

Appendix H
as referred to in Minute 497

**FINANCE AND PROPERTY SUB COMMITTEE
27 JANUARY 1998**

Present: Councillor Bettison (Chairman), Councillors Egan, Fawcett,
Mrs Hayes, Mrs Hirst, Mrs Pile, Ryan, Wade and Wheaton

Also Present: Councillor North

34. Minutes

The minutes of the meeting of the Sub Committee held on 19 November 1997 were approved as a correct record and signed by the Chairman.

35. Service Plan 1998/99 (Item 1)

The Director of Corporate Services submitted the Service Plan for the Corporate Services Department Business Units for 1998/99. The Service Plan highlighted the key tasks and objectives for the coming year for each of the service units within the Department and suggested the priority areas where significant progress would need to be made during the year.

If approved, the objectives listed within the Service Plan would become the focus of officer development work during the course of the year. The key tasks detailed in the report would provide a means to measure officers' achievements over the year.

RESOLVED that the Service Plans included in Annexes A - E be approved as a basis for detailed service planning.

36. Revenue Budget 1998/99 (Item 2)

The Director of Corporate Services submitted a report on the revenue budget for the Corporate Services Department for 1998/99. This had been prepared within the framework set by the Strategy and Policy Committee on 17 December 1997.

The provisional Local Government finance settlement had been announced in December 1997. The Council's Standard Spending Assessment (SSA) and capping limit had provisionally been set at £76.17m. Overall the settlement provided for an increase in SSA of less than 1%, after adjustments for nursery vouchers and the community care Special Transition Grant were made.

The report outlined the work which had been undertaken to construct the £6.843m base budget for the Corporate Services Department. Annexes to the report gave details of variations from the disaggregated County Council budget and the Borough Council's 1997/98

budget; unavoidable inflation costs; a number of pressures for service development which would need to be funded during the year, totalling £532,000; a list of proposed efficiency measures, totalling £450,000; and proposed increases to the fees and charges collected by the Department.

RESOLVED that

- (i) the draft base budget for 1998/99 be agreed as shown in paragraph 4.4.3 of the report; and
- (ii) the Strategy and Policy Committee, in considering the Council's budget for 1998/99, be requested to
 - (a) add an allowance for inflation to the running expenses budget identified in Annexe B;
 - (b) consider the potential service developments/pressures and economies identified in Annexes C and D respectively;
 - (c) increase fees and charges from 1 April 1998 as shown in Annexe E.

37. Revised Budget 1997/98 (Item 3)

The Borough Finance Officer submitted a report which gave details of a number of variations to the Sub Committee's budget for 1997/98.

The revised budget predicted an underspend against the original budget of £88,000.

RESOLVED that the report be noted.

38. Nine Month Review/Budget Pressures 1997/98 (Item 4)

The Borough Finance Officer submitted a report which summarised the results of the revised budgets recently considered by Service Committees in the current cycle.

The revised budget predicted an underspend against the original Borough Council budget of £2.355m. The reduction in gross Borough expenditure (ie. Service Committee budgets) of £833,000 had been reported to Service Committees. The other changes were a reduction in the provision for transition costs which could not be capitalised of £992,000, a contingency of £210,000 which was not required, an increase in the transfer from the housing revenue account of £692,000 and other variations totalling £18,000. The detailed analysis of the variations had been considered by Service Committees.

RESOLVED that the report be noted.

39. Local Government Reorganisation: Transfer of Property Assets (Item 5)

The Director of Corporate Services introduced a report which sought the approval of the Sub Committee to proposals provisionally agreed by inter-authority professional officer groups as to the way in which the property of Berkshire County Council should be distributed between

the unitary authorities. The report had been brought before the Sub Committee at this stage, which was earlier than anticipated, in order to preclude the Local Government Residuary Body incurring unnecessary expenditure which the Berkshire unitary authorities would be liable to reimburse. In order to preclude the involvement of the Residuary Body the unitary authorities were required to demonstrate that they had agreed appropriate arrangements for distributing all of Berkshire County Council's property and associated rights and liabilities among the successor authorities from 1 April 1998.

