

Minutes

Meeting name	Corporate Committee
Date	Wednesday, 28 November 2018
Start time	6.30 pm
Venue	Parkside, Station Approach, Burton Street, Melton Mowbray, LE13 1GH

Present:

Chair Councillor J. Orson (Chair)

Councillors	R. de Burle	P. Cumbers
	M. Glancy	E. Hutchison
	A. Pearson	J. Wyatt
	P. Faulkner (Substitute)	M. Graham (Substitute)

Officers

- Chief Executive
- Director for Corporate Services
- Director for Legal and Democratic Services
- Administrative Assistant (JR)

Minute No.	Minute
C20	<p>Apologies for Absence</p> <p>Apologies were received from Councillors Higgins, Holmes and Rhodes. Councillor Faulkner attended as substitute for Councillor Rhodes. Councillor Graham attended as substitute for Councillor Higgins.</p>
C21	<p>Minutes</p> <p>The minutes of the meeting held on 25 September 2018 were confirmed and authorised to be signed by the chair.</p>
C22	<p>Declarations of interest</p> <p>Councillors Orson and Pearson declared a personal interest in any items relating to Leicestershire County Council, with particular reference to agenda item 8, due to their positions as County Councillors.</p>
C23	<p>Outline Business Case for New Development Company</p> <p>The Chief Executive submitted a report to update members on the progress so far for assessing the outline business case as to whether the Council should establish a collaborative development company and approval was sought for proceeding to a full business case and the associated next steps.</p> <p>It was highlighted to members that recent media coverage had reported that Melton has a significant increase in house prices of 12.8%. The establishment of a Collaborative Development Company has the potential to assist towards increasing the availability of good quality homes that meet local needs. Melton Borough Council, alongside three other local councils, are seeking approval to proceed to a full business case, the progress of which, will be reported back to this committee approximately March next year. At this point members would ultimately need to make a decision as to whether they wish to enter into the development company.</p> <p>Commercial appraisal work will commence on council assets e.g. the Cattle Market and the Leisure Village. A member suggested that the temporary south car park at the cattle market site be cordoned off for use by the micro brewery and made a Pay & Display car park to generate income.</p> <p>All sites will be studied in the appraisal and the Chief Executive added that broader mixed use developments will be fully considered. A member highlighted the use of section 106 monies which was referenced in the document. This is to be looked at by the Chief Executive after the meeting.</p> <p>Councillor Orson moved the recommendations and Councillor Pearson seconded.</p> <p style="text-align: right;">Cont ...</p>

	<p><u>Resolved</u> that:</p> <ol style="list-style-type: none"> 1) the outline business case attached at Appendix A be noted. 2) the preparation of a full business case and associated works at the cost of £13,500, which can be met from within existing budgets be approved. 3) an update be provided to the Committee on the full business case in March 2019 with recommendations for the next steps.
C24	<p>Collaborative Review into Improving Public Services</p> <p>The Chief Executive submitted a report to update members on collaborative work being undertaken by all seven District and Borough Councils within Leicestershire to explore ways to improve partnerships and identify opportunities for service integration, efficiency and improvement.</p> <p>A member suggested that a template is already established as this was used for the Welland Partnership of rural towns and could be adapted for this circumstance. The member preferred a memorandum of understanding as an option rather than paying to commission a review of place based public services with other District and Borough Councils in Leicestershire.</p> <p>It was highlighted that there is value in getting viewpoints from external organisations sometimes but at this stage the commissioning of additional work was only an option and was still being looked into.</p> <p>Councillor Orson moved the recommendation and Councillor Pearson seconded.</p> <p><u>Resolved</u> that:</p> <ol style="list-style-type: none"> 1) members noted the current position and confirmed their support to Melton Borough Council's continued support of collaborative efforts to improve public services within the area and county.
C25	<p>Items for Approval Under Financial Procedure Rules</p> <p>The Director for Corporate Services submitted a report to submit requests for approval of this committee under Financial Procedure Rules and to provide information on amounts approved under delegated powers and to report the impact of these on the council's reserves and balances. The opportunity has also been taken to secure delegated authority for finalising legal fees and charges as well as entering into contracts with other parties for the provision of procurement services.</p> <p>The Director for Corporate Services advised that it has been identified that the current legal charges are not reflective of the level of work involved and some are not comparable to other local authorities. It has not been possible to undertake the work to set revised charges in time for this meeting so delegated authority is requested so that work can be completed and the impact of the revised charges can be incorporated into the 2019/20 budget.</p>

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It was highlighted that the procurement unit has been successful in gaining two new councils, Newark & Sherwood and South Kesteven, to join the group. Delegated authority was requested to finalise and sign these contracts and any future contracts for the service.

