

# Corporate Policy Development and Scrutiny Panel

**Date:** Monday, 27th July, 2020

**Time:** 4.00 pm

**Venue:** Virtual Meeting - Zoom - Public Access via YouTube

**<https://www.youtube.com/bathnescouncil>**

**Councillors:** Paul Myers, Winston Duguid, Mark Elliott, Andrew Furse, Hal MacFie, Alastair Singleton, Shaun Hughes, Karen Warrington and Lucy Hodge

**A briefing for the Panel only will take place at 3.00pm**



**Mark Durnford**

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## NOTES:

1. Inspection of Papers: Papers are available for inspection as follows:

Council's website: <https://democracy.bathnes.gov.uk/ieDocHome.aspx?bcr=1>

2. Details of decisions taken at this meeting can be found in the minutes which will be circulated with the agenda for the next meeting. In the meantime, details can be obtained by contacting as above.

3. Broadcasting of Meetings

The Council will broadcast the images and sounds live via the internet

<https://www.youtube.com/bathnescouncil>

The Council may also use the images/sound recordings on its social media site or share with other organisations, such as broadcasters.

4. Public Speaking at Meetings

The Council has a scheme to encourage the public to make their views known at meetings. They may make a statement relevant to what the meeting has power to do. They may also present a petition or a deputation on behalf of a group.

Advance notice is required not less than two working days before the meeting.

Further details of the scheme can be found at:

<https://democracy.bathnes.gov.uk/ecCatDisplay.aspx?sch=doc&cat=12942>

5. Supplementary information for meetings

Additional information and Protocols and procedures relating to meetings

<https://democracy.bathnes.gov.uk/ecCatDisplay.aspx?sch=doc&cat=13505>

## Corporate Policy Development and Scrutiny Panel - Monday, 27th July, 2020

at 4.00 pm in the Virtual Meeting - Zoom - Public Access via YouTube  
<https://www.youtube.com/bathnescouncil>

### A G E N D A

1. WELCOME AND INTRODUCTIONS
2. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS
3. DECLARATIONS OF INTEREST

At this point in the meeting declarations of interest are received from Members in any of the agenda items under consideration at the meeting. Members are asked to indicate:

- (a) The agenda item number in which they have an interest to declare.
- (b) The nature of their interest.
- (c) Whether their interest is **a disclosable pecuniary interest** or an **other interest**,  
(as defined in Part 2, A and B of the Code of Conduct and Rules for Registration of Interests)

Any Member who needs to clarify any matters relating to the declaration of interests is recommended to seek advice from the Council's Monitoring Officer or a member of his staff before the meeting to expedite dealing with the item during the meeting.

4. TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIRMAN
5. ITEMS FROM THE PUBLIC OR COUNCILLORS - TO RECEIVE DEPUTATIONS, STATEMENTS, PETITIONS OR QUESTIONS RELATING TO THE BUSINESS OF THIS MEETING

At the time of publication no notifications had been received.

6. MINUTES - 30TH JUNE 2020 (Pages 7 - 16)
7. CABINET MEMBER UPDATE

The Cabinet Member is unable to attend on this occasion. In his absence the Head of Property will update the Panel on the two Call-in meetings that took place earlier in the year. Panel members may ask questions on the update provided.

8. ASSESSMENT OF THE COUNCIL'S BUSINESS INCOME - WHERE WE ARE NOW  
(Pages 17 - 18)
9. CAPITAL PROGRAMME UPDATE (Pages 19 - 38)

10. PANEL WORKPLAN (Pages 39 - 42)

This report presents the latest workplan for the Panel. Any suggestions for further items or amendments to the current programme will be logged and scheduled in consultation with the Panel's Chair and supporting officers.

The Committee Administrator for this meeting is Mark Durnford who can be contacted on [mark\\_durnford@bathnes.gov.uk](mailto:mark_durnford@bathnes.gov.uk), 01225 394458.

**BATH AND NORTH EAST SOMERSET**

**MINUTES OF CORPORATE POLICY DEVELOPMENT AND SCRUTINY PANEL MEETING**

Tuesday, 30th June, 2020

Present:- **Councillors** Paul Myers, Winston Duguid, Mark Elliott, Andrew Furse, Hal MacFie, Alastair Singleton, Shaun Hughes, Karen Warrington and Lucy Hodge

Also in attendance: Will Godfrey (Chief Executive), Andy Rothery (Director of Finance & Section 151 Officer) and Maria Lucas (Director of Legal & Democratic Services)

**1 WELCOME AND INTRODUCTIONS**

The Chairman welcomed Panel members and officers who were attending the meeting via Zoom and members of the public viewing on YouTube.