A great deal of inter-authority work had taken place to identify appropriate arrangements for all of the County Council's property and assets. Appendices to the report provided detailed schedules of the County Council's property assets; furniture equipment and other items; information technology assets; and the vehicle fleet.

The Borough Solicitor tabled revised versions of Appendix 1 (Property Assets) and a new Appendix 5 (Items of Historic or Archival Interest) and Appendix 6 (Furniture/Equipment to be offered for sale to Foster Wheeler Limited - the purchasers of Shire Hall).

The Solicitors for the six unitary authorities had agreed upon an essentially standard recommendation to be made by their respective committees which would be sent to the Residuary Body. The standard recommendation was tabled by the Borough Solicitor and approved by the Sub Committee.

RESOLVED that

- (i) subject to (ii), (iii), (iv) and (xiii) below the County Council's land and buildings listed in Categories 1.2 and 3 in revised Appendix 1, together with all rights and liabilities (except debtors and creditors) and associated property relating thereto vest in the Successor Authorities as identified in each category;
- (ii) if a property included within Category 2 ceases to be required for operational purposes within the agreed clawback period, then any liabilities and/or proceeds resulting from a disposal of that property be shared in proportion to the population of each authority as at the date of completion of the disposal;
- (iii) any liabilities and/or proceeds of sale arising from the disposal of properties listed in Category 3 be shared in proportion to the population of each authority as at the date of completion of the disposal;
- (iv) the London Road Waste Disposal site be subject to an agreement between the Successor Authorities as to the apportionment of future expenditure on the site;
- (v) rights and liabilities comprising debtors and creditors vest in the Designated Authority;
- (vi) subject to the consent of the Charity Commission, land held by Berkshire County Council as sole charitable trustee vest in the Successor Authority in whose area the land lies;
- (vii) as regards the disposal of Shire Hall, the decision of the Strategy and Policy Committee on 10 March 1998 be re-endorsed and that the proceeds of Shire Hall be split in proportion to the Council Tax Base for the purposes of RSG for the year 1998/99;
- (viii) the archive collections and regalia at Shire Hall shown in Appendix 5 be vested in Newbury District Council/West Berkshire District Council as the Archive Authority;

- (ix) the items specified in Appendix 6 be offered for sale to the purchasers of Shire Hall, but that if they do not require those items they be shared equally between the successor authority;
- (x) the remaining furniture and equipment at Shire Hall, including IT equipment, be allocated between the successor authorities as shown in Appendices 2 and 3;
- (xi) the shares held by the County Council in Pelican Nursery Limited vest in Newbury District Council/West Berkshire District Council and that the shares in Berkshire Waste Limited be allocated to the lead authority on BERIS and one other successor authority with the proviso that one of the authorities be Reading Borough Council;
- (xii) the vehicles identified in Appendix 4 vest in the Successor Authorities as indicated in that Appendix; and
- (xiii) the Borough Solicitor in consultation with the Director of Corporate Services and the Borough Finance Officer be authorised to enter into an agreement(s) to give effect to the above recommendation.

39. Grants to Voluntary Organisations 1998/99 (Item 6)

In accordance with Standing Order 23 Councillor Wheaton declared a non pecuniary interest in the grant application from the Bracknell Job Support Centre.

The Head of the Policy Development Unit submitted a detailed report which highlighted decisions made to date on the future grant-funding of voluntary organisations within the Borough and which sought the Sub Committee's decisions as to the level of grant to be awarded in response to applications for grant-aid received from voluntary organisations for 1998/99.

A number of grants to voluntary organisations made by the Borough Council were now due for review. The report also addressed the arrangements which had been agreed between the unitary authorities to protect grant-funding to the voluntary sector during the transition. A Transitional Grants Scheme had been agreed between the unitary authorities, whereby voluntary groups previously grant-aided by the County Council would be assured of continued funding for two years from vesting day.

