

**MINUTES OF THE PROCEEDINGS OF A MEETING OF THE
AYLESBURY VALE DISTRICT COUNCIL**

22 FEBRUARY 2017

This meeting was webcast. To review the detailed discussions that took place please see the webcast which can be found at:

<http://www.aylesburyvaledc.publici.tv/core/portal/home>

PRESENT: Councillor J Bloom (Chairman); Councillors S Renshell (Vice-Chairman), B Adams, C Adams, M Bateman, J Blake, N Blake, A Bond, J Brandis, C Branston, J Chilver, A Christensen, A Cole, P Cooper, B Everitt, P Fealey, B Foster, N Glover, A Harrison, K Hewson, T Hussain, A Huxley, S Jenkins, R Khan, R King, S Lambert, N Lewis, A Macpherson, T Mills, L Monger, G Moore, H Mordue, C Paternoster, C Poll, G Powell, B Russel, E Sims, M Smith, M Stamp, Sir Beville Stanier Bt, R Stuchbury, D Town, J Ward, W Whyte and M Winn

APOLOGIES: Councillors P Agoro, S Bowles, B Chapple OBE, S Chapple, S Cole, M Collins, M Edmonds, M Hawckett, T Hunter-Watts, P Irwin, M Rand, A Southam and P Strachan.

WEBCASTING

Prior to the start of the meeting, the Chairman reminded everyone present that the meeting would be broadcast live to the internet and be capable of repeated viewing.

Members of the audience who did not wish to be on camera were invited to move to a marked area at the side of the chamber.

1. MINUTES

Members considered the Minutes of the Council meeting held on 1 February, 2017. With regards to Minute 3 (Budget 2017/18 and the Medium Term Financial Plan), and relating to Councils with responsibility for adult social care, it was noted that Government had announced that those authorities would be able to raise their Social Care precept by up to 3% in any of the following 3 years as long as the total increase did not exceed 6% in that period.

RESOLVED –

That the Minutes of the meeting of Council held on 1 February, 2017, be approved as a correct record, subject to clarification of the information on social care precepting.

2. ANNOUNCEMENTS

There were none.

3. PETITIONS/DEPUTATIONS (IF ANY)

There were none.

4. WRITTEN QUESTIONS

No written questions had been submitted by Members during January 2017.

Members were informed that written questions and answers previously asked could be accessed on the Council's website at <http://democracy.aylesburyvaledc.gov.uk/ieListMeetings.aspx?Committeed=441>

5. QUESTION TIME

Members had the opportunity to ask questions of individual Cabinet Members and Committee Chairmen about issues affecting their portfolios/Committee activities:-

- (a) **Planning Enforcement** (Councillor Christensen) – the Cabinet Member for Growth Strategy asked the Member to provide her with specific details of planning enforcement examples and concerns after the meeting.
- (b) **Council Reserves** (Councillor Winn) – the Cabinet Member for Finance, Resources and Compliance informed Members regarding earmarked reserves, and confirmed that the reserves held by the Council were for legitimate reasons and the balances were reasonable given the Council's current budgetary pressures. Members were also informed that the sizeable balance on the New Homes Bonus Reserve (in excess of £10m) included £5m set aside for East West Rail which distorted the overall picture.
- (c) **Public Toilets, Buckingham** (Councillor Stuchbury) – the Cabinet Member for Communities, Leisure and Civic Amenities gave an undertaking to look at what was delaying this project with a view to progressing it.
- (d) **Modernising Local Government in Buckinghamshire** (Councillor Stuchbury) – the Leader of the Council updated Members and informed them that the Secretary of State for Communities and Local Government had indicated that he would be issuing a 'minded to' decision regarding the two unitary proposals for Buckinghamshire before 27 March 2017, which was before the Purdah period started for the County Council elections.
- (e) **Planning Portal** (Councillor Stuchbury) – the Cabinet Member for Growth Strategy asked the Member to provide her with specific details of problems experienced by people in accessing / responding to planning matters so that she could ask Officers to look into it.
- (f) **Taxis, Aylesbury Town Centre** (Councillor King) – the Cabinet Member for Communities, Leisure and Civic Amenities informed Members that she would talk with the Council's licensing team and also ask them to liaise with the County Council regarding re-locating the taxi ranks from their temporary location at the bottom of Market Square (in front of the Court buildings) back to their former location in Great Western Street.
- (g) **Connected Knowledge – Technology Strategy** (Mrs Glover and Sims) – the Cabinet Member for Business Transformation thanked the Members for their support and enthusiasm for the innovations that were coming forward as part of the Strategy that would be considered later on at the meeting. The Cabinet Member indicated that the DCLG has expressed an interest in the innovative work undertaken in this respect.
- (h) **Household Refuse Bins** (Councillor C Adams) – the Cabinet Member for Environment and Waste informed Members that it was the Council's policy to charge residents for replacement bins although Members could always contact him if they believed a resident was affected by extenuating circumstances. Each such case would be considered on its merits.

