

Scrutiny Committee

Monday, 14 December 2015

Additional Information

AGENDA ITEM NO. – STATUS OF REQUESTS FOR ACTION
AND/OR INFORMATION

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STATUS OF OUTSTANDING ACTIONS ARISING FROM SCRUTINY COMMITTEE

Meeting held on 12th October 2015

Minute No.	Subject		
24	Cabinet Member Question and Answer Session - Cabinet Member for Economy Regeneration and Skills		
	Subject	Status	
	Councillor Steve Weisinger referred to the surplus funds generated by Penalty Charge Notices (after the costs of managing the service had been accounted for) and asked that the Cabinet Member provide a break down, by ward, of the use of the surplus funds. Councillor Maureen Penny added that the Cabinet Member might also provide details of the various restricted parking areas that had “contributed” to the accrued revenue figure.	<p>This matter was referred to the Highways and Parking services Team to prepare a response. On behalf of the Cabinet Member, the Council’s Council’s Service Manager - Parking Management & Enforcement has advised that there was <u>no surplus on PCNs in 2014/15</u>. PCNs were issued but the primary aim of enforcement for on-street and residential zones relates to network management – keeping the roads clear to help traffic. There are no targets for tickets to be issued.</p> <p>The Service Manager - Parking Management & Enforcement Completed subsequently advised that the figure quoted in the agenda papers as being a surplus for 2014/15</p>	On-going

		<p>(£3,185,000) was incorrect - this is the <u>total income</u> generated by parking services less costs. The officer's response is based on total funds generated by Penalty Charge Notices for 2014/15 of only £635,000. She has advised that the costs of providing this service costs more than the income received from PCNs.</p> <p>As regards the matter of the restricted parking areas that had "contributed" to the accrued revenue figure, the Service Manager has been asked to provide this breakdown in relation to the £635,000 funds generated.</p>	
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Meeting held on 23 rd November 2015			
Minute No.	Subject		
35	The Leader of the Council's Half-Year Update		
	Subject	Status	
	Cllr Chris Watts referred to the Wichelstowe joint venture and asked for clarification of the income generation information included in the report.	On 3 rd December, members were advised as follows: The tender submission from Barratt included a 25-year financial model based on a series of assumptions about costs, values and inflation. The model contained a large number of key assumptions and therefore shows that the project is viable over the long-term rather than being able to predict both the value and timings of specific returns. Income running into the tens of millions of pounds is projected to be generated for the Council over the life of the project, allowing the Council to more than recover its outstanding debt of £43m related to its investment in the site's infrastructure. In addition, the model indicates that the Council can expect to receive sufficient returns for all interest charges associated with the existing debt to be met. The model	Completed

		<p>indicated that the debt would be repaid in around 11 years but the timetable is dependent upon a range of factors including but not limited to the volume and rate of housebuilding on site and the performance of the housing market in general.</p> <p>The financial model is currently being updated to reflect the pre-contract due diligence. The updated modelling will form the basis of the 5 year business plan that will need to be approved by the Council prior to the Joint Venture being established. The Wichelstowe Cabinet Member Advisory Group will be consulted on the business plan prior to formal approval.”.</p>	
	Councillor Chris Watts referred to the Council’s medium-term financial position and the statement in the report (para 3.16 refers) that £100m of savings have been delivered in the last five years. He asked for a breakdown of the £100m.	A “table of savings”, provided by the Head of Finance and Change was sent to members on 8 th December.	Completed
	Councillor Kevin Parry (on the issue of the Council’s financial position) asked for a breakdown of how much the Council had saved on revenue subsidies as a result the transfer of	<p>On 9th December, the Council’s Head of Finance – General Services advised:</p> <p><u>Oasis:-</u></p> <p>1. An ongoing saving from the revenue</p>	Completed

	<p>service provision and how much private sector investment there had been into those services as a result.</p>	<p>budget of £400k was achieved. 2. At that time, the future capital refurbishment costs facing the council were estimated at £3.5m. £2m has been spent on improvements by the Lessee (Moirai) at the Oasis since it was transferred.</p> <p><u>Other Leisure Centres / golf courses:</u> -</p> <ol style="list-style-type: none"> 1. an ongoing saving from the revenue budget of £1.5m was achieved for the leisure centres, golf courses and related back office costs. 2. GLL are spending approaching £1m on improvements at the Haydon Centre and the Link as part of the £3m they have committed to invest in the leisure centres from their own resources, which only transferred 13 months ago. 3. At the point of transfer the estimated capital backlog liability facing the Council was £4.1m. A £2m reverse premium was offered by SBC as part of the transaction to mitigate this liability for GLL who are responsible for all maintenance liabilities. 	
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		<p>4. Twigmarket Limited have recently lodged a planning application to develop the golf site at Broome Manor including provision for a 50 bed hotel. Twigmarket have also undertaken other improvements at the site.</p>	
	<p>Councillor Maureen Penny asked for a breakdown of the Council's annual subsidy of £450k in respect of Lydiard House and Park.</p>	<p>A summary of the financial position for Lydiard House and Park was tabled at the Cabinet meeting on 9th December and copied to Groups for distribution to members in advance of that meeting.</p>	Completed
	<p>Councillor Kevin Parry asked for confirmation about the reasons for extending the consultation period on the establishment of Nythe Parish Council.</p>	<p>The Director of Law and Democratic Services provided a written response to Councillor Parry on 7th December.</p>	Completed.