Appendix 1 to the report listed the voluntary organisations funded by the County Council and covered by the Transitional Grant Scheme for the coming year. These amounted to a total of £111,602. Appendix 2 provided a list of County-wide organisations which operated in all six unitary areas and received less than £5,000 a year each. The total value of these grants amounted to £29,372 of which Bracknell Forest's 1/6th share was £4,895.

Appendix 3 listed Bracknell Forest organisations which were not covered under the Transitional Grant Scheme but who were currently funded by the County Council. The County Council grants to these bodies in 1997/98 had totalled £89,427 and it was proposed that this funding be continued for the coming year by the Borough Council.

Appendix 4 provided details of fifteen requests for grant-funding amounting to a total of £362,499 for 1998/99 from the Borough Council's annual revenue grants budget.

The Sub Committee discussed the grant applications in detail. It was noted that a number of organisations had requested increases for inflation but that these were only proposed to be met where this was provided for in an existing service agreement.

It was further proposed within the report that the current Finance and Property grants as detailed in Appendix 5 should be devolved to the appropriate service committees for determination from 1999/2000 onwards as detailed in Appendix 6.

RESOLVED that

- (i) the two-year transitional grants at Appendices 1 & 2 of the report be approved at 1997/98 levels;
- (ii) the two-year revenue grants in Appendix 3 of the report be approved at the 1997/98 level;
- (iii) the recommendations regarding the annual revenue grants requested in Appendix 4 of the report be approved at the 1997/98 level;
- (iv) annual revenue grants in Appendices 1,2,3&4 of the report not be uprated by inflation for 1998/99, unless already agreed for in a service agreement;
- (v) the current Finance and Property annual revenue grants be devolved to the appropriate committees as specified in Appendices 5&6 of the report;
- (vi) appropriate departments review the effectiveness of grant-aiding these organisations prior to the end of the Transitional Grant Scheme;
- (vii) the additional requests made above the 1997/98 grant level be refused in accordance with the Council's desire to budget at existing levels.
- (viii) the funding requests made by Berkshire Women's Aid and Bracknell and District Victim Support Scheme be reviewed at the next Finance and Property Sub Committee meeting on 10 March 1998.

40. **Assisted Car Purchase Scheme (Item 7)**

The Director of Corporate Services submitted a report regarding the assisted car purchase scheme operated by the Borough Council which allowed all essential car users and casual car users completing in excess of 300 miles per annum, to apply for a car loan. The amount which could currently be borrowed was up to 9,000 or 50% of the salary, whichever was the lesser, at an interest rate determined by a national negotiating body each year.

The maximum amount which could be borrowed under the scheme had last been increased four years ago and now needed to be reviewed.

RESOLVED that the maximum car loan be increased to £15,000, or 50% of salary, whichever is the lesser.

41. **Business Rates: Discretionary Charitable Relief (Item 8)**

In accordance with Standing Order 23 Councillors Bettison, Egan, Pile, Fawcett and North declared non pecuniary interests in the charitable bodies applying for charitable relief, and did not speak or vote on this item.

The Borough Finance Officer submitted a report advising that the Borough Council had the opportunity to grant relief from business rates on property occupied by charities or other organisations not established or conducted for profit.

All cases where discretionary relief was granted were subject to review within the first year of a new Council being elected. A schedule of the organisations currently receiving discretionary relief was attached to the report.

RESOLVED that

- (i) discretionary relief from Business Rates be granted until 31 March 1999 to the charities and other organisations listed in the schedule attached to the report, and in the percentage amount as shown on that schedule; and
- (ii) a review of the Council's policies for granting discretionary rate relief be undertaken during 1998.

42. **Business Rates: Rural ("Village Shops") Rate Relief (Item 9)**

The Borough Finance Officer submitted a report regarding the provisions of the Local Government and Rating Act 1997 in respect of "Village Shops". Under the provisions of the Act, from 1 April 1998 the rate payer of a store or post office which was the only such establishment within an area designated as a rural settlement would be entitled to 50% mandatory relief from business rates. This relief could be increased by up to a further 50% discretionary relief. In addition, the rate payer of any property within a rural settlement was entitled to receive up to 100% discretionary relief if the property was used for the benefit of the community.