- (i) **Aylesbury Vale Broadband (AVB)** (Councillors C Adams, Cooper, Huxley, Monger and Stuchbury) – the Cabinet Member for Finance, Resources and Compliance informed Members that information on AVB's financial performance would be reported in the next Quarterly Finance Digest. Members were also informed that information on the governance arrangements would be reported to the Audit Committee. It was also recommended that Members with individual concerns should raise these with AVDC's shareholder representative on the AVB Board.
- (j) **Cabinet Member for Communities, Leisure and Civic Amenities** (Councillor Khan) – Councillor Khan thanked the Cabinet Member for the help and assistance she had provided more generally and with resolving issues for residents in his Ward.
- (k) **Devolution of Services to Town/Parish Councils** (Councillor Stuchbury) – the Leader of the Council informed Members that the devolvement of land management to Town and Parish Councils would be considered in due course as a part of reviews associated with modernising local Government in Buckinghamshire.

6. COUNCIL TAX SETTING REPORT 2017-18

Council received a report on the amounts of Council Tax that would be payable by residents of the District during 2017/2018, based upon the approved budgets set by the relevant local authorities, and the Police and Fire Authorities which made up the total Council Tax bill.

At the time of issuing the agenda report only the Police and Crime Commissioner, of the major precepting bodies, had formally agreed their precepts. Therefore, because Bucks County Council and Bucks & Milton Keynes Fire precepts were unresolved, the figures in the report had been provisional and may be subject to change. However, these figures had now been confirmed and were as detailed.

The Council had determined income and expenditure plans for 2017/2018 that would result in a precept requirement for District expenditure of £10,243,300, which represented a District Council Tax of £144.06. The Aylesbury Special Expenses requirement was £828,100. The tax base for 2017/18 was again based upon actual levels of Council tax discount and housing growth, and had increased by 2.45% on the previous year.

The following amounts for the year 2017/2018 had been determined under delegated powers in accordance with Regulations made under Section 31B(3) of the Local Government Finance Act, 1992:-

(A) The Council tax Base for 2017/2018 for the whole Council area as 71,106.59, being the amount calculated by the Council in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations, 1992.

(B) The amounts calculated by the Council in accordance with Regulation 6 of the Regulations, as the amounts of its Council Tax Base for the year for dwellings in those parts of its area to which one or more special items relate, as detailed in Appendix B to these Minutes.

It was proposed by Councillor Mordue and seconded by Councillor Mrs Glover that the report recommendations be approved and adopted.

As required by Council Procedure Rules and Statutory Regulations, a recorded vote was taken on the Council Tax Setting resolutions and the voting was as follows:-

FOR

Councillors Bateman, Mrs J Blake, N Blake, Mrs Bloom, Bond, Mrs Brandis, Branston, Chilver, Christensen, A Cole, Cooper, Everitt, Fealey, Foster, Mrs Glover, Mrs Harrison, Hewson, Mrs Jenkins, King, Lambert, Lewis, Mrs Macpherson, Mills, Monger, Moore, Mordue, Mrs Paternoster, Poll, Powell, Mrs Renshell, Mrs Russel, Sims, Smith, Ms Stamp, Stanier, Stuchbury, Town, Mrs Ward, Whyte and Winn.