He explained that two other councillors were present as they had been invited to attend the meeting, namely Councillor Vic Pritchard (Chair of the Children, Adults, Health & Wellbeing Panel) and Councillor Karen Walker (Chair of the Climate Emergency and Sustainability Panel). He added that these councillors were not eligible to vote as part of the Panel.

He added that also present were Will Godfrey – Chief Executive, Andy Rothery – Director of Finance & Section 151 Officer, Maria Lucas - Director of Legal & Democratic Services and Mark Durnford – Democratic Services Officer.

He announced that the meeting was being held under The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020. He stated that the Council had agreed a protocol to cover virtual meetings and that this meeting would operate in line with that protocol. He explained that the meeting had the same status and validity as a meeting held in the Guildhall.

**2 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS**

There were none.

**3 DECLARATIONS OF INTEREST**

There were none.

**4 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIRMAN**

There was none.

## **5 ITEMS FROM THE PUBLIC OR COUNCILLORS - TO RECEIVE DEPUTATIONS, STATEMENTS, PETITIONS OR QUESTIONS RELATING TO THE BUSINESS OF THIS MEETING**

David Redgewell, South West Transport Network made a statement to the Panel. A copy of it can be found on the Panel's Minute Book and as an online appendix to these minutes, a summary is set out below.

With the tourist industry reopening in Bath, Somerset and the Bristol city region - please will Banes and WECA mayoral transport authority protect bus stops especially around public houses and restaurants, especially with tables and chairs outside and take account of public transport users and those with disabilities.

I am concerned about the control of areas around the public transport interchange in Dorchester Street and Brunel Square. We welcome the social distancing measures in Bath bus and railway station and bus stops and the return of National Express Coach services and priority for disabled passengers where social distancing is very important.

On public transport we are still concerned about the WECA mayoral transport authority, not restarting bus services on routes out of Banes.

We would like to understand why WECA failed to bid for rural bus service grants, especially with the need to improve public transport in rural areas in North East Somerset. and South Gloucestershire.

We are very concerned about the lack of progress in North Somerset Council joining the West of England Combined Authority. For the mayoral election in 2021 if First cannot provide these services then why can't small bus operators under contract to the WECA mayoral transport authority or sub-contracted by First Group.

On railways we welcome the train service extension to Westbury via Keynsham, Oldfield Park, Bath Spa, Freshford, Avoncliffe, Bradford on Avon, Trowbridge, and Westbury.

In social distancing measures, for outdoor table service in the street. especially in Bath we also welcome the review of public toilets in Bath and North East Somerset but would like to see public toilets at Avon Street coach station.

We are unhappy WECA did not bid for rural bus grants.  
We still need to see the Transport Board meeting in public like all other combined authorities.

We support the closure of Keynsham High street for social distancing, providing that bus facilities are provided toward Bath in Ashton Way with waiting shelters.

The Chairman thanked him for his statement on behalf of the Panel.

## 6 MINUTES - 27TH MAY 2020

The Panel confirmed the minutes of the previous meeting as a true record.

## 7 CABINET MEMBER UPDATE

Councillor Richard Samuel, Cabinet Member for Resources addressed the Panel.

- He informed the Panel that Mandy Bishop, Director of Environment Services had been assigned with carrying out the review of Property Services following the two Call-ins determined by the Panel earlier in the year. He said that the findings of the review would be brought back to the Panel.
- He stated that the Cabinet were expecting reports on Treasury Management Outturn Report 2019/20, Revenue & Capital Outturn 2019/20 and Revenue and Capital Budget Monitoring, Cash Limits and Virements – April 2020 to June 2020 to their meeting in July. He added that a balanced budget was expected to be delivered for 2019/20.

Councillor Winston Duguid for some further information in relation to the review of Property Services.

Councillor Samuel replied that prior to lockdown an external advisor had nearly been appointed, but then further discussions took place with the Chief Executive that resulted in the appointment that has been made. He said that he expected Mandy to provide an external perspective from outside of the team being reviewed.

The Chief Executive added that Mandy has vast experience from a number of previous roles and that the Council were also mindful of the costs that would have come with an external appointment.

