

## STRATEGY AND RESOURCES COMMITTEE

2 October 2014

7.00 pm – 10.05 pm

Council Chamber, Ebley Mill, Stroud

# 3

### Minutes

#### **Membership:**

Councillor Geoff Wheeler (Chair)	P	Councillor Keith Pearson	P
Councillor Steve Lydon (Vice-Chair)	P	Councillor Simon Pickering	P
Councillor Chris Brine	P	Councillor Mattie Ross	P
Councillor Paul Carter	P	Councillor Tom Williams	P
Councillor Nigel Cooper	P	Councillor Martin Whiteside	P
Councillor Paul Hemming	P	Councillor Rhiannon Wigzell	P
Councillor Nick Hurst	P		

P = Present

A = Absent

#### **Officers Present:**

Chief Executive

Strategic Head (Finance & Business Services)

Strategic Head (Tenant Services)

Accountancy Manager

Principal Accountant

Head of Asset Management (Joint)

Civil Contingencies/Facilities Manager

Canal Project Manager

Business Development Manager

Democratic Services Assistants

#### **SRC.017**

#### **APOLOGIES**

None received.

#### **SRC.018**

#### **DECLARATIONS OF INTEREST**

Councillor Simon Pickering declared a Disclosable Pecuniary Interest in Agenda Item 10 – land at Wallbridge, Stroud.

#### **SRC.019**

#### **MINUTES**

**RESOLVED**

**To approve as a correct record, the Minutes of the meeting held on 26 June 2014.**

**SRC.020****PUBLIC QUESTION TIME**

None received.

**SRC.021****WORK PROGRAMME**

The Chair reported that new terms and conditions had been agreed in respect of the Farmers Market and Committee would be updated.

**RESOLVED**

**To agree the work programme.**

**SRC.022****BUDGET MONITORING REPORT 2014-15 Q1**

The Accountancy Manager presented the report which set out the first monitoring statement for 2014/15. The report took account of transactions up to 31 July 2014 and projected income and expenditure to the end of the financial year.

The report contained feedback from budget holders about budget issues in their service areas and explained variances between original budgets and actual income and expenditure.

The Accountancy Manager highlighted that there was a projected overall net variation of £293,800 with £102,600 being added to the Council's General Fund Balance.

In response to questions in respect of car park income for Merrywalks, Members were informed that the projected income would be achieved. The Accountancy Manager explained that the actual income figure to 31 July reflected 'net income'. It was acknowledged that additional information could have been included in the report. The Accountancy Manager agreed to provide Members with a detailed breakdown.

**RESOLVED**

- a) To note the outturn forecast for the General Fund Revenue Budget and the Capital programme for 2014/15.**
- b) To approve the transfers to/from earmarked reserves as set out in paragraph 8 of the report.**
- c) To approve the virements as set out in paragraph 8 of the report.**

**SRC.023****HOUSING REVENUE ACCOUNT BUDGET MONITORING REPORT 2014-15 Q1**

The Principal Accountant presented the report for the period up to the 31 July 2014. The projected net underspend for the year ending 31 March 2015 was identified as being £1,072,400. Members were informed that, due to the nature of the HRA capital account, the underspend would not go to reserves but would mean less borrowing. The predicted underspend was the result of slippage in the new build programme.

Members asked if the level of slippage would impact on the Council's thirty year plan. It was reported that the slippage would have minimum impact on the planned income from rents. The Principal Accountant informed the Committee that the thirty year plan was also being refreshed.

Responding to questions about the level of underspend, officers reported that tenders had been received for major projects and with completions planned for later in the year. Some slippage would occur resulting from difficulties around decant. Members expressed concern over the delay in start ups and questioned whether the programme had been over ambitious. It was felt that there should be a more robust challenge to budget holders. Members wanted to ensure that greater account was taken of the budget variances.

An amendment to the proposal contained in the agenda papers was carried to take account of Member's concerns.

- RESOLVED**
- a) **To note the outturn forecast for the Housing Revenue Account and the Capital Programme and the Committee takes particular note of the delay in building start ups and the delays affecting budgeting schemes.**
  - b) **To approve the virements and transfers to earmarked reserves as set out in Table 4 of the report.**

**SRC.024**                      **BUDGET STRATEGY 2015-16 AND MEDIUM TERM FINANCIAL PLAN 2015-19**

The Strategic Head (Finance and Business Services) presented the report and highlighted the broad strategy for budget setting in 2015/16 and the five year MTFP up to 2018/19.

The Committee was informed that further reductions in Local Government funding from 2015/16 were inevitable. Reductions in funding for other public sector bodies such as the County Council was adding more pressure to District Councils finances.

Whilst the Council maintained a healthy level of balances it was predicted that a funding gap would open up in 2016/17 onwards. It was recommended that the Council look to identify £1m of budget savings by 2016/17 and a further £0.5m by 2017/18, a total of £4m over the medium term.