AGAINST

Councillors B Adams, C Adams and Huxley.

ABSTENTIONS

There were none.

Accordingly, it was,

RESOLVED –

(1) That the following amounts be calculated for the year 2017/2018 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 (as amended by the Localism Act, 2011):-

- (a) £69,752,832.20 being the aggregate of the amounts of expenditure which the Council estimates for the items set out in Section 31A (2) of the Act.
- (b) £53,342,858.20 being the aggregate of the amounts of income which the Council estimates for the items set out in Section 31A (3) of the Act.
- (c) £16,409,974.00 being the amount by which the aggregate at 1(a) above exceeds the aggregate at 1(b) above, calculated by the Council, in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
- (d) £230.78 being the amount at 1(c) above (Item R), all divided by the amount at (A) above, calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including parish precepts and special expenses).
- (e) £6,166,674.00 being the aggregate amount of all special items (including parish precepts and special expenses) referred to in Section 34(1) of the Act.
- (f) £144.06 being the amount at 1(d) above less the result given by dividing the amount at 1(e) above by the amount at (A) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts

of its area to which no Parish precept or special item relates.

- (g) Appendix A sets out those amounts which are calculated by adding to the amount at 1(f) above, the amounts of the special item or items relating to dwellings in those parts of the Council's area divided in each case by the amount at (B) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its council tax for the year for dwellings in those parts of its area to which one or more special items relate.
- (h) Appendix B sets out those amounts which are calculated by multiplying the amounts at 1(f) and 1(g) (see Appendix A) by the number which, in the proportion set out in Section 5 of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- (2) That it be noted that for the year 2017/2018 Buckinghamshire County Council, Buckinghamshire and Milton Keynes Fire Authority and the Police and Crime Commissioner for Thames Valley have indicated the following amounts as precepts to be issued to the Council, in accordance with section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:-

Valuation Band	A	B	C	D	E	F	G	H
Proportion of Band D Tax	6/9	7/9	8/9	1	11/9	13/9	15/9	2
Bucks County Council	£812.05	£947.40	£1,082.74	£1,218.08	£1,488.76	£1,759.45	£2,030.13	£2,436.16
Bucks and MK Fire Authority	£40.59	£47.35	£54.12	£60.88	£74.41	£87.94	£101.47	£121.76
Police and Crime Commissioner for Thames Valley	£113.52	£132.44	£151.36	£170.28	£208.12	£245.96	£283.80	£340.56

- (3) That, having calculated the aggregate in each case of the amounts at 3.1(h) (see Appendix B) and 3.2 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts shown at Appendix C as the amounts of council tax for the year 2016/2017 for each of the categories of dwellings shown.

NOTE: Where disabled persons relief is granted the tax chargeable drops one band. In the case of properties in Band A the reduced charge is calculated as 5/9 of the Band D tax.

Appendix D gives brief notes to clarify the definitions used in paragraph 3 of the resolution and to illustrate the local impact of the council tax proposals.

7. CAPITAL PROGRAMME

Council received a report that had been considered by Cabinet on 13 December, 2016 and by the Finance and Services Scrutiny Committee on 9 January, 2017. The report covered the position in relation to capital resources from 2017/18 to 2020/21 and explained the situation in connection with the three main elements that make up the Capital Programme, namely, major projects, housing schemes and other projects, within the context of both the national and local economic climate.

The Finance and Services Scrutiny Committee had commented on a number of specific issues, including the business case for the Silverstone Heritage Experience, the loan facility made available in respect of a commercial property in Aylesbury, the treatment of New Homes Bonus and on the development of Pembroke Road Depot. However, the Committee had been satisfied with the information provided in response to its comments and endorsed the Capital Programme overall.

Proposed by Councillor Mordue, seconded by Councillor Branston, and

RESOLVED –

That the updated Capital Programme for 2017/18 onwards be approved.

8. TECHNOLOGY STRATEGY

Council received a report that had been submitted to Cabinet on 10 January 2017 and set out a robust technology strategy for AVDC for 2017-2022. It had been designed to be the catalyst for technological innovation and change, propelling the Council into the future.