The Chairman asked if an update on the two most recent Call-ins could be given to the next meeting of the Panel.

Councillor Samuel agreed and said initially that in relation to Grosvenor House that the timescale had changed due to it being used to accommodate a number of rough sleepers since the outbreak of Covid-19.

The Chairman thanked him for his update on behalf of the Panel.

## 8 CHAIRS & VICE CHAIRS TASK & FINISH GROUP FEEDBACK - COVID-19 POSITION STATEMENT

The Chairman introduced this item to the Panel. He thanked those that took part in the meeting and the production of the report and said that he felt the process had been very good. He explained that the report had been previously circulated as part the agenda for the Council meeting that took place on June 16<sup>th</sup> 2020.

The Panel **RESOLVED** to approve the report prior to the Cabinet debating it at their meeting on the 2nd July.

## 9 COVID-19 2020/21 FINANCIAL RECOVERY PLAN

The Chief Executive introduced this report to the Panel. He stated that the Plan was the culmination of two months of focussed work. He explained that due to the pandemic there had been an increase to the Council's expenditure and a significant decrease to its income.

He said that alongside dealing with the impact of the pandemic the Council obviously has a responsibility to look after its finances. He added that if a second spike were to occur then it was likely that new advice would need to be submitted to the Cabinet alongside a new plan. He stated it was important to update Councillors and members of the public as much as possible.

The Director of Finance & S151 Officer highlighted the following points from within the report.

- As a result of Covid-19 the 2020/21 revenue budget has an unprecedented challenge from loss of commercial income resulting in a forecast deficit before mitigations and government grant of **£42.13m**. The full implementation of the financial recovery plans (**£20.7m**) and use of unrestricted Covid-19 grant (**£10m**) will result in a projected deficit of **£11.43m** which will need to be funded from the use of reserves.
- The adverse impact on the Council's revenue budget has arisen from the urgent actions required to comply with the government lockdown which included the closure of the Roman Baths. To give context the income from our Heritage and Parking Services for April and May was £0.259m compared to £5.866m for the same period last year, a reduction of £5.607m; this equates to a loss of £91,918 a day which is required to fund Council Services. This alongside expenditure pressures which include supplier relief such as supporting the social care market and new unplanned expenditure, for example the sourcing of Personal Protective Equipment (PPE).
- The plans set out in this paper require use of the Council's Corporate reserves held for financial planning and risk. The forecast **£11.43m** deficit after revenue mitigations and government Covid-19 revenue grants will require **£2.43m** use of Revenue Budget Contingency and **£4m** of the Financial Planning reserve. The remainder will require **£5m** drawdown of the general un-earmarked reserves leaving the Council's balance at **7.2%**, this is a satisfactory balance that is over 2% higher than the average general unearmarked reserves held in B&NES nearest neighbours Unitary Authority group.
- The Capital Programme has been reviewed to revise scheme delivery timetable's considering Covid-19, alongside identifying schemes that can be rephased to create a one-off revenue saving through reduced borrowing costs. The review has been led by the Capital Strategy Group and identified **c£3m** of in year revenue savings, whilst ensuring high profile and priority schemes are continued.
- The initial forecast for potential impact on the income from Council Tax due to the impacts of Covid-19 affecting resident's ability to pay and the increase in



the number of Local Council Tax Support Scheme (LCTSS) claimants is £6 million. The forecast is based on reductions of around 10% in Council Tax income per month for the first quarter of 2020/21 and then for a gradual monthly improvement until returning to near normal levels by January 2021. Initial assessments of the income levels during the first two months of this financial year, when compared to payment rates for the same periods in 2019/20, shows a reduction of c8% in April, improving to c6% by the end of May.

- The Council has approximately 3,062 eligible businesses in the Bath and North East Somerset area and has redeployed staff from non-critical service areas to assist with processing applications for business support grants. The number of grants processed as at 21<sup>st</sup> June 2020 was 2,929 with 80 either being processed or waiting for a claim to be submitted, this indicates around 97% of eligible cases have been processed.

Councillor Karen Walker asked with regard to the recovery of overspends within the following year, how would that be possible with less income?

The Director of Finance & S151 Officer replied that as much in year action will be undertaken as possible and that reserves accounts for the true deficit. He added that he was not anticipating any further overspend and if possible reserves would be replaced in year. He explained that discussions were ongoing with MHCLG with regard to the Council's future level of income loss.

