

CHILTERN DISTRICT COUNCIL

MINUTES of the Meeting of the **RESOURCES OVERVIEW COMMITTEE (CDC)** held on **21 JUNE 2017**

PRESENT: Councillor N M Rose - Chairman
" C M Jones - Vice Chairman

Councillors: J L Gladwin
V Martin
J E MacBean
D M Varley
C J Wertheim

APOLOGIES FOR ABSENCE were received from Councillors A J Garth, A K Bacon, M W Shaw and H M Wallace

ALSO IN ATTENDANCE: Councillor M Smith

3 MINUTES

The Minutes of the meetings held on 28 March 2017 and 16 May 2017 were agreed and signed by the Chairman.

4 DECLARATIONS OF INTEREST

There were no declarations of interest.

5 28 DAY NOTICE

The Committee considered the 28 day forward plan and decided that there were no additional items to be added at this time.

The following issues were raised:

- The Committees attention was drawn to Page 22 of the agenda pack, Joint Committee 28 Day Notice, which referred to the Joint Scrutiny Arrangements of the Joint Working Programme. These arrangements would not replace any current scrutiny arrangement, and the paper would solely address the establishment of a scrutiny committee for the Joint Working Programme. Members welcomed this approach
- Under the Cabinet 28 Day Notice it was confirmed that:
 - a) The annual value of the grounds maintenance contract was confirmed as approximately £100k.

- b) Any additional car parking capacity at Snells Wood would be dependent on further discussions and Member input before this progressed any further.
- c) The Chiltern Pools Business Plan would be brought to this Committee when it was in a final detailed form. At this stage Cabinet was being asked to agree that this can progress to the next stages of finalising designs and more detailed cost estimation.

Members asked about the Joint Waste Contract which runs to April 2020 and when options would be appraised for any new contract. This would happen in due course and be considered by the Joint Waste Committee. Chiltern Overview arrangements would be involved in considering any final proposals.

RESOLVED:

That the 28 day Notice for Cabinet and Chiltern and South Bucks Joint Committee be noted.

6 ANNUAL PERFORMANCE REPORT 2016 - 2017

The report detailed performance against pre-agreed targets for the last financial year. Two detailed performance tables accompanied the report (Appendices A and B). The report detailed the areas where priority performance indicators had fallen below target.

The Committee discussed the following:

- a) Two applicants who had/were expecting children had been placed in B & B accommodation for longer than six weeks. This was partly due to a history of rent arrears with Paradigm which limited the applicants' temporary accommodation options. The Committee suggested that a viable option to achieve savings may have been for the Council to provide Paradigm with a rent guarantee; however it was recognised that this could also set a precedent for others. Officers agreed to explore this option further.
- b) The household waste sent for reuse, recycling and composting had decreased which saw the 58% target missed. This had been adjusted to a realistic target of 53% for 2017/18 which reflected a national downward trend. The Committee were advised that authorities who had performed well nationally were around the 50% mark, so Chiltern's performance was above average. Waste was also measured on weight which was not necessarily an appropriate indicator with many items being packaged in lighter materials. There was a range of activities planned to support this programme. It was explained that data validation took time as figures relied on needed to be provided by the County Council. There was an exercise ongoing to promote food waste participation.
- c) The Committee were assured that the number of working days lost to long term sickness had been explored in depth at the Personnel Committee. It was clarified that there was a small number of staff who were on long term sickness leave for genuine reasons which had an impact on the overall figures.

- d) Following consideration of Appendix C the Committee requested a brief update report be provided at the next Resources Overview Committee meeting on the financial saving arising over time from the shared service arrangements.

RESOLVED:

That the performance reports and annual report, which is provided in Appendix C, be noted.

7 CAPITAL & REPAIRS & RENEWALS OUTTURN 2016/17

The report contained the 2016/17 capital and repairs and renewals outturn position and the request to carry forward unspent capital and repairs and renewals budgets.

The Committee were invited to comment on the report and appendices provided prior to the Cabinet meeting on 27 June 2017.

The Committee were advised that a correction was to be made to the Sycamore Road item. The carry forward amount noted on the report was £5k; this was to be amended to £70k due to work carried out which still required payment.

It was explained that the annual maintenance funds for the Amersham depot had not been spent this year but required carrying forward due to substantial concreting and drainage works required in 2017/18.

