor Posnett and seconded by Councillor Wright that the one-off grant be made on the grounds that the event brought many visitors to the town and benefitted a number of charities. Whilst acknowledging the popularity of the event and supporting it in principle, concern was expressed that the organiser's finances appeared reasonably healthy and the reasons for requesting this assistance were not sufficiently clear. It was suggested that the matter be brought back to enable the organiser to provide more detailed information on the costs. A point was made that it was difficult to itemise specific costs for an event of this nature and that the request was to help support the event in general. The view was expressed that the grant represented good value for money. After the mover of the

motion rejected a suggested that the grant be approved up to £5,000 should the organiser need the full amount, a vote was taken and accordingly it was

RESOLVED That £5,000 in 2012/13 be approved as a one-off contribution from the Corporate Priorities Reserve towards the Victorian Fayre 2012.

P30. CAPITAL PROGRAMME MONITORING TO 31 AUGUST 2012

In her report previously circulated, the Head of Central Services updated the Committee on the progress of schemes within the Capital Programme to 31 August 2012. She explained that the overall forecast was broadly in line with budget and referred to the two business cases submitted for approval relating to the demolition of the abattoir and the electronic working for Members scheme.

A discussion ensued on the business case for the demolition of the abattoir during which officers were asked if the estimated cost was good value for money. The Corporate Property Officer responded that a demolition company previously used by the Council had supplied an indicative price and this company had provided value for money in the past. Support was indicated for the project which would improve the frontage to the site along with the new fire station which was currently under construction. A question was raised on whether the site, following demolition, could be used as a temporary car park. Officers advised that this would need to be referred to REEA Committee but it would be possible to offer a two lot tender for demolition and works to improve the site for use as a temporary car park.

It was moved and seconded to approve the recommendations contained in the report subject to referral to the REEA Committee for the site to be used as a temporary car park following demolition.

RESOLVED that

- (1) the progress made on each capital scheme be noted;
- (2) the business case in respect of the abattoir demolition be approved and a two part tender be invited for demolition and works to improve the site for use as a temporary car park subject to referral to the REEA Committee;
- (3) the business case in respect of the Electronic Working for Members scheme be approved.

P31. A CORPORATE REVIEW OF CHARGES 2013/14

Members had before them a report jointly prepared by the Head of Central Services and the Head of Communities & Neighbourhoods which provided information on the various fees and charges that were made by the Committee. The Council's Management Team had requested a full review of fees and charges following receipt of a report from Deloitte's in 2011-12 who carried out a review of all East Midlands' Councils fees and charges. Also appended to the report was a revised

corporate charging policy which would form part of the Council's medium term financial strategy and had been subject to an equality impact assessment.

A comment was made that the fees and charges under this Committee did not in fact represent much additional income. The Head of Central Services explained that the Parkside charges were to be subject to review by a working group and the other charges reviewed were ones that were not regularly used. It was proposed and seconded to agree the recommendations contained in the report.

RESOLVED

(1) to approve the proposed level of charges for 2013-14 for each of the services set out in Appendix A to the report to operate from 1 April 2013;

(2) to approve the revised corporate charging policy as attached at Appendix B to the report.

P32. BUDGET MONITORING APRIL TO JUNE 2012

In her report previously circulated, the Head of Central Services provided information on actual expenditure and income incurred on the Committee's services compared to the latest approved budget for the period 1 April 2012 to 30 June 2012. The Head of Central Services explained that all budgets were set out in the report, not just those relating to this Committee. She drew Members' attention to appendices A to C which set out those service areas designated as high risk and the projected forecast to the end of the year which was expected to see a balanced position. For the lower risk service areas, a slight surplus was predicted. However, she advised that she had recently been made aware that the market rates for certain recycling materials had reduced and this would need to be examined in terms of the impact on the refuse contract and the financial position.

During discussion clarification was sought on the figures provided in Appendix B on rent rebates non HRA and on the car parking income. The Head of Central Services referred to the slight overspend but that this would be closely monitored going forward. She also mentioned that staff car parking was coming in below budget but this was taken as a positive sign about staff parking habits.