Extensive work had been done with the senior management team to understand the Council's future direction and requirements which had led to an initial vision being produced and agreed priority to the full strategy document being created.

The report and Strategy had previously been considered by the Finance and Services Scrutiny Committee on 1 December 2016 and the comments made at that meeting were reported to the Cabinet meeting in January 2017. Cabinet had noted that most of scrutiny's comments related to the implementation of the strategy and not the direction or approach set out within the document. Members of the Scrutiny Committee had been assured that before implementing any of the changes the issues raised would be addressed or were in fact in hand, to ensure that they were satisfactorily resolved. For example, it had been indicated that work had commenced on developing an Information Management Strategy that would address the issues around data security and regarding how data and knowledge would be shared within teams.

The impacts of the strategy were also well understood by staff and unions as it had formed the main driver behind the recently agreed restructure proposals within the IT teams. Members had been invited to a presentation on the strategy given immediately prior to the Council meeting and a number of those who attended had been impressed by the proposals.

Proposed by Councillor Mrs J Blake, seconded by Councillor A Cole, and

RESOLVED –

That the Connected Knowledge – Technology Strategy 2017-2022 be adopted.

9. TREASURY MANAGEMENT STRATEGY

Under the terms of the Statutory Code of Practice for Treasury Management, the Council was required each year to consider its treasury management performance before 1 April and to determine its Treasury Management Strategy for the succeeding year. Consideration was given to a report outlining the factors taken into account in formulating the Strategy for 2017/18.

Council received a report on the Treasury Management Policy Statement for 2017/18. The statement, as well as the Treasury Management Strategy Statement and the Annual Investment Strategy were attached as appendices to the report.

The annual Treasury Management Strategy included the Prudential Indicators that were used as part of the self governance framework. The Prudential Indicators that needed to be determined along with some changes were highlighted and were as follows:-

Capital and Debt Indicators

Capital Expenditure -	Represented the agreed Capital Programme and set out the planned capital expenditure over the next three years.
Affordability Index -	This was the proportion of the Authority's income which was taken up by loan repayments and interest. The more the Authority borrowed the less was available for delivering services.
Capital Financing Requirement -	The amount the Authority needed to borrow in order to deliver its Capital Expenditure plans.
Authorised Limit -	The combined maximum amount the Authority could take in borrowing to finance its capital expenditure plans and its day to day cash flow purposes.
Operational Limit -	The amount the Authority realistically expected to borrow and represented the figure that the Authority would not expect to exceed on a day to day basis.

Treasury Management Indicators

Exposure to Interest Rate Risk -	The maximum proportion of borrowing which could be on either fixed or variable interest rates. By setting a maximum proportion a limit was placed on the amount by which the Authority's finances would be affected by movements in base rates.
Maturity Profile -	The maximum length of time over which borrowing could be taken. Authorities could borrow for any length providing that they could afford to do so.

There had been a couple of changes to the 2017/18 strategy to take account of the changes to the Capital Programme and the need to increase the number of potential counter parties.

The Capital Programme now included the scheme to refurbish the Pembroke Road depot, the cost of which was to be met from borrowing. As a result there was a need to

increase both the Operational and Authorised Limits otherwise the total borrowing would exceed the current limits. Increasing the limits would also allow for any short term borrowing that might be required as a result of changes in cash flow. It was not envisaged that there would be a need to take any short term borrowing in 2016/17 and 2017/18.

Members were informed of the increase in limits, as detailed in the table below:

£'000s	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Authorised Limit	50,000	70,000	70,000	70,000
Operational Boundary	35,000	50,000	50,000	50,000
Capital Financing Requirement	35,321	50,500	49,277	47,827
External Debt	23,080	35,705	30,525	30,340

The strategy had been updated to allow the Council to lend to parish councils. Parish councils expenditure had grown in recent years and an increasing number were making use of Money Market Funds for investing their surplus cash. As such, there might be a need for them to borrow short term to meet their cash flow requirements. The strategy had set a £500,000 and six month limit, if the opportunity arose.

