

## **WEST LINDSEY DISTRICT COUNCIL**

MINUTES of the Meeting of the Corporate Policy and Resources Committee held in the Council Chamber - The Guildhall, Marshall's Yard, Gainsborough, DN21 2NA on 10 November 2016 commencing at 6.30 pm.

**Present:** Councillor Jeff Summers (Chairman)  
Councillor Mrs Anne Welburn (Vice-Chairman)

Councillor Owen Bierley  
Councillor Matthew Boles  
Councillor David Cotton  
Councillor Michael Devine  
Councillor Steve England  
Councillor Ian Fleetwood  
Councillor John McNeill  
Councillor Tom Regis  
Councillor Reg Shore

**In Attendance:**  
Ian Knowles Director of Resources and S151 Officer  
Tracey Bircumshaw Financial Services Manager  
Mark Sturgess Chief Operating Officer  
Dinah Lilley Governance and Civic Officer

**Apologies:** Councillor Adam Duguid

**Membership:** There were no substitutes appointed.

### **65 PUBLIC PARTICIPATION PERIOD**

There was no public participation.

### **66 MINUTES OF PREVIOUS MEETING/S**

**RESOLVED:** That the minutes of the Corporate Policy and Resources Committee meeting held on 27 October 2016 were approved as a correct record.

### **67 DECLARATIONS OF INTEREST**

There were no declarations of interest at this point of the meeting, however Councillor Cotton questioned the implications for Members of the Planning Committee regarding Item 7. The Governance and Civic Officer advised that there had been similar reports recently that may ultimately become Planning Applications for determination, and that the advice was that Members of the

Planning Committee who had been part of the decision to approve the projects or financial implications at one of the Policy Committees, could declare an interest at the Planning Committee, and make a decision then as to whether they felt constrained by that interest. The Chief Operating Officer went on to point out that as with the project contained within Item 7, approval at the Policy Committee was merely 'in principle' and did not predetermine any specific details of subsequent Planning Applications.

## **68 MATTERS ARISING SCHEDULE**

The Director of Resources referred to the one item contained within the schedule noting that the projects on which further information had been requested were contained within the Progress and Delivery Report at agenda item 6a.

**RESOLVED** that the Matters Arising Schedule as at 2 November 2016 be noted.

## **69 PROGRESS AND DELIVERY REPORT - PERIOD 2**

The report was introduced by the Chief Operating Officer who noted that it reflected the performance of the council in the first six months of the 2016/17 municipal year (April – September).

The summary was structured to highlight those areas that were performing above expectations, those areas where there was a risk to either performance or delivery and those areas where further work was required for next year's report.

Progress on the Commercial Plan was to be included on the agenda for the December meeting.

Areas described as performing well included: Building Control; Development Management; Projects and Growth; and CCTV.

Those areas described as risks included: Local Land Charges; Enforcement; Markets; and Home Choices.

Further information was given on each of the above, and the Progress and Delivery Working Group was to meet again shortly to look again at the measures being used. Complaints, Comments and Compliments were being reconsidered to present a more sophisticated way of monitoring.

Members welcomed the report and the information set out within it. It was noted that income from grants was important and that Councillors added value to the process, it was suggested that when applications were submitted to the Lindsey Action Zone Ward Members be kept informed to aid delivery of services and provide support. Particular note was made of the improvements to Caistor under the Town Heritage Initiative.

It was questioned whether there were any statistics as to the nationality of rough sleepers, but then queried as to the relevance of this as no individuals should be sleeping rough. It was clarified that the question was raised as it was important to verify that individuals should

not be forced into homelessness on arrival in the UK.

Members also questioned if there were any recent updates available on broadband and mobile connectivity, and whether the appropriate legal advice had been initially provided. The Chief Operating Officer informed that meeting that a report was to be submitted to the Prosperous Communities Committee in December. It was requested that this include BDUK information.

Further discussion ensued on Planning, Building Control and Enforcement and the teams working together. Team Manager Andy Gray was commended for his enforcement work. It was important to control the expectations of the public and clarify what was reasonable and practical in terms of enforcement. Members felt it would be useful to see trend metrics and the Chief Operating Officer agreed that Direction of Travel indicators were useful. Major work was ongoing with enforcement and it was expected that improved policies would be in place by the end of January, however the Ombudsman was satisfied with processes undertaken to date. It was difficult to generalise time taken to resolve cases as each was different and some complicated issues could take up to three years. It was felt that metrics were important, even if issues were beyond the Council's control, as they helped to drive improvement.

**RESOLVED:** that having reviewed the performance information contained in the Progress and Delivery Report, the report be accepted.

## **70 BUDGET MONITORING Q2 AND MID YEAR TREASURY MANAGEMENT**

The Director of Resources introduced the headlines of the mid-year report on the Budget Monitoring and Treasury Management. The overall position was good at £575k under budget. Three main contributors to this were; Employee underspends £179k; Planning Income £220k; and a lower Pension Contribution of £171k.