RESOLVED:

That the draft Cabinet report be noted.

8 TREASURY MANAGEMENT ANNUAL REPORT 2016/17

The Committee received a report on the Treasury Management performance of the Council for 2016/17 as required by the Code of Practice on Treasury Management.

The continuation of a low interest rate was highlighted to the Committee and Members were advised that the budgeted income had been exceeded and an overall increase in cash reserves achieved.

The Committee received clarification on how institutions where money was placed had been selected. This was set out in the Treasury Strategy and its Policies & Procedures, with credit rating organisations used to assess the financial strength of organisations. It was explained why certain financial organisations were excluded because of their credit assessment.

The Committee were advised that Corporate Bonds had been explored although these needed to be balanced against how long the Council wished to

commit funds. Should substantial sums of money be available and not required short term then longer term investments would be explored.

RESOLVED:

That the draft Cabinet report be noted.

9 AMERSHAM MULTI-STOREY CAR PARK DEVELOPMENT BUSINESS CASE

The Committee was updated on the current position regarding the development of the Amersham Multi Storey Car Park to provide a total of 1,046 car park spaces, an increase of 366 on the current 680 spaces. The project was to be put before the Planning Committee on 22 June 2017.

It was highlighted that the existing car park was running at full capacity throughout the week with up to 80 cars often being turned away daily. These cars then take up spaces in the town centre which in turn affected the local trade.

Detailed costs were outlined in the report and appendices and detailed breakdowns were available. The Committee were advised that the total cost noted was the total cost certainty that the selected contractors would sign up to. A recent capacity survey had recommended that by 2036 additional spaces of between 339 and 520 were required to meet anticipated growth in rail travel and housing.

Should the project go ahead a loan would be taken out through the Public Works Loan Board to fund this project which would take approximately one year to complete. A detailed income and expenditure was provided in the reports pack and the Committee were advised that the project would cover its costs and provide an income over a 40 year period. Estimates had been cautious due to the small risk of the car-park not being used to a high capacity. Modelling on various scenarios to show potential income could be seen in Appendix C.

Mark Jackson, Balfour Beatty took the Committee through the procurement and pre-construction process and reassured the Committee that site investigations, intrusive surveys, market test of demand, and design team meetings had all been completed. 100% cost certainty on Tender price had been achieved.

The item was discussed at length and the Committee were invited to make comments to be taken in to consideration by Cabinet. Issues highlighted included:

- a) The Committee requested clarity on item 4.4 of the report which noted the costs of the additional deck and further 126 spaces as £591,000 which appeared to be accounted for in the total £8.8m although was listed separately through other sections of the report.
- b) The £313k scheduled for relaying the surface on the top floor of the existing car park was included in the overall cost of the new car park.

- c) The Committee were advised that the Public Works Loan Board changed interest rates daily. It was confirmed that as soon as the loan was taken out, the rate would then be fixed for the life of the loan. Whilst rates had been stable for the last six months the Committee were advised that were approval given the rate would be secured as soon as possible to avoid potential interest rate increases.
- d) A detailed risk analysis had been completed and risks mitigated. The lifespan of materials used was in excess of 40 years.
- e) Staff parking had been reviewed with staff now able to use the additional capacity created at the Sycamore Road car park to alleviate some of the pressures on the Multi-Storey car park.
- f) The total cost per space had increased significantly when the fourth storey of the car park was added. This increased significantly to factor in progressive collapse territory.
- g) In terms of parking charges being increased in line with inflation it was explained that an annual rise of 3% was not expected but over time there was capacity to increase charges in line with inflation. The Committee required further clarification around the sensitivity of the figures to different assumptions about charges increases.
- h) The unforeseen project risk figure noted was explained, this would cover any potential further work required by TfL; any archaeology discovered during excavations and any judicial review costs. These were all felt to be highly unlikely

RESOLVED

- 1. That the draft Cabinet report be noted and the comments of the Resources Overview Committee be forwarded to the Cabinet.**
- 2. Clarification on the pre-construction costs of £591k and the total overall costs be provided prior to the meeting of Cabinet on 27 June 2017.**
- 3. Clarification on parking charges in relation to annual inflation be provided prior to the meeting of Cabinet on 27 June 2017.**

The meeting ended at 7.50 pm