The Council's treasury advisor, Capita Asset Services, as part of their service had provided a view on the future forecast rates for Base Rate and PWLB:

	Q1 17	Q2 17	Q3 17	Q4 17	Q1 18
Base Rate	0.25%	0.25%	0.25%	0.25%	0.25%
PWLB - 5yr Rate	1.60%	1.60%	1.60%	1.60%	1.70%
PWLB - 10yr Rate	2.30%	2.30%	2.30%	2.30%	2.30%
PWLB - 25yr Rate	2.90%	2.90%	2.90%	3.00%	3.00%
PWLB – 50yr Rate	2.70%	2.70%	2.70%	2.80%	2.80%

The Monetary Policy Committee, (MPC), had cut the Base Rate from 0.50% to 0.25% on the 4 August 2016 in order to counteract what it forecast was going to be a sharp slowdown in growth in the second half on 2016. It had also given a strong steer that it was likely to cut the Base Rate again by the end of the year. However, economic data since August had indicated much stronger growth in the second half of 2016 than forecast. As well, inflation forecasts had risen substantially as a result of a continuation of the sharp fall in the value of sterling since early August. Consequently, the Base Rate had not been cut again in December and, on current trends, another cut or move again appeared unlikely until 2019.

Interest rate forecasting remained difficult with so many external influences weighing on the UK. The above forecasts would be liable to further amendment depending on economic data and developments in financial markets. Geopolitical developments, especially in the EU, would also have a major impact. Forecasts for average investment earnings beyond the three-year time horizon would be heavily dependent on economic and political developments.

The overall longer trend was for PWLB rates to rise, albeit gently. PWLB rates had been experiencing exceptional levels of volatility, highly correlated to geo-political,

sovereign debt crisis and emerging market developments. It was likely that these exceptional levels of volatility would continue in the foreseeable future.

The EU was introducing legislation to regulate firms who provided services to clients linked to financial instruments and the way they were traded. The “Markets in Financial Instruments Directive” (MIFID 2) was set to commence on the 3 January, 2018. Within the directive there was a key change that affected Local Authorities who would be deemed to be “Retail” clients by default as opposed to “Professional” as they were now. This would reduce the ability of Local Authorities to invest funds in certain products and so could further reduce interest achieved through investments.

There would be an option to opt-up to “Professional” if a number of qualitative and quantitative test criteria could be satisfied. The opt-up process was not a one off exercise and would also need to be undertaken with every counter party / fund manager that the council dealt with. One of the tests was that councils would need to have £15m or more in their investment portfolio, which currently Aylesbury Vale would meet.

Until it was clear what investment options were available under each status, it is too early to say which of the counter parties / fund managers would require the opt-up exercise to be undertaken. However, the majority of local authorities’ investment was through bank and building society deposits and fell outside the scope of the directive.

The Council’s treasury advisors, Capita Assets, the Local Government Association (LGA) and other financial institutions were responding to the consultation from the Financial Conduct Authority (FCA), arguing that Local Authorities must be able to continue to invest as they did now and that the new classification should not be applied. The consultation process was still on going so any significant changes would be reported to Members at the earliest opportunity.

Last year the use of Property Funds was included within the strategy as an alternative long term deposit to the use of Fund Managers. During the year there was no proposal to invest in a property fund. If this did happen in 2017/18 then it would be reported to Members before any decision was made.

Members were also informed that the Finance and Services Scrutiny Committee would be receiving a report on the Treasury Management Strategy at the next meeting on 4 April 2017.

It was proposed by Councillor Mordue and seconded by Councillor Hewson, and

RESOLVED –

That the Treasury Management Strategy for 2017/2018, Prudential Indicators and Minimum Revenue Provision policy statements, as detailed in the appendices to the Council report, be approved.

10. AVDC STANDARDS REGIME: APPOINTMENT OF INDEPENDENT PERSONS

Section 28 of the Localism Act required the Council to have arrangements in place for dealing with allegations that District/Parish Councillors had breached their respective Codes of Conduct. The arrangements had to include the appointment of at least one Independent Person. Individual Councillors who were the subject of complaints were also able to consult with these Independent Person(s).