Councillor Walker asked if consideration had yet been given to further funds required if a further outbreak occurred.

The Chief Executive replied that this Plan was the first step in the recovery process and should a second wave occur that would be an entirely different situation.

The Chairman commented that in his opinion the risk assessment does not push the boundaries and therefore the Plan does not feel very resilient.

The Chief Executive replied that a great deal of thought had been put into the Plan and that B&NES was ahead of most councils on this matter. He said that he felt that additional funding would come from the Government. He stated that a package of savings have been identified and that he was comfortable with the programme that has been set out.

Councillor Alistair Singleton asked for confirmation of when the Council's revenue needs to be recognised.

The Director of Finance & S151 Officer replied that revenue needs to be recognised in year and that the collection fund should ideally not show as a deficit.

The Chairman asked if Commercial Estate business tenants were expected to pay the balance of their rent within the current financial year.

The Director of Finance & S151 Officer replied that a deferral of payments has been agreed until the latter stages of this financial year.

Councillor Andrew Furse asked how our status compares with our neighbouring authorities.

The Director of Finance & S151 Officer replied that in terms of South West Unitary Authorities they have different reserve levels set as that is a percentage of their net budget.

Councillor Furse asked about the financial profile of the Council moving forward.

The Chief Executive replied that this financial year was now being assessed and that this issue would be picked up in the next Medium Term Financial Plan / Budget. He added that B&NES was more exposed to income funding than any other Local Authority and that this was why it had been necessary to hold a higher level of reserves.

Councillor Winston Duguid asked if the Council's auditors had given a view on the Plan.

The Director of Finance & S151 Officer replied that the Plan had been shared with Grant Thornton and they had given their approval.

Councillor Hal MacFie asked if consideration had been given to opening further recycling centres.

The Chief Executive replied that operational matters such as this are being kept under constant review.

Councillor Shaun Hughes asked if any further information could be given regarding the £2.84m salary budget savings.

The Chief Executive replied that out of a £250m controllable spend, £82m was in relation to staffing. He said that a dialogue had taken place between the unions and staff with regard to holding vacancies open for a period of time, staff working reduced hours and staff purchasing extra leave. He stated that he was fairly confident the Council would secure the level of savings identified.

The Chairman commented that he felt that the Plan was based on normality returning and that he was worried that visitors to the area would not return straight away. He added that the Plan focussed too much on the short term and needed further content and asked the Cabinet to consider what actions would be required if a further spike occurred.

Councillor Lucy Hodge commented that in her opinion the Plan lacked details in some areas and that she hoped that the vacant posts would not compromise service delivery.

Councillor Karen Warrington asked for the Cabinet to outline their assumptions regarding the future, especially in relation to income and scenarios for the impact of a second spike.

Councillor Hal MacFie stated that he had read that a second spike could possibly come to fruition in October. He also spoke of the potential for an increase in unemployment and claims for Universal Credit when furloughing ends.

Councillor Winston Duguid said that he would expect some elements of the Plan to change but that he supported it in general terms.

Councillor Shaun Hughes stated that he was concerned with the impact the virus was having on tourism, retail, pubs, bars and restaurants and that a second wave would be very detrimental to these businesses. He questioned whether there would be enough resources locally to enforce the restrictions when these establishments were to open again in early July.

The Chairman said that he was not looking to be critical but wanted to be able to reassure the public on what could happen and the resilience of the Plan.

Councillor Vic Pritchard queried whether the Council should consider becoming a smaller organisation and therefore reduce some of its normal activity.

Councillor Mark Elliott challenged that view and said that he wouldn't want the Council to reduce its activity. He said that he would like to see it try to raise money differently and to not be timid in its approach.

Councillor Richard Samuel, Cabinet Member for Resources said that he felt that the debate by the Panel had gone in the wrong direction as this was an in year report to deal with the crisis. He commented that he didn't believe that income figures would return to normal for a number of years. He said that figures relating to Parking could return more quickly with people likely to rely less on public transport.

He said that Heritage income could take 12 months to return to previous figures due to social distancing measures and that income to the Commercial Estate could take up to five years to return to previous levels.

He stated that the Council would have to take some decisions very soon about the ownership of some of its properties. He added that plans for the future will follow as this process concludes and that he expected other factors, some unknown, to emerge.