RESOLVED to note the financial position on each of the Committee's services to 30 June 2012.

P33. BUDGET FRAMEWORK 2013/14

The Head of Central Services submitted a report (copies of which had previously been circulated to Members) which considered a number of key items which would feed into the Council's Medium-Term Financial Strategy (MTFS) and the 2013/14 budget and service planning preparation process. Following the Budget and Strategic Planning Working Group deliberations, aside from fees and charges, budgets had not included a general inflationary increase. Instead the setting of a

general inflationary contingency budget was proposed. It was also recommended that the general fund working balance be increased to reflect the additional risk of the retention of business rates.

The Chairman expressed his support for increasing the working balance as prudent action. He also agreed with the recommendation to set up an inflationary contingency budget as the Council would need to keep a very close eye on its expenditure having regard to the uncertainties faced ahead. He went on to refer to a meeting he had attended with other local council Leaders in London and advised that the indication was that central government settlement was likely to be tighter than anticipated 12 months ago. It was not yet known how the government would allocate the revenue support grant between the county and district levels.

In response to a question on the roll over of council tax freeze, the Head of Central Services advised that when the government's indicative figures in the consultation paper came out it appeared that the council tax freeze grant which the government paid to local councils to mitigate against not increasing their council tax levy had been squeezed because of the overall cuts. In the light of this information and the uncertainty over the reduction of reimbursement for council tax support, a Member expressed support for the recommendations in the report but reserved his vote on the objective of setting a balanced budget for 2013/14. The Chairman moved the recommendations in the report as they stood and this was seconded by Councillor Wright. Upon being put to the vote, the motion was carried with no votes against and one abstention.

RESOLVED

- (1) to approve the proposed corporate planning and budget framework timetable for 2012/13, in respect of the 2013/14 financial year, as set out in Appendix A to the report;
- (2) that no inflation be provided for in the 2013/14 budget at service budget level, other than fees and charges which have been provided for at the rate of 3%, unless adjusted for known prices by budget holders. Instead a contingency budget for inflation be determined at an appropriate level set by the Head of Central Services and reported to Members as part of the budget setting process for 2013/14;
- (3) that the Council retains its objective of setting a balanced budget for 2013/14;
- (4) that the target working balance on general expenses is increased to £820,000 with existing levels retained for special expenses (Melton Mowbray) at £50,000 and the Housing Reserve Account (HRA) at £500,000;
- (5) the Programme Board determine the relative priority of schemes for Members to consider and allocate funding based on the information set out in the project mandates;
- (6) the key dates for the budget process be noted.

P34. ITEMS FOR APPROVAL UNDER FINANCIAL PROCEDURE RULES

Members had before them a report prepared by the Head of Central Services previously circulated with the agenda which set out requests for approval under Financial Procedure Rules and provided information on amounts approved under delegated powers and the impact of these on the Council's reserves and balances.

A Member expressed concern at the recommendation to use the working balance to fund an Economic Development Officer; he stated he would want any post holder to be a 'do-er' rather than spend time writing strategies and plans. The Chief Executive confirmed that the intention behind the creation of this post was very much to have a person who would achieve tangible outputs and to this end the Council had created capacity from within the organisation to carry out the strategic activity and to work with the LLEP and planners to identify blocked sites. It was envisaged that the post holder, with relevant qualifications and experience, would grow into the role as the Council's activity in this area developed. In response to the Member's request she undertook to provide a copy of the job description for the post subject to reserving the right for officers to deal with management issues. The Chairman moved the recommendations contained in the report which were then seconded by Councillor Wright and carried following a vote.