Councillor Orson moved the recommendations and Councillor Glancy seconded. All members were unanimously in favour.

Resolved that:

- 1) the virements approved under delegated powers (para. 3.1.1 refers) be noted
- 2) the business case discussed in para 4.1 be approved and a supplementary estimate of £20,000 be approved from the Play Areas Repairs and Renewals Fund to replace equipment at Kirby Fields & Melton Country Park Climbing forest Play Areas
- 3) delegated authority be approved for the Chief Executive in consultation with the Leader to approve a supplementary estimate from the Corporate Priority Reserve to meet the cost of the leisure commercial appraisal should there not be sufficient funds within the current years budget
- 4) delegated authority be given to the Director for Legal Services in consultation with the Director for Corporate services to finalise the legal charges in line with the parameters set out in para 5.1.
- 5) delegated authority be given to the Director for Corporate Services to finalise and sign any contracts for services to enable the Council to deliver procurement services to other parties as set out in para 6.1.

C26

Capital Programme Monitoring April to October 31 2018 and Capital Programme 2018 - 2023

The Director for Corporate Services submitted a report to update members on the progress of schemes within the Capital Programme to 31 October 2018 and to determine the Capital programme for 2018-23 based on a review of spending in the current year's programme and schemes included in the programme for later years.

Members had received an updated report and appendices A and B previous to the meeting which corrected some errors that were identified after the original dispatch of the agenda and meeting pack.

The latest position for the current financial year was set out in appendix A. The variance was highlighted and the Director for Corporate Services explained that a slight overspend is predicted on the telephony project and the Northgate Server project has been brought forward in to one financial year which was originally intended to be spread over two years. The additional cost of the server project can be met from the monies set aside for this purpose from the IT renewal and repair fund.

The four IT project mandates included for 2019/20 will come forward to the Council for approval for funding as part of the budget setting process for 2019/20. A number of the projects can be met from the IT renewal and repair fund.

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A member queried the works on the Asfordby Road bridge as this has been an ongoing matter over a number of years. The project has been put back to be included in the 2020/21 budget. An engineer's report is required to identify the timescale of the project after the MBC Property team have identified the specific area requiring the work.

Reassurance was given to members regarding the IT Partnership service and the quality of their work in providing a resilient and efficient service to all authorities within the partnership. A recent review by SOCITM of the IT service and quality of support from Hinckley & Bosworth BC was indicated to be of a high level.

The Director for Corporate Services advised that a Digital Strategy had been approved for the Leicestershire partnership and would be sent to Councillor Glancy as requested. Support for the strategy was given but it was felt there was a need to ensure it incorporates new commercial activities.

Councillor Orson moved the recommendations and Councillor Glancy seconded.

Resolved that:

- 1) members noted the progress made on the capital schemes as attached at Appendix A; and
- 2) the revised Capital Programme for 2018-23 attached at Appendix B be approved including the additional funding required from the IT renewal and repair fund to enable the Northgate project to be completed fully in 2018/19.

C27

Mid year Report on the Treasury Management Activities and Prudential Indicators 2018-19

The Director for Corporate Services submitted a report which meets the requirement under the treasury management regulatory framework for the Council to receive a mid year treasury review in addition to the annual report on treasury management activities previously reported to Full Council on 7 February 2018.

The Director for Corporate Services advised that the Council's treasury management practices have been refreshed in line with revised guidelines. Assurance was given that the daily management of treasury management activities meets the guidelines and is being reviewed and managed appropriately.

Key areas of the report were highlighted:

- IFRS 9 which came into effect in April 2018 brought some changes to how certain investments are valued. These changes do affect the MBC property fund which is contributing well to investment returns. The new accounting standard requires that fluctuations in valuation are actually made through the revenue account rather than noted on the balance sheet and this would affect the Council's bottom line at the year end. With this in mind the Government has introduced a statutory override for an initial period of five years which will ensure there is no impact on the general fund. There needs to be an understanding of the level of fluctuations and the ways they could be mitigated. This will be monitored by the finance team and proposals will

be made through the Treasury Management Strategy on how this could be managed without losing the benefit of the higher returns that this investment currently brings.

- An updated Capital Strategy alongside the Council's annual budget is to be considered as part of the 2019/20 budget setting process and approved by members at the Full Council meeting in February 2019. This is to meet the new requirements of CIPFA codes issued last year.
- The main change to the revised estimates relate to those concerning capital expenditure primarily as a result of the carry forward of schemes from 2017/18 at the year end.

Councillor Orson moved the recommendations and Councillor Hutchison seconded.

Resolved that the Corporate Committee recommends to Full Council that:

- 1) the mid-year position on treasury activity for 2018-19 be noted;
- 2) the mid-year position on prudential indicators be noted and approved;

The meeting closed at: 7.20 pm

Chair