The Chairman thanked him for his comments and said that a transcript or similar of what he had said would have been welcome within the report and have satisfied a number of his concerns. He asked if that were possible to be added as a commentary when presented to the Cabinet.

Councillor Samuel replied that he would address these points when presenting the report to the Cabinet.

The Panel **RESOLVED** that it;

- (i) Commends the overall shape of the recovery plan, given the balance shown between the use of reserves, assumptions over Government funding and reduction in spending.

- (ii) Asks the Cabinet to consider the implications on the Council's Commercial Estate business tenants with regard to the timing of seeking rent arrears to be paid by the end of the year.
- (iii) Asks the Cabinet to review parking charges whilst being mindful of Climate Emergency issues.
- (iv) Asks the Cabinet to directly reference the points raised by the Cabinet Member for Resources, Councillor Richard Samuel during the debate in relation to the Council's future plans / assumptions. In particular;
  - Income levels to the Council that it has grown to rely on will not return by next year.
  - Parking income may return sooner as people are likely to be less reliant on public transport.
  - Heritage income will not return to its previous levels for some time due to the likelihood of some form of social distancing being in place over the next twelve months.
  - The Commercial Estate may take around five years to return to its previous levels of income.

## 10 PANEL WORKPLAN

The Chairman introduced this item to the Panel. He explained that earlier in the afternoon he had met with the Vice-Chair and the Director of Finance & S151 Officer to discuss future items.

He said that they planned to theme the next three meetings as follows:

- July - Assessment of the Councils Business Income (Identifying where we are now)
- September - Focus on Customer Service feedback and the Procurement Strategy (Where does the Council want to be?)
- November - Commercial Estate plans / Budget structure including year on year figures (How do we get there?)

He also asked for the Panel to be updated on the two recent Call-ins at their July meeting.

Councillor Andy Furse asked if the Panel could receive a Capital Programme Update in July.

Councillor Karen Warrington asked if the People Strategy could be added to the workplan as an item for the future.

The Panel **RESOLVED** to note the requests that had been made.

The meeting ended at 7.00pm

Chair(person) .....

Date Confirmed and Signed .....

**Prepared by Democratic Services**

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<b>Bath &amp; North East Somerset Council</b>	
MEETING:	<b>Corporate Policy Development &amp; Scrutiny Panel</b>
MEETING:	<b>27<sup>th</sup> July 2020</b>
TITLE:	<b>Assessment of the Council's Business Income</b>
WARD:	All
<b>AN OPEN PUBLIC ITEM</b>	
<b>List of attachments to this report:</b> Presentation to be provided in the meeting	

## **1 THE ISSUE**

- 1.1 The report setting out the B&NES 2020/21 Financial Recovery Plan was approved by Cabinet on the 2<sup>nd</sup> July 2020 and the Revenue and Capital Budget Monitoring will be considered by the Cabinet on the 22<sup>nd</sup> July 2020 meeting.

## **2 RECOMMENDATION**

The Panel is asked to;

- 2.1 Note and discuss the presentation explaining the Covid-19 impact on the Councils revenue budgets.

## **3 THE REPORT**

- 3.1 The Covid-19 2020/21 Financial Recovery Cabinet report and Quarter 1 Revenue and Capital budget monitoring are linked as background papers. The panel will be given a presentation that explains the Covid-19 impact on the Council's income budgets looking in detail at Heritage and Parking services.

## **4 STATUTORY CONSIDERATIONS**

- 4.1 The annual medium-term financial planning process allocates resources across services with alignment of these resources towards the Council's corporate priorities. The background papers set out the in-year recovery measures that are required to enable the Council to continue performing against the financial envelope agreed in February 2020 through the Budget setting process.

## **5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)**

- 5.1 These are contained throughout the attached report and appendices.

## 6 RISK MANAGEMENT

- 6.1 A risk assessment related to the issue and recommendations will be undertaken, in compliance with the Council's decision making risk management guidance.

## 7 CLIMATE CHANGE

- 7.1 This is an information only report about the Covid-19 2020/21 Financial Recovery, it therefore does not include any decisions that have a direct impact on Climate Change.

## 8 OTHER OPTIONS CONSIDERED

- 8.1 None

## 9 CONSULTATION

- 9.1 The Cabinet Member for Resources has been consulted on the drafting of this report as well as the Chief Executive and Monitoring Officer.