RESOLVED

(1) that the virements approved under delegated powers as set out in the report be noted;

(2) the business cases for the Environmental Maintenance Vehicles, the Partnership Scheme in Conservation Areas, and the Local Authority Mortgage Scheme (LAMS) be approved, and additional funding be approved for the LAMS and the Partnership Scheme in Conservation Areas from capital receipts;

(3) to approve the use of the working balance to fund the Leisure Vision supplementary estimate request of £30,000 as set out in paragraph 5.1 of the report;

(4) to approve the increases in the approved levels of capital spending as set out in paragraphs 5.2 and 5.3 of the report;

(5) to approve the use of the working balance to fund an Economic Development Officer in 2012/13 in the sum of £7,500 and approve a permanent increase to the establishment as outlined in paragraph 5.4 of the report;

(6) to approve a permanent increase to the establishment from 1 April 2013 for the CCTV Co-ordinator, funded from existing budgets as outlined in paragraph 5.5 of the report;

(7) that the Fairmead Regeneration project be added to the Capital Programme, with the cost of property acquisitions funded by the Regeneration and Development Reserve. Delegated authority be given to the Head of Communities & Neighbourhoods to do this in consultation with the Head of Central Services and Solicitor to the Council following successful negotiations with the affected home owners as outlined in paragraph 5.6 within the report.

P35. POOLING OF BUSINESS RATES

A revised version of the report previously circulated was tabled at the meeting as figures in the report and appendix provided by the County Council had been amended since the despatch of the agenda. In presenting the report, the Head of Central Services updated Members on the issues arising from the Government's Business Rates Retention Scheme with regard to the proposed pooling scheme and the proposed Leicestershire pool. She explained that the Leicestershire authorities would need to submit their final pooling proposals by 9 November 2012 and the next stage would be to set out the governance arrangements by which the pooling scheme would operate. Members' were advised on the benefits of being in the pool and the associated risks. There would be the option to withdraw from the pool after the local government finance settlement was known.

A lengthy discussion then ensued during which the Chairman summarised by saying that if everything went well, then the Councils would do better by a pooling arrangement; if the outcome was moderately poor then the Council was insured. However, if things went very wrong then the Council would have to bear the cost of being in a worse position for one year and then pull out of the pool.

A view was expressed that it was important for the Council to work closely with businesses and to gain economic intelligence as this would not only affect the fortunes of businesses within the Borough but those in other parts of Leicestershire. After the Head of Central Services had responded to questions on the risk elements, the role of the LLEP, and the call on the contingency fund, the recommendations were moved by the Chairman and seconded by Councillor Wright. Accordingly, it was

RESOLVED

(1) to approve the proposal to pool business rates with Leicester City Council, all Leicestershire District Councils and Leicester, Leicestershire and Rutland Fire Authority as set out in the report;

(2) that delegated authority be given to the Chief Executive and the Head of Central Services in consultation with the Leader and Solicitor to agree the pooling governance arrangements, including the legal agreement and to withdraw from the pool if information in the Local Government Finance settlement in December indicated that continued pooling would not be in the best interest of the Council.

[Councillor Wright here left the meeting at 7.50pm]

P36. ANNUAL REPORT ON EQUALITY AND DIVERSITY

The Head of Central Services presented her report to update Members on the progress made by the Council to embed Equality and Diversity within service and policy development and delivery, work undertaken to meet its public sector equality duty as required by equality legislation, but more importantly to deliver services which were accessible and meets the needs of the residents of the Melton Borough. Members' were advised that as the Leicestershire 'Partnership' had now formally disbanded officers had secured a consultancy support to bridge the gap in resourcing the requirements for this Council. After the Chairman had commended officers for the report, Members agreed to note the report.

RESOLVED

- (1) that progress made between August 2011 to September 2012 in responding to the demands of the Equality Act 2010 be noted;
- (2) that the Equality Peer assessment report at Appendix A to the report and outcome of an 'Achieving' level status be noted;
- (3) that the equality and diversity action plan at Appendix B to the report be noted;
- (4) that the disbandment of the 'Partnership' and the alternative resourcing arrangements as a result of this be noted.

[Councillor Wright here returned to the meeting at 7.52pm.]

The Chairman agreed to take the following item as as a matter of urgency as the order for a new Sun Server would need to be placed as soon as possible in order to allow annual Council Tax billing to be undertaken in February 2013.

