

INCOME GENERATION SUB-COMMITTEE

27th July 2022

Present: Councillor Jabbar Riaz in the Chair
Councillors Desayrah, Mackay (Vice-Chair),
Mitchell and Stephen

Officers: Mark Baldwin, Head of Finance
Kevin Moore, Head of Property and Asset
Management
Sian Stroud, Corporate Director – Planning
and Governance

11 Appointment of Substitutes

None.

12 Declarations of Interest

None.

13 Public Participation

None.

14 Minutes

RESOLVED: That the minutes of the meeting held on 15th June 2022 be approved as a correct record and signed by the Chair.

15 Income Generation and Income Management

The Sub-Committee considered a proposal to adopt a revised set of delegated functions. The Head of Finance presented the report and explained that HM Treasury Guidance had been changed in 2020 and local authorities could not access Public Works Loans Board loans for proposed schemes which generate income from investment. Furthermore, in May 2022 the Guidance was revised to state that PWLB loans would be withheld where there was a significant risk that the loans could not be repaid.

Furthermore, two of the functions of the Sub-Committee as defined in the Constitution were no longer current:

- Oversight of asset reviews (i.e. One Town Review)
- Approval and oversight of projects under the Small Development Fund

To emphasise that all capital projects are for the purposes of development rather than for income generation, it was proposed that the remit of the Committee is changed to focus on 'Income Management' as an activity, rather than purely 'Income Generation'. This would allow for income generation as an activity to be continued under the direction and oversight of the Committee but as part of a policy intention to ensure that the Council's finances remain robust while day-to-day financing remains dependant on locally-generated sources of income.

Changing the name of the Committee to Income Management Sub-Committee would clarify this purpose to external parties.

Sub-Committee Members acknowledged the reasons for the proposals, taking into account the changes to HM Treasury Guidance. The view was expressed that the Sub-Committee should continue to look how the Council can develop income generation proposals from revenue activities.

RESOLVED: That the Sub-Committee recommend to Council revised Responsibilities for Functions and revise its title to Income Management Sub-Committee.

16 Quarter 1 Performance Report For 2022/23

The Sub-Committee considered a report on the Council's Quarter 1 performance for Income Generation for 2022/23. The Head of Finance presented the report and highlighted the main points. Sub-Committee Members commented and asked questions on various aspects of the report.

In the ensuing discussion, a question was raised about the potential for achieving energy savings at Perdiswell Leisure Centre through the installation of solar panels. In response, the Head of Property and Asset Management stated that this has been considered previously in connection with wider proposals that included air source heat pumps, which did not proceed on the grounds of economic viability. A report can be prepared for the next meeting of the Sub-Committee.

RESOLVED: That the Sub-Committee note the Council's quarter 1 performance for 2022/23.

17 Electrical Vehicle Charging Prices

The Sub-Committee considered a report on the tariff for the EV charge points installed in St Martin's Gate car park. The Head of Property and Asset Management presented the report and explained that the Council's electricity costs had increased by 22% since the current charge was set in 2021. Officers had reviewed information on the pricing of other electric vehicle charging facilities locally, as a result of which it was recommended that the charge is set at 39p per kWh incl. VAT for the 22kW chargers and 49p incl. VAT per kWh for the 50kW chargers. This was recommended as a market rate which will also cover the cost of service provision.

In the ensuing discussion the following main points were made:

- There is no charge for the maximum stay of one hour in the 50kW charger bays. Usage of all the bays is monitored by Council staff.
- There are currently 9 EV charging spaces. Car parking charges are payable for the use of the slower charging points, so there is no significant shortfall compared with the income which would be generated if they were standard parking spaces.

- The capital programme includes £200k for the installation of further EV charging points, although no decision has been taken yet on where these will be.
- The charges will be kept under review in the light of the changing costs of energy and proposals brought back to this Sub-Committee as required.

In conclusion, Sub-Committee Members expressed support for the proposed charges.

RESOLVED: That the Sub-Committee agreed to recommend the charges proposed within this report to Council for approval.

18 Any Other Business

The Chair agreed to consider an item of urgent business relating to the procedure for amending fees and charges outside the annual budget round.

The Head of Finance explained that, in accordance with the Council's Financial Regulations, which were set out in the Constitution, the Corporate Director - Finance and Resources had delegated authority in conjunction with the relevant Corporate Director/Head of Service to approve any variation to fees and charges which is not estimated to result in an increase or decrease in income of more or less than £5,000. In view of the current rate of inflation and the rise in energy costs, it was proposed that the threshold be raised to £10,000.

The Corporate Director – Planning and Governance advised that there should be a paper setting out the proposed change to Policy and Resources Committee. Any changes to the Constitution are reserved to full Council to determine.

Sub-Committee Members expressed support for the proposal.

RESOLVED: That the Sub-Committee agree to recommend that Financial Regulations be amended so as to authorise the Corporate Director – Finance and Resources in conjunction with the Corporate Director/Head of Service concerned to agree any variation to fees and charges where the variation is not estimated to result in an increase or decrease in income of more or less than £10,000.

Duration of the meeting: 7.00p.m.- 8.00p.m.

Chair at the meeting on
9th November 2022