



**Minutes of the meeting of the BUDGET AND RESOURCES SCRUTINY COMMITTEE
held on TUESDAY 10 MARCH AT 7:00 PM**

Present: Councillors R Bradburn (Chair),
Baume, Cannon, P Geary, Gilbert, Marlow and C Wilson

Apologies: Councillor Gilbert

Officers: S Richardson (Director Finance and Resources), T Darke (Director
Growth Economy and Culture), S Evans (Infrastructure Policy and
Programme Manager) E Richardson (Overview and Scrutiny Officer)

BR39 DISCLOSURE OF INTEREST

There were no Disclosures of Interest.

BR40 MINUTES

RESOLVED -

That the Minutes of the meetings held on 8, 14 and 21 January 2020
be agreed and signed by the Chair as a correct record.

BR41 QUESTIONS FROM THE PUBLIC

There were no questions from the public.

BR42 GETTING THE BEST FROM s106 OPPORTUNITIES

**Witnesses: S Evans (Infrastructure Policy and Programme Manager)
and T Darke (Director Growth Economy and Culture)**

The Committee received a brief introduction from the Infrastructure
Policy and Programme Manager explaining the work which had been
done on s106 funding coming into the Council following the
Committee's scrutiny of this issue in 2019.

An Action Plan had been developed and approval to proceed with
this had been subject to a Delegated Decision by the Cabinet
Member for Planning and Transport on 28 January 2020.

She advised the Committee that improvements included an
Infrastructure Sub-Board which had met every 6 weeks since
September and was working well, work streams were being updated

regularly, and a bespoke monitoring system which was currently being tested whilst the existing information was being built into it. It was hoped that live updates on the position of s106 funding / projects would be available from April. Getting the system right was key to showing the correct information and there was now a government requirement to report on s106 funding from December 2020. Once the system went live, a link would be available for publication in the *Councillors' News* weekly newsletter.

During the ensuing discussion the Committee also noted that:

- (a) The government changed the regulations on the pooling of s106 funds from 1 September 2019. There was now no limit on the number of s106 payments which could be pooled into one project;
- (b) Ministry of Housing, Communities and Local Government prescribed categories were used for reporting on s106 funding, which meant that public art projects were listed under "other";
- (c) These categories might change, but a national reporting standard meant that like for like comparisons between local authorities were possible;
- (d) How s106 money was spent was up to relevant departments. The role of the Planning Team was to collect the money, distribute to council departments and account for it, not to spend it;
- (e) Work was currently being done on the presentation of information and how it links to the Capital Programme;
- (f) The information presented to the Committee was a snapshot of the position in November 2019. A reconciliation was being carried out to see where funds had been drawn down and what the timescale for using them was;
- (g) The figures for s106 funding provided in the agenda pack had been extracted from the Council's ERP finance system and only provided financial data; it did not provide a narrative explanation. The new EXACOM system which would be used to record and monitor s106 data will include both the financial details and a narrative explanation.

The Committee applauded the process made in recording and reporting details of s106 money, together with the improved clarity of the information provided, since its previous scrutiny of this issue in March 2019. However it expressed concern that some projects appeared to be running out of time, but was advised by the

Infrastructure Policy and Programme Manager that these timescales had been renegotiated with the developers. There was currently no funding at risk of being returned and nothing had had to be returned to developers recently.

The Committee then discussed with the Infrastructure Policy and Programme Manager and the Director Growth Economy and Culture, the s106 money which had initially been allocated for community facilities on the Redhouse Park estate, as it was now being spent in Great Linford. The Director Growth Economy and Culture advised the Committee that the money should not have been requested on the basis that it was, as there had not been the opportunity to spend it on community facilities for Redhouse Park. The situation was complicated as it was not clear whether community facilities for Redhouse Park were part of the original plan and there had also been a change to the parish council boundary. The fall-back position was that the money had been transferred to Great Linford Parish Council, which, as it was the parish council for the Redhouse Park estate, meant that residents there would still benefit from the funding, albeit less directly.

The Committee then considered at what stage community facilities included in the plans for a new development should be built and how this could be managed. Suggestions included the Council forward funding such projects so that they were constructed at the right time. Although the Director Finance and Resources said there was nothing to stop the Council doing this if it had the resources, he would have to check whether s106 funding could then be claimed retrospectively for something already built. It was also suggested that a developer could build and provide community facilities directly in exchange for the Council not claiming a s106 payment from them. The Committee was advised that generally 1000+ homes needed to be planned / built before the need for community facilities was triggered.