In response to questions about employee numbers it was reported that a revised workforce plan would be presented to the Committee in December. There would also be a number of budget workshops for each Committee in November.

- RESOLVED**
- a) **To note the Council's financial position as estimated in the Medium Term Financial Plans for both the General Fund and the Housing Revenue Account.**
  - b) **To agree the budget strategy, as set out in the report, which should be followed in the preparation of both the General and Housing Revenue Account estimates.**

**c) To note the level of General Fund reserves held by the Council.**

**SRC.025**

**SITE OF THE FORMER SHIP INN, BRISTOL ROAD  
STONEHOUSE**

The Head of Asset Management presented the report which outlined the process followed by the Council for the disposal of the site as directed by the Committee at its meetings in December 2013 and June 2014.

Following the remarketing of the site the three leading bids were presented to the Committee.

Two bids were for petrol filling stations, shop and cafe use (highest and second placed bids). The third bid was for a residential institution to support people with learning difficulties and to give residents the opportunity to live a relatively independent life.

The Committee was informed that after the report had been written a formal representation had been received from Stonehouse Town Council. The response which was read out to the Committee stated that;

‘The Town Council is disappointed that the cash objective of the canals project has been put before the provision of a community facility to enhance Stonehouse Settlement. It appears that a more suitable option of a non-food retail shop with ancillary cafe/bar was discouraged from proceeding to the second phase and your officers have therefore recommended 2 proposals which make some compromise towards the ‘theme’ of community use. The Town Council totally rejects the idea of a petrol station as this would spoil the canal scene and immediate environment. The option of a residential institution which offers a community hall might be more palatable but before proceeding we would ask that you obtain a more detailed proposal how this might be managed and accessed.’

Members debated the issues around each of the bids and explored what value each bid would add to the local community and to the canal project. It was confirmed that the highest (conditional) offer for the site was £550,000.

Members were asked to decide on either option a) or option b) as set out in the agenda.

It was proposed and seconded that option a) on the agenda was amended to;

a) a residential institution, supporting people with learning difficulties, incorporating appropriate community use relating to the canal as part of the scheme.

The amendment was supported. Members further discussed this revised option as opposed to option b) which would see the site developed as a petrol filling station and cafe.

**RESOLVED**

- a) To confirm the preferred use for the former Ship Inn site, Bristol Road, Stonehouse as a petrol filling station, shop and cafe.
- b) To delegate authority to the Head of Asset Management, in consultation with Ward Members, to agree Heads of Terms to dispose of the site to the preferred bidder subject to contracts being exchanged by the 31 December 2014.

**SRC.026**

**LAND AT WALLBRIDGE, STROUD**

At the commencement of the debate Councillor Simon Pickering recognised that he had a Disclosable Pecuniary Interest in the item being discussed. He declared his interest and left the meeting and took no part in the decision making process.

The Head of Asset Management presented the report which identified two parcels of land which were being transferred to the Council at nil value from the County Council.

Stroud Town Council had indicated its strong support for the enhancement of the site and had confirmed its preference to see an open air/attractive open space. The Town Council had stated that it was developing its Neighbourhood Plan and would wish to consult with the public on the use of the site as part of its NDP process. It was reported that the Town Council had indicated that it would consider making a financial contribution if the site was used as an open space.

Ecotricity had shown an interest in the use of the site and had commissioned an initial design for a public open space to which it was willing to make a financial contribution.

It was recognised that the site provided a key access point into the Town and there was a need to enhance the landscape.

It was identified that the site may have an estimated commercial value of £100,000 - £200,000 which could benefit the canal project. Market testing had not been undertaken.

**RESOLVED**

- To confirm the preferred use of land at Wallbridge, Stroud as either;**
- a) **Public open space or**
  - b) **A mixed use development (commercial and public open space), subject to a further report back to Strategy and Resources Committee to consider any market interest in the site.**

**SRC.027****PERFORMANCE MONITORING**

The Committee received a report from the performance monitoring representatives. Two main items were discussed; banking arrangements and Merrywalks Car Park. It was confirmed that the Council was seeking tenders for its banking arrangements. The Head of Asset Management informed the Committee that an updated report would be presented to the next meeting of the Committee.

**RESOLVED**            **To note the report.**

**SRC.028****APPOINTMENT OF RISK CHAMPION**

**RESOLVED**            **Councillor Geoff Wheeler was appointed as Risk Champion.**

**SRC.029****GLOUCESTERSHIRE ECONOMIC GROWTH JOINT COMMITTEE (GEGJC)**

The Chair referred to the notes of the first public meeting of GEGJC. Mark Hawthorne, Leader of Gloucestershire County Council had been elected as chair of the joint committee.

Councillor Wheeler outlined the procedure for submitting growth bids to the LEP and how the joint committee could seek to influence decision making. The Committee was also informed that the Growth Hub at the University was looking for ideas to stimulate jobs.

**RESOLVED**            **To note the report**

**SRC.030****MEMBERS QUESTIONS**

None Received.

Meeting closed at 10.05 pm.

Chair