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P.37 SUN SERVER UPGRADE

The Head of Central Services submitted a report (copies of which were circulated at the meeting) which explained the pressures put on the capacity of the existing Oracle Sun Server due to the latest version of the Northgate applications requiring additional hardware resources. She advised that the option to increase the memory of the server would cost about £16,000 but would not represent the best value for money and was therefore recommending that a new server be purchased with greater capacity costing £28,000.

In response to Members' questions, the Head of Central Services confirmed that £12,000 within the ICT repairs and renewals fund had already been set aside to replace the server. The ICT Strategy had identified the pressure on the server but at the time the full details of the extra capacity required were not known. The recommendation to procure a new Sun Server was moved by the Chairman, seconded by Councillor Posnett, and carried following a vote,

RESOLVED

- (1) that option 2 to purchase a new Oracle Sun server be implemented;
- (2) the upgrade is purchased from the existing supplier;
- (3) to approve a withdrawal from the ICT Repairs and Renewals fund to part fund the purchase of a new Oracle Sun server at a cost of £12,000;
- (4) that the balance of the cost is approved from the working balance at a cost of £17,000.

[Councillor Cumbers had previously declared a personal and pecuniary interest in the following minute (P38) and here left the meeting at 7.55pm.]

EXCLUSION OF THE PUBLIC

RESOLVED that the Public be excluded during the consideration of the following 2 items of business in accordance with Part 1 of Schedule 12A of the Local Government Act 1972 (Access to Information: Exempt Information) under Paragraph 3.

P38. **MAJOR PROPERTY UPDATE**

Members had before them a report prepared jointly by the Head of Central Services and the Corporate Property Officer the purpose of which was to update Members on the major asset related projects for the Council since the previous report to the Committee on 17 April 2012.

During discussion on the various matters, it was requested that the proposed new system in the civic suite have built in capacity to be able to record and webcast meetings. The Corporate Property Officer confirmed that this facility could be built into the specification.

[Councillor Freer-Jones left the meeting at this point at 8.05pm before the debate and voting on the boundary treatment for Burton Street car park.]

Members were advised about the options for the treatment of the boundary between the Burton Street car park and the park and the suggested proposal put forward by the Melton Mowbray Town Estate. During a lengthy debate, Members put forward their views and comments on the proposals and accordingly it was

RESOLVED

- (1) that the progress update on Parkside and further potential Partners be noted;
- (2) that the project mandate and business case as set out at Appendix A to the report to purchase a replacement microphone system for Parkside be approved, subject to the specification providing for a system with built in flexibility to link in to a

webcam and that a budget up to £22,000 for the new system to be funded from capital receipts be approved;

(3) that the update on the civic suite and ground floor meeting rooms be approved;

(4) to approve the Melton Mowbray Town Estate's suggested compromise solution of a low brick wall and railings for the boundary treatment between Burton Street car park and the Park and to approve the recommended budgetary provision to be funded from capital receipts as a contribution towards the new boundary;

(5) to note the proposed boundary treatment of Phoenix House fronting Nottingham Road (as at Appendix B to the report);

(6) to approve the disposal of a small parcel of land (as shown at Appendix D to the report) and that the Head of Central Services and the Corporate Property Officer, in consultation with the Chairman of this Committee, be authorised to agree terms for the disposal of the land.

P39. PARTNER ORGANISATION OCCUPATION UPDATE

Members had before them a report jointly prepared by the Strategic Director (CM), and the Change Manager which gave an update on progress with occupation of Parkside by a Partner Organisation.

The Strategic Director (KA) presented the report updating Members on the most recent developments. Members welcomed the positive news following protracted negotiations.

RESOLVED

(1) to approve in principle the occupation of Parkside by the partner organisation;

(2) to approve the project mandate and business case attached at Appendices A and B to the report for inclusion in the 2013/14 capital programme with the funding to be allocated as part of the budget setting process.

The meeting which commenced at 6.30 p.m., closed at 8.27 p.m.

Chairman