The Director Growth, Economy and Culture explained that she thought the Council was in a much better place in relation to s106 funding than it had been in the past and she praised the work done by the Infrastructure Policy and Programme Manager to bring the Council's position up to date. There was a need to protect the Council's reputation and to spend the money on what it was allocated for. Proper planning was needed before development started and the system could be improved. Departments within the Council, and external stakeholders, such as the parish councils, needed to understand that once received by the Council the money

should be spent. There was a need to train and develop officers in other council departments so that they understood the system and the need to spend s106 money in a timely manner.

Finally, the Committee noted the following points:

- (a) The public facing module of EXACOM would be switched on once the Infrastructure Policy and Programme Manager and her team were confident that the system was working properly and showing the correct information;
- (b) The departmental Capital Programme Boards would be expected to alert the Infrastructure Policy team as to any red-rated s106 items in good time before any expiry date on the funding;
- (c) The Planning Service was not accountable for the delivery of s106 projects but it did need to monitor the use of funds and flag up any delays;
- (d) Future progress was not just about the amount of money, but how long it had been in the system and a need to reduce the number of “red” and “amber” ratings against projects.

RESOLVED –

1. That the Infrastructure Policy and Programme Manager and the Director Growth Economy and Culture be thanked for their contribution to the Committee’s scrutiny of this item.
2. That the Committee welcomed the improvements being made by the Council to spend s106 money and the increased clarity of information being produced following the Committee’s recommendations made in March 2019.
3. That the Cabinet Member for Resources and Innovation be asked to monitor the welcome improvement in the timely use of s106 money and ensures that the resources are in place to enable this improvement to continue as the Committee would like to see a significant reduction in the number of “red” and “amber” status ratings during 2020/21.

BR43

LESSONS LEARNED FROM MANAGEMENT OF THE CAPITAL PROGRAMME 2019/20

Building on the work already done to scrutinise the Capital Programme, the Committee received a presentation from the Director Finance and Resources which explained the difference between the Capital Programme and the Pipeline stage, the Governance Structure for the Programme, Programme Boards, the

new 'START' documentation, the approval process, prioritisation process, the Period 9 capital forecast and key capital variances.

The Committee then discussed how best it could carry out further scrutiny of the Capital Programme. Suggestions included:

- (a) Inviting the director of a Programme Board to a future meeting to explain how it functioned and how they managed the programme;
- (b) All boards would have common themes of learning which would cross-cut all council services and the Committee should ensure that this learning is passed on;
- (c) Drilling down into specific projects;
- (d) Reviewing why the money in the Housing Revenue Account (HRA) had not yet been spent on urgently needed housing;
- (e) Needing to understand the strategy for next year in order to add value to the process;
- (f) Identifying the top 5 biggest projects and scrutinising what was happening to them and then another session on what was new going into the next financial year.

The Chair advised the Committee that the Planning Group had already identified the new school at Glebe Meadow, which was just starting, as a project that the Committee could follow to completion, reviewing progress and developments every six months; details were in the draft 2020/21 Work Programme.

The Committee then agreed that it would like to take a detailed look at the reasons for the slippage in the HRA new build programme and at the operation of both the Programme Boards and the Corporate Portfolio Board. These would be added to the draft 2020/21 Work Programme.

Finally, Councillor Wilson commented that he was now much clearer on how the Capital Programme operated and thanked both the Director Finance and Resources and the Head of Finance (Capital Programme) for the work they had done in explaining it to the Committee.

RESOLVED –

1. That the Director Finance and Resources be thanked for his presentation and that he and the Head of Finance (Capital Programme) be thanked for the work they had done to explain the Capital Programme and increase the Committee's understanding of this subject.

2. That detailed scrutiny of the reported £14m slippage in the HRA Capital Programme be added to the 2020/21 Work Programme (July meeting) in order to understand why this has happened and explore measures to prevent any future slippage and delays to the council house building programme.
3. That scrutiny of the Capital Programme Project Boards and the Corporate Portfolio Board be added to the 2020/21 Work Programme (December meeting) in order to assess how well these are working and whether there is any cross-cutting learning from their operation to date which can be shared between the boards.

BR44

LGSS UPDATE

The Committee received an update on the Council's position on LGSS, which would be subject to a Delegated Decision on 17 March 2020, before being considered by full Council on 18 March 2020.

RESOLVED –

1. That under Paragraph 3 (Information Relating to the Financial or Business Affairs of the Authority) of Part 1 of Schedule 12A of the Local Government Act 1972 the public and press be excluded from consideration of this item.
2. That the Director Finance and Resources be thanked for his update and clear explanation of the current position.

BR45

DRAFT 2020/21 WORK PROGRAMME

RESOLVED

That the draft 2020/21 Work Programme, with the inclusion of the items on s106 funding and the Capital Programme referred to above, be noted.

THE CHAIR CLOSED THE MEETING AT 9:05 PM