Some of the commercial income areas were underperforming and work was ongoing to improve that position. Paragraph 2 of the report showed the use of reserves approved under delegation during this quarter.

With regard to Treasury Management, no control limits had been breached during the year and the average return so far was 1.2%.

The Financial Services Manager then further outlined for Members that it was highlighted that the request to Carry Forward capital budgets based on the current profile of expenditure enabled the Council to then work on the 2017/18 capital programme and treasury management implications for Medium Term Financial Planning.

There was also a proposal in the paper to recommend to Governance and Audit for scrutiny prior to approval by Council, that the Borrowing Strategy be amended to reflect a situation whereby the authority needed to invest in its own assets, and borrowing was required to fund it. All borrowing would be affordable and sustainable in term of long term financial planning.

Members indicated that Recommendation d) was inappropriate at this point as it was to

approve Capital expenditure for a project in a report at Item 7 which had not yet been considered. It was therefore proposed that the remainder of the recommendations be agreed, and that d) be considered at the appropriate point of the meeting.

**RESOLVED:** that

- a) the forecast out-turn position as at 30 September 2016 be accepted;
- b) the draft MTFP position for 2017/18 to 2021/22 be accepted;
- c) the use of Earmarked Reserves approved by the Director of Resources using Delegated powers be accepted;
  
- e) the amendments to the Capital and Revenue budget, including creating budgets for projects funded by grants and not included in the original Capital Programme be approved;
- f) the Capital budget carry forwards of £5,640k be approved;
- g) the Commercial Income position be accepted; and
- h) the Treasury Management Report and Treasury position to 30 September 2016 be accepted.

## **71 COMMITTEE WORK PLAN**

**RESOLVED** that the Work Plan be noted.

## **72 EXCLUSION OF PUBLIC AND PRESS**

**RESOLVED** that under Section 100 (A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.

## **73 DEVELOPMENT LOAN**

The Director of Resources introduced the report stating that in discussions with the developer estates, the Strategic Lead for Economic Development was seeking options to secure development on the Northern Sustainable Urban Extension.

One option that was explored was to offer a loan from the Council to the developer to fund the development of outline planning permission.

Discussions had been taken to the stage of Head of Terms and were presented for approval within the report.

The loan would provide an income of approximately £15k and should the Council borrow externally there would be a net income of approximately £8k.

The loan would be secured by a charge on the land under development and would be repayable on the occasion of the first land sale or seven years whichever was the sooner.

Permission was sought to borrow these funds to ensure the Council had sufficient borrowing

limit for future use, however at this time it was anticipated that the funding of this amount would be by using the Council's resources which would increase the net return by £4k.

This loan generated a small return for the Authority but importantly it assisted a local land owner to move forward with potential housing development in support of the Local Plan.

It was recommended to delegate final agreement of the Loan arrangement and documentation to the Director of Resources following consultation with the Chair of Corporate Policy and Resources Committee.

Concerns were expressed that approval of the proposal could set a precedent for other developers to request the same assistance, or that there could be a perception of preferential treatment. The Director of Resources indicated that there was no issue of preferential treatment as the market rate of interest was being charged and any other similar requests would be treated on a case by case basis. The project was to generate income and facilitate development of the land. The list of due diligence undertaken was attached to the report.

Other concerns were raised regarding the conflict with the Planning Committee and it was felt that approval of the loan asserted a pressure to approve the application, and that it was felt that more detail on the eventual application should be available prior to the loan being approved, particularly at the key site that was a gateway to the town. It was proposed that the report be deferred to allow for further detail be submitted to the committee prior to approval. This was not seconded.

The Director of Resources informed Members that it was hoped to tie in the decision with the adoption of the Local Plan, and approval in principle at this point would enable negotiations to continue. Assurance was given that details were still being worked on and it was necessary to keep the loan and Planning Application as two separate issues.

It was then proposed that Recommendation 2 be amended to request that the loan be approved in principle and the final agreement of the proposal be approved by the Committee in due course. This was seconded, voted upon and it was:

**RESOLVED:** that Recommendation 2 be amended to read that the loan be approved in principle and the final agreement of the proposal be approved by the Committee in due course.

The substantive motions were then seconded and voted upon and it was:

**RESOLVED:** that

- a) a capital budget of £400k be approved for the purpose of a loan advance, to be funded from prudential borrowing;
- b) the release of funds for this purpose be agreed in principle and the final agreement of the proposal be approved by the Committee in due course.

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Subject to Call-in. Call-in will expire at 5pm on Tuesday 29 November 2016

**70 d) BUDGET AND TREASURY MANAGEMENT MONITORING**

It was then proposed and seconded that the recommendation of the Budget and Treasury Management Monitoring report to approve to incur Capital expenditure be agreed.

**RESOLVED** that the Capital Expenditure be approved.

The meeting concluded at 7.57 pm.

Chairman