<b>Contact person</b>	<i>Andy Rothery – Director of Finance (S151 Officer) 01225 477103, <a href="mailto:Andy.Rothery@bathnes.gov.uk">Andy.Rothery@bathnes.gov.uk</a></i>
<b>Background papers</b>	<p>Covid-19 2020/21 Financial Recovery Plan – 2<sup>nd</sup> July 2020 Cabinet <a href="https://democracy.bathnes.gov.uk/ieListDocuments.aspx?CId=122&amp;MIId=5756">https://democracy.bathnes.gov.uk/ieListDocuments.aspx?CId=122&amp;MIId=5756</a></p> <p>Revenue and Capital Budget Monitoring – 22<sup>nd</sup> July Cabinet <a href="https://democracy.bathnes.gov.uk/ieListDocuments.aspx?CId=122&amp;MIId=5500">https://democracy.bathnes.gov.uk/ieListDocuments.aspx?CId=122&amp;MIId=5500</a></p>
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<b>Bath &amp; North East Somerset Council</b>	
MEETING:	<b>Corporate Policy Development &amp; Scrutiny Panel</b>
MEETING:	<b>27<sup>th</sup> July 2020</b>
TITLE:	<b>Capital Programme Update</b>
WARD:	All
<b>AN OPEN PUBLIC ITEM</b>	
<p><b>List of attachments to this report:</b></p> <p>Appendix 1 Capital Strategy Group Terms of Reference</p> <p>Appendix 2 Capital Schemes to be rephased</p> <p>Appendix 3 Schemes with other review outcomes</p>	

## **1 THE ISSUE**

- 1.1 The report setting out the B&NES 2020/21 Financial Recovery Plan was approved by Cabinet on the 2<sup>nd</sup> July 2020, with amendments made to the Cabinet budget and reported through the Revenue and Capital Budget Monitoring which will be considered by the Cabinet on the 22<sup>nd</sup> July 2020 meeting.

## **2 RECOMMENDATION**

The Panel is asked to;

- 2.1 Note the Capital Strategy Group Terms of Reference and discuss the Capital programme adjustments in Appendix 2 & 3.

## **3 THE REPORT**

- 3.1 The Covid-19 2020/21 Financial Recovery Cabinet report and Quarter 1 Revenue and Capital budget monitoring are linked as background papers. The Capital Strategy Group sets out the officer governance for managing the Capital review and providing oversight of the Capital programme. Appendix 2 & 3 give the detail of the Capital programme amendments following the review as agreed by Cabinet on the 2<sup>nd</sup> July.

## **4 STATUTORY CONSIDERATIONS**

- 4.1 The annual medium-term financial planning process allocates resources across services with alignment of these resources towards the Council's corporate priorities. The background papers set out the in-year recovery measures that are

required to enable the Council to continue performing against the financial envelope agreed in February 2020 through the Budget setting process.

## **5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)**

5.1 These are contained throughout the attached report and appendices.

## **6 RISK MANAGEMENT**

6.1 A risk assessment related to the issue and recommendations will be undertaken, in compliance with the Council's decision making risk management guidance.

## **7 CLIMATE CHANGE**

7.1 This is an information only report about the Covid-19 2020/21 Financial Recovery, it therefore does not include any decisions that have a direct impact on Climate Change.

## **8 OTHER OPTIONS CONSIDERED**

8.1 None

## **9 CONSULTATION**

9.1 The Cabinet Member for Resources has been consulted on the drafting of this report as well as the Chief Executive and Monitoring Officer.

<b>Contact person</b>	<i>Andy Rothery – Director of Finance (S151 Officer) 01225 477103, <a href="mailto:Andy.Rothery@bathnes.gov.uk">Andy.Rothery@bathnes.gov.uk</a></i>
<b>Background papers</b>	<p>Covid-19 2020/21 Financial Recovery Plan – 2<sup>nd</sup> July 2020 Cabinet <a href="https://democracy.bathnes.gov.uk/ieListDocuments.aspx?CId=122&amp;MIId=5756">https://democracy.bathnes.gov.uk/ieListDocuments.aspx?CId=122&amp;MIId=5756</a></p> <p>Revenue and Capital Budget Monitoring – 22<sup>nd</sup> July Cabinet <a href="https://democracy.bathnes.gov.uk/ieListDocuments.aspx?CId=122&amp;MIId=5500">https://democracy.bathnes.gov.uk/ieListDocuments.aspx?CId=122&amp;MIId=5500</a></p>
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**APPENDIX 1**  
**Terms of Reference**  
**Bath and North East Somerset Council**

**Capital Strategy Group (CSG)**

**1 Purpose**

To govern the Council's capital programme providing advice and assurance to the Strategic Leadership Team and Cabinet on the budget setting, scheme approval, management and delivery of the Council approved capital programme.