The Secretary of State had designated that within Bracknell Forest the relief should apply to rural settlements in the parishes of Warfield and Winkfield. Within these two parishes rural settlements would be identified by the Council, and placed on a "rural settlement list". It was proposed within the report that the Borough Finance Officer be authorised to compile and maintain the rural settlement list. This would be done in consultation with Parish Clerks and local members.

RESOLVED that compilation and maintenance of the rural settlement list for the purposes of the rural ("village shop") rate relief scheme shall be delegated to the Borough Finance Officer.

43. **Delegation for Recovery Proceedings (Item 10)**

The Borough Finance Officer submitted a report seeking authorisation for a new employee to represent the local authority in the Magistrates Court in recovery proceedings for unpaid Council Tax or Business Rates and also for proving debts in insolvency proceedings.

RESOLVED that Susan Patricia Cook be duly authorised to conduct proceedings in the Magistrates Court for the recovery of Council Tax or Business Rates, and to complete proofs of debt in insolvency proceedings, on behalf of the Borough Council.

44. **Treasury Management (Item 11)**

The Borough Finance Officer submitted a report on the position in respect of the Council's investments in the Korean Development Bank which were due to mature on 31 July 1998.

RESOLVED that the report be noted.

45. **Contract Electricity and Gas Supplies to Transferred Properties**

In accordance with Standing Order 23 Councillor Fawcett declared a pecuniary interest in one of the companies on the proposed tender shortlist and withdrew from the meeting for the duration of this item.

The Borough Surveyor reported to the Sub Committee on arrangements for the contracting of energy supplies for eligible properties transferring from Berkshire County Council to the Borough Council with effect from 31 March 1998.

Contracts were in place for the period ending 30 September 1998 for the supply of electricity and gas to all current Bracknell Forest Borough Council properties which were eligible to receive supplies on a contract (i.e. non tariff) basis. However the tenderers for those contracts, including the successful tenderer, had not been willing to commit to a specific contract price for supplies to the County Council properties which would transfer to the Borough from 1 April 1998 for the remainder of the contract period. The companies which had won the contracts, Southern Electric Plc and Southern Electric Gas Ltd had undertaken to review their ability to supply energy to those properties at the same price nearer to 1 April 1998. Officers advised that pending the decision of those companies it would be prudent to undertake further market testing.

The report included a proposed tender shortlist.

RESOLVED that

- (i) contract Standing Order 61 (tenders) be waived for the purposes of this contract;
- (ii) tenders for the supply of electricity and gas be invited from the companies identified in the report; and
- (iii) the Borough Surveyor be authorised, in consultation with the Chairman, to accept the lowest tenders, respectively, for the supply of electricity and for the supply of gas to eligible properties transferred on vesting day.

46. **Exclusion of Public and Press**

RESOLVED that pursuant to Section 100A of the Local Government Act 1972, members of the public and press be excluded from the meeting for the consideration of the tabled Item which involves the likely disclosure of exempt information under the following category of Schedule 12A of that Act:

- (9) Information relating to contract terms.

47. **Surrender of Lease for Ocean House (Urgent Tabled Item)**

The Borough Surveyor submitted a report regarding the surrender of the Council's lease of the 13th floor and part of the 12th floor in Ocean House which was due to expire on 31 October 1998. The Chairman had given notice at the commencement of the meeting that he had agreed to add this item to the Agenda. An urgent decision was required on this matter in order to authorise a surrender of the lease on 3 February 1998 on agreed terms.

In September 1997 the Council had served notice for the termination of the lease on the Ocean House offices on 3 May 1998. The report sought approval to make a one off payment to Ocean Group Plc in full settlement for the cost of the dilapidations and associated fees and to surrender the lease on the earlier date of 3 February 1998.

RESOLVED

- (i) that the early surrender of the lease for the 13th and part 12th floor of Ocean House on 3 February 1998 be approved; and
- (ii) that the payment to Ocean Group Plc of £53,500 be authorised in settlement of dilapidations and associated fees, together with the prescribed termination payment.

The meeting commenced at 7.30pm and concluded at 8.55pm.

CHAIRMAN