

## **INCOME GENERATION SUB-COMMITTEE**

**16th January 2018**

**Present:** Councillor Paul Denham in the Chair

Councillors L. Denham, (for Councillor Berry) Johnson, Knight (Vice-Chairman), Mitchell and J. Squires

**Officers:** Mark Baldwin, Head of Finance.  
Shane Flynn, Corporate Director – Finance and Resources.  
Alison Braithwaite, Income Generation Project Co-ordinator.

### **17 Appointment of Substitutes**

Councillor Lynn Denham substituted for Councillor Berry.

### **18 Declarations of Interest**

None.

### **19 Public Participation**

None.

### **20 Minutes**

With Reference to minute 3, a request was made for sight of the final brief for the One Town Review. A final draft will be presented at the next Sub-Committee meeting.

With reference to minute 10, it was noted that Freedom Leisure omitted to refer to charges for the over 50s.

### **21 Income Generation Project Update**

The Head of Finance updated the Committee on the progress of the Income Generation Project. Alison Braithwaite has now been appointed as Income Generation Project Co-ordinator and will be supporting delivery of the project.

The Head of Finance explained that the Consultation on proposed changes to the Prudential Framework for Capital Accounting tightens the scope for borrowing and investing in property.

He went on to answer Members questions regarding 'borrowing in advance of need.'

Members also asked about timescales regarding the expansion or rebuilding of the current North Quay riverside café. It was explained that talks were underway with Place Partnership Limited regarding obtaining designs and quotations. Discussion

also took place regarding the provision of a kiosk or similar on the opposite river bank.

There followed a discussion about re-siting the current Croft Road Lorry Park to a site nearer the Motorways. With the provision of facilities this could generate income.

The Corporate Director – Finance and Resources undertook to obtain figures regarding how much income is generated by the lorries at Croft Road currently as well as taking into account the Transport Strategy.

**RESOLVED: That the Committee note the progress made in the project for Income Generation.**

## **22 Pooled Property Fund Investment**

The Head of Finance presented the proposal to extend the council's list of approved investment instruments to include Pooled Property Funds. He explained that buying into this fund compares favourably to our current arrangements.

There would still be funding opportunities within the current approved borrowing limits to finance not yet identified needs.

He went on to answer Members questions.

**RESOLVED: That the Sub-Committee agree to:**

- 1. Review the proposal to extend the council's list of approved investment instruments to include Pooled Property Funds and recommend its approval to the Policy and Resources Committee on 6th February 2018.**
- 2. Review the proposal to invest up to £5m in the CCLA Property Fund and recommend its approval to the Policy and Resources Committee on 6th February 2018.**

## **23 Commercial Strategy**

The Corporate Director Finance and Resources presented his Commercial Strategy.

The proposed approach to generating income will be on a project basis with three key areas of activity.

- Updating our income budgets to ensure they reflect the current levels of activity and the actual income generated.
- Increasing income on our existing income activities through a review of compliance, enforcement and a targeted business case approach to review the potential for income growth.

- The development of two-three 'big ticket' income items that generate more significant levels of income.

The Corporate Director Finance and Resources answered members' questions around public consultation and ideas for income generation. The Income Generation Project Co-ordinator will look at these ideas. Questions were also raised regarding the possibility of selling staff expertise. The Director undertook to circulate a list of ideas for income generation received from members of the public during the budget consultation exercise.

**RESOLVED: That the committee recommend the Commercial Strategy to full Council for adoption.**

## **24 Living Over the Shop (LOTS)**

The Head of Finance presented a report regarding the identification of retail units with upper floors that could potentially provide extra residential accommodation. The proposal is to review the upper floors in the BID area of the city by visual inspection and determine:

- Is the property empty?
- Is there any reason why it is not suitable for occupation?
- If empty, is there potential for it to be occupied.

Members raised several points including access to properties; many of the upper floors of retail premises did not have separate access, financial institutions and jewellery retailers are unlikely to want tenants above their retail space for security reasons. It was also thought that the BID area of the city is more residential than many people realise. Similar schemes have been considered in the past such as the Upper Floor Conversion Scheme in 2002, and an earlier scheme during the 1990s concentrating on the Tything. It was also felt that this was an expensive way of carrying out the research.

It was proposed by Councillor P Denham and seconded by Councillor J Squires that the recommendation be amended to read "up to" £15,000 and that the proposal with more detailed information comes back to a future Sub-Committee. On being put to the vote the amendment to the recommendation was agreed.

**RESOLVED:**

**That the Sub-Committee approve up to £15,000 from the Income Generation Fund for a review of property above retail units in the city centre, subject to further detailed information to come back to a future committee.**

## **25 Fees and Charges 2018/19**

The Head of Finance presented a report regarding the proposed schedule of Fees and Charges for 2018/19. He explained that the Report was about the process of arriving at the proposed charges, rather than the individual fees and charges themselves.

The Head of Finance answered Members' questions regarding Wedding Venues at the Guildhall and the Commandery and explained that the Income Generation Co-ordinator would be looking at opportunities for joint working in this area, rather than appearing to be in competition as all revenue ultimately comes into the Council.

A question was raised how some figures were set out and it was requested that figures for Worcester residents should take precedence in presentation over other charges for non-residents.

**RESOLVED: That the Sub-Committee review the proposed schedule of fees and Charges for 2018/19 and recommend its approval to the Policy and Resources Committee in 6<sup>th</sup> February 2018 and for ultimate approval by Full Council on 20<sup>th</sup> February 2018.**

**26 Any Other Business**

None.

**27 Item Involving the Disclosure of Exempt Information**

**RESOLVED THAT: under Section 100 (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 Schedule 12A of the said Act.**

**28 Fees and Charges 2018/19 - Exempt Items**

The Head of Finance explained that the Trade Waste figures had not yet been agreed therefore they had not been included in the Exempt papers.

The contents of the Building Control figures were considered.

**RESOLVED: That the Sub-Committee review the proposed schedule of Fees and Charges for 2018/19 (exempt items) and recommend its approval to the Policy and Resources Committee in 6<sup>th</sup> February 2018 and for ultimate approval by Full Council on 20<sup>th</sup> February 2018.**

**Duration of the meeting: 7 p.m. – 8.50 p.m.**

Chairman at the meeting on  
27th February 2018