These terms of reference set out the membership, remit, responsibilities and reporting arrangements of CSG and shall have effect as if incorporated into Bath & North East Somerset Council's Scheme of Delegations.

The group is authorised by Bath & North East Somerset Council to act within its terms of reference. All stakeholders internal and external engaged on capital schemes and relevant officers of Bath & North East Somerset Council are directed to co-operate with any request made by CSG.

**2 Membership**

**2.1 Core Membership**

The core membership of the CSG (the "core membership") shall consist of:

- 2.1.1 Director of Finance (S151 Officer) (Chair)
- 2.1.2 Director of Environment
- 2.1.3 Director of Economy and Growth
- 2.1.4 Director of Partnerships and Corporate Services
- 2.1.5 Programme Director, Bath Enterprise Zone
- 2.1.6 Head of Corporate Finance (Deputy S151)
- 2.1.7 Finance Manager Capital Projects
- 2.1.8 Head of Procurement

**2.2 Non-Core membership**

Due to the cross-Council nature of the capital programme, CSG will require additional members to join to ensure key stakeholders are present for presenting Capital items for decisions that have not been previously discussed or supported in the Strategy Group.

**3 Quorum**

**3.1 A quorum shall be:**

Section 151 Officer or Deputy S151, two service Directors or Deputy.

All Capital approvals and registered decisions will need to be in consultation with the relevant Cabinet portfolio holder and the Cabinet Member for Resources and Deputy Leader.

#### **4 Frequency of meetings**

- 4.1 Meetings shall be held weekly whilst the Council is managing its Capital review and financial recovery.

The Head of Business Support / PMO will be responsible for ensuring that agreeing agendas, minutes taking, PID reports and any other paperwork required for the group will be supported. Papers will be circulated at least three working days prior to each meeting. Minutes shall be supplied to the Leader and Deputy Leader for information.

#### **5 Remit and responsibilities of the Group**

The Capital Strategy Group's prime purpose is providing oversight and assurance that the Capital Programme operates within its financial limits and schemes are managed within scope to help enable the delivery of the Capital Programme in line with Cabinet and Council expectation.

The Capital Programme will be delivered under a single programme management process for the Council to provide an assurance framework for the implementation of approved schemes. The Group will review and advise programme entry and assess the robustness of projects at key milestones within their implementation from scheme entry through to handover and evaluation of the outcomes.

##### **5.1 Responsibilities**

The Group's initial responsibilities are:

- 5.1.1 Oversee the review of the Capital programme through to conclusion; specifically agreeing the officer recommendations for capital schemes, ensuring members are engaged to agree the officer recommendations.
- 5.1.2 Commission capital programmes and projects based on the financial, corporate and political priorities of the Council.
- 5.1.3 Review and approve capital PIDs; in particular, ensure PIDs requiring approval are aligned to the corporate and political priorities of the Council.
- 5.1.4 Act as the gateway for emerging capital schemes and grant / funding bids to ensure that resources are committed effectively on schemes supporting by the group and resource is not wasted on schemes not supported by the group.
- 5.1.5 Receive overall capital programme RAG highlight report to give assurance on programme delivery.
- 5.1.6 Resolving strategic and directional issues escalated by capital scheme owners and responsible Directors.
- 5.1.7 Ensure all opportunities for efficiencies are aligned to current strategic objectives across the capital programme, including realignment of Council resources to support a single corporately managed capital programme.
- 5.1.8 Oversee the review and centralisation of capital financing budgets across the Council through to completion.

5.1.9 Ensure that the correct level of organisational support is guaranteed to help direct resources to priority areas.

5.1.10 To advise the Deputy Leader and Cabinet Member for Resources on current and future capital programme delivery and strategy.

## 6 Governance

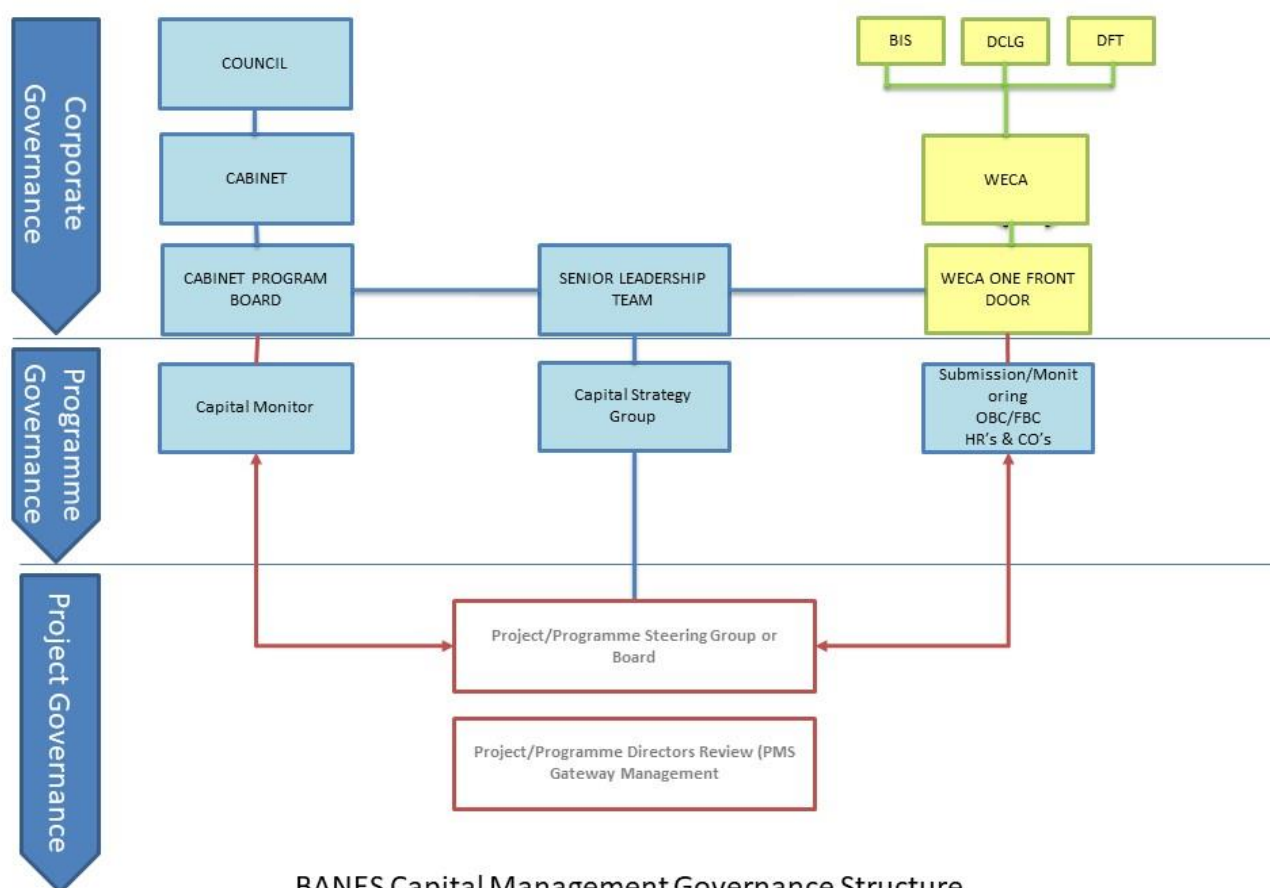
### Accountability & relationship with the governance structure

Capital Strategy Group is not part of the formal decision-making process of the Council. However, it has an important advisory role and will be expected to make recommendations to the Council.

The management of the Capital Programme is an Executive function and the extent to which decisions relating to proceeding may be delegated is a matter for the Cabinet to decide.

The Council, or Council Leader, may decide to delegate certain capital expenditure related functions to the Cabinet Member for Resources and Deputy Leader or the Cabinet Member for Housing, Planning & Economic Development who in turn may decide the extent to which those functions may be exercised on their behalf.

CSG will interface with the Corporate structure and reporting as set out in the Governance structure



BANES Capital Management Governance Structure

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## APPENDIX 2

### CAPITAL PROGRAMME REVIEW

#### Schemes Proposed for Rephasing by Portfolio