Although no longer a statutory requirement, AVDC had decided to appoint a Standards Committee to emphasise the Authority’s firm commitment to the promotion of high ethical standards in public life and to deal with complaints according to an open and

transparent complaints procedure. In addition to their role specified in the Localism Act, the Independent Persons attended meetings of the Standards Committee in a non voting capacity, representing a non partisan view on complaints. They also participated in all of the training arrangements made for Members of the Standards Committee.

The Council received a report seeking approval to extend the terms of office of the existing Independent Persons who assisted with the work of the Council's Standards Committee. The terms of office of the existing Independent Persons, namely, Caryl Billingham and Dr Sadie Reynolds, were due to expire in May 2017. However, it was explained that rather than wait until then, it would be better in terms of efficiency and continuity for the options for the future to be examined well in advance.

When the current Independent Persons had been appointed, only three applications had been received, following an extensive advertising process and subsequent interviews. The interviews had been undertaken by the Senior Officers Appointments Committee. All three candidates had been appointed, having met the specified criteria. In 2016, one of the Independent Persons had resigned as he had relocated to another part of the country. The Monitoring Officer and the Chairman of the Standards Committee had been consulted at that time and were both satisfied that having just two Independent Persons would not have a detrimental affect on the work of the Standards Committee. This had proved to be the case.

Going forward, starting a new recruitment process would be costly in terms of Officer/Member time and there was no guarantee that individuals with the necessary attributes would apply. Re-advertisement would also extend the recruitment process and hence increase the costs further.

Both Mrs Billingham and Dr Reynolds were familiar with the local standards regime and had built up a great deal of knowledge in relation to the Code of Conduct. They had indicated that they would be happy to continue in the role of Independent Persons and this approach was recommended by the Monitoring Officer.

Taking into account these circumstances, it was suggested that the terms of office of the existing Independent Persons, namely, Caryl Billingham and Dr Sadie Reynolds be extended until September 2020. This would also enable new Members appointed to the Standards Committee after the District and Parish Council elections in May, 2019, to have the benefit of the experience and expertise of the Independent Persons for at least twelve months pending a new recruitment exercise.

It was proposed by Councillor Mordue and seconded by Councillor Bond, and

RESOLVED –

That the terms of office of the existing Independent Persons, namely, Caryl Billingham and Dr. Sadie Reynolds be extended until September 2020.

11. COUNCIL'S PAY POLICY

The Council was required to review and publish its Pay Policy annually. Council received a report similar to that submitted to the General Purposes Committee on 24 January, 2017, and summarised in the Minutes of that meeting, reviewing the current Policy.

The updated pay policy Statement had been discussed with the trades unions who had suggested a minor amendment in relation to any apprenticeship scheme that the Council might introduce and the General Purposes Committee had agreed that this was

eminently sensible. The Pay Policy Statement submitted to Council reflected this decision.

It was proposed by Councillor Mordue, seconded by Councillor Fealey and

RESOLVED –

That the AVDC Pay Policy 2017, attached as an appendix to the Council report, be adopted.

12. STAFF PAY AWARD 2017

The Leader of the Council reported on the outcome of the negotiations undertaken by the Member Negotiating Team with the Joint Unions and Employee Representatives concerning a pay award for staff with effect from 1 April, 2017.

Both sides had agreed that a fundamental review of the pay and reward framework was required given that the current scheme had been introduced in 1988. It would be important for any new framework to be aligned with the Council's commercial and cultural aspirations. It was also agreed that the proposed review should proceed during 2017.

The Council's staff had been balloted on and had subsequently voted in favour of a two year pay award as follows:-

- an award of 1% on all grades/scale points from 1 April, 2017.
- a further award on all grades/scale points from 1 April, 2018.

It was therefore proposed by Councillor Mordue, seconded by Councillor Bond and

RESOLVED –

That the proposed pay award as set out above be approved with effect from 1 April, 2017.

(Note: Further approval would be required next year before the further Staff Pay Award from 1 April, 2018).