

---

## Policy and Resources Committee

---

**MINUTES** of the Meeting held in the Council Chamber, Swale House, East Street, Sittingbourne, ME10 3HT on Wednesday, 12 July 2023 from 7.00 pm - 8.40 pm.

**PRESENT:** Councillors Mike Baldock (Vice-Chair), Lloyd Bowen, Derek Carnell, Tim Gibson (Chair), Angela Harrison, Mike Henderson, James Hunt, Mark Last, Chris Palmer (Substitute) (Substitute for Councillor Monique Bonney), Richard Palmer, Julien Speed, Mike Whiting, Ashley Wise and Dolley White.

**OFFICERS PRESENT:** Lisa Fillery, Robin Harris, Kellie MacKenzie and Claire Stanbury.

**OFFICERS PRESENT (VIRTUALLY):** Philippa Davies.

**ALSO IN ATTENDANCE (VIRTUALLY):** Councillors Ann Cavanagh and Tony Winckless.

**APOLOGIES:** Councillors Monique Bonney and Rich Lehmann.

### 194 **Emergency Evacuation Procedure**

The Chair outlined the emergency evacuation procedure.

### 195 **Tribute to serving Councillor Honorary Alderman Ken Ingleton**

Councillor Lloyd Bowen paid tribute to Councillor Ken Ingleton who sadly passed away recently. He spoke about how Councillor Ingleton had worked to address the needs and concerns of local residents and was a much respected and beloved figure among both fellow councillors and the community at large.

There was a minute's silence in memory of Councillor and Honorary Alderman Ken Ingleton.

### 196 **Declarations of Interest**

No interests were declared.

### 197 **Minutes**

The Minutes of the Meetings held on 22 March 2023 (Minute Nos. 790 – 801), 17 May 2023 (Minute Nos. 17 – 18) and 14 June 2023 (Minute Nos. 90 – 96) were taken as read, approved and signed by the Chair as correct records.

## **Part B Minutes for Information**

### 198 **2022/23 Outturn Report**

The Head of Finance and Procurement introduced the report as set-out in the agenda papers. She stated that the final revenue and capital outturn position for 2022/23 was a revenue underspend of £29k and capital expenditure of just under £7m. The level of reserves at year-end was £15m and requested the rollover of capital budgets of £7.187m as set-out in appendix I of the report. Whilst the Council was very close to budget, £1.6m had been taken from reserves to ensure a balanced budget which was not as much as had been forecast in earlier in-year monitoring reports. The Head of

Finance and Procurement said that the final figures showed an improvement on the 2022/23 forecast and the main areas of improvement were within: homelessness; parking income; and investment income.

The Head of Finance and Procurement reported that delegation was sought for the Director of Resources to review the roll-over requirements with relevant budget managers and amend the capital programme where appropriate.

The Head of Finance and Procurement spoke about the Finance Briefing held on 5 July 2023 and said that a link to the recording of the briefing would be forwarded to all Members.

The Chair invited questions from Members, and points raised included:

- Did not consider enough information was included in the report with regard to the underspends;
- the report did not contain criteria on the rules and regulations in respect of agreeing underspends;
- sought an amendment to recommendation (5) of the report that any rollovers came back to Policy and Resources Committee for sign-off;
- swapping between revenue and capital budgets on an ad-hoc basis was not good practice;
- referred to in Appendix 1 and asked whether some of the projects would be rolled-over so the projects could continue?;
- concerned that Members were being asked to “nod through” retrospective spend;
- suggested that answers to some of the questions raised at this meeting be included within the finance training;
- confused and frustrated considering items where the decision had already been made. Aware that other Council’s did not discuss items for noting they were merely circulated to Members;
- the Constitution Working Group should consider whether it was necessary that items for noting were considered by the relevant committee or just circulated for information; and
- needed to ensure that Policy and Resources Committee meetings were in-line with the relevant quarters to enable Members to consider the most up-to-date information.

In response, the Director of Resources clarified that roll-overs were not underspends, but represented reprofiling of the agreed capital budget. In some cases the budget had been delivered but spent in revenue rather than capital and the delegation was just to reconcile that element.

The Director of Resources explained that it was not possible to spend capital funding on revenue unless permission was sought from the Secretary of State for transformation purposes only. All the Council’s reserves were from revenue funding unless it was a capital receipt which fell within the capital financing regulations.

The Director of Resources confirmed that roll-over requests were part of the outturn report and not retrospective spend. She said that the Council’s constitution might need to be updated as roll-overs were for noting only and the Council had already agreed to spend that money when agreeing the capital programme.

Councillor Angela Harrison moved the following motion: That the Constitution Working Group looked at what information Members received in relation to budgets and when it was received. This was seconded by Councillor Mike Whiting. On being put to the vote the motion was agreed.

**Resolved:**

- (1) That the revenue underspend of £29k be noted.**
- (2) That the level of reserves at 31 March 2023 as detailed in table 3 of the report be noted.**
- (3) That the capital slippage of £7.187m and capital expenditure of £6,967k against the Revised Budget as detailed in table 4 and appendix I of the report be noted.**
- (4) That the capital rollovers of £7.187m as detailed in appendix I of the report be approved.**
- (5) That delegated authority be given to the Director of Resources to work with budget holders to review the rollover requirements and amend the capital programme as necessary, to make best use of capital funding streams and minimise the impact on the Council's financial resources.**
- (6) That the Constitution Working Group looked at what information Members received in relation to budgets and when it was received.**

**199 Award of Contract for Insurance Coverage and Associated Service**

The Head of Finance and Procurement introduced the report as set-out in the agenda papers.

The Chair invited Members to ask questions and points raised included:

- Suggested that recommendation (1) was incorrect and should read “That lots 1, 3 and 5 through lot 8 are awarded as a package as being the most advantageous option.”;
- did not understand how the quality scores had been awarded;
- the social value score at 7% seemed quite low and wondered how that figure had been reached as it was important that local businesses were used where possible;
- concerned that the committee were not being presented with sufficient information to make a decision;
- the social value scoring would be as contained and approved by Members within the relevant Policy so happy to make a decision on the information provided;
- the social value scoring should come back to this Committee for consideration;
- was it usual for only one bid to be received?;
- had any insurance been left off and what was the contingency plan if any bids had not been received?;
- paragraph 3.1 on page 17 of the report needed to be amended to read “.....for an initial period of three **years**...”; and
- it might be that given the subject matter of insurance there were no local companies that offered that service.

In response the Head of Finance and Procurement said that lot 8 was a package that covered lots 1, 3 and 5 so there was the option of awarding lots 1, 3, and 5 individually

or as a package as set out in Lot 8. The Director of Resources said that with regard to the social value she would need to get back to the Members about the scoring. Bids had been received on all of the Lots, and in her experience, it was usual for only one bid to be received and it did not prevent a decision being made as the proper procurement rules had been followed.

Councillor Angela Harrison moved the following motion: That the Council's Policy on Social Value calculations on Council contracts be reviewed by the Policy and Resources Committee. This was seconded by Councillor Mike Whiting. On being put to the vote the motion was agreed.

A Member queried whether the Policy on Social Value calculations would need to be considered by a Working Group rather than the Policy and Resources Committee. The Director of Resources explained that it would likely need to be considered by the Constitution Working Group as the procurement process was included within the Financial Regulations of the Constitution.

***Resolved:***

- (1) That lots 1, 3 and 5 be awarded as a package through lot 8, being the most advantageous option.***
- (2) That the appointment of Company A as provider of the Council's insurance services for lots 2 and 8 from 31 July 2023 for an initial period of three years at a value of £907,328 be approved.***
- (3) That the appointment of Company C as provider of the Council's insurance services for lots 4, 6 and 7 from 31 July 2023 for an initial period of three years at a value of £58,913 be approved.***
- (4) That the Council's Policy on Social Value calculations on Council contracts be reviewed.***

**200 Exclusion of the Press and Public**

There was no need to pass this resolution as Appendix 1 was not discussed at the meeting.

**201 Award of Contract for Insurance Coverage and Associated Service - Exempt Appendix 1**

The item was not discussed.

**202 Forward Decisions Plan**

The Chair explained that the incorrect Forward Decisions Plan had been published with the agenda. The correct version was tabled.

The Chair invited questions from Members.

Members made points which included:

- Thought that Members had agreed to do Quarter 2 and 4 budget monitoring only?;
- would 7 February 2024 be early enough to consider the Minimum Revenue

Provision (MRP) Policy within the budget cycle?;

- should a roll-over report be included?;
- could a budget monitoring report be provided prior to the budget meeting which would provide more than just six months' worth of financial information?; and
- suggested that the Quarter 2 budget monitoring report be considered at a meeting in January 2024 and not November 2023?

The Director of Resources said the MRP report would not include any figures. It was to provide Members with details of how MRP was applied so the 7 February 2024 date would be fine. She agreed to look at providing a budget monitoring report with more than six months information for the November 2023 meeting. The Year End audited accounts needed to be removed as they were considered by the Audit Committee.

**Resolved:**

- (1) That the Forward Decisions Plan be noted and the Year End audited accounts be removed from the Plan and the dates for budget monitoring reports are amended.**

**203 Recommendations from the Swale Joint Transportation Board meeting held on 26 June 2023**

The Chair drew attention to the recommendations which were tabled for Members.

**Resolved: That Minute Nos. 140 and 141 be approved.**

**204 Accounts to Write Off**

The Director of Resources introduced the report as set-out in the agenda papers.

There was further discussion in the closed session in respect of Business Rates debt set-out in Table 1 of the report.

In response to a question, the Director of Resources agreed to find out if the housing benefit debtor would be recorded as a debtor despite the debt being written-off.

**Resolved:**

- (1) That the Business Rates debts set-out in Table 1 of the report and the Housing Benefit debts set-out in Table 2 of the report be delegated to the Director of Resources in consultation with the Chair of the Policy and Resources Committee to allow officers to check all possible options for securing payment of the debts had been exhausted.**
- (2) That Members received details of all Council debtors at the beginning or end of each municipal year, to seek approval to write-off debts over £10,000, and to report the position on debts below that level.**

**205 Exclusion of the Press and Public**

**Resolved:**

- (1) That under Section 100A(4) of the Local Government Act 1972, the press and**

***public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3.***

***3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).***

**206 Accounts to Write off - Exempt Appendix 1**

The Chair invited questions.

Members considered the report and points raised included:

- Concerned that debts could just be written-off;
- had everything been considered and done to re-coup the debts?;
- Members used to receive a list of debtors, this should be re-introduced;
- could the list of debtors be brought back to Members via the budget forecasting?;
- how was such a large debt allowed to build-up?;
- thought that business debts were automatically written-off after six years;
- Members needed to receive more information on debts so they were aware of the whole picture; and
- information available to Members was subject to the 'need to know' test.

Councillor Angela Harrison moved the following motion: That the Business Rates debts set-out in Table 1 of the report and Housing benefit debts set-out in Table 2 of the report be delegated to the Director of Resources in consultation with the Chair of the Policy and Resources Committee to allow officers to check all possible options for securing payment of the debts had been exhausted. This was seconded by Councillor Mike Whiting. On being put to the vote the motion was agreed.

Councillor Angela Harrison moved the following motion: That Members received details of all Council debtors at the beginning or end of each municipal year. This was seconded by Councillor Mike Baldock. On being put to the vote the motion was agreed.

Chair

Copies of this document are available on the Council website <http://www.swale.gov.uk/dso/>. If you would like hard copies or alternative versions (i.e. large print, audio, different language) we will do our best to accommodate your request please contact Swale Borough Council at Swale House, East Street, Sittingbourne, Kent, ME10 3HT or telephone the Customer Service Centre 01795 417850.

All minutes are draft until agreed at the next meeting of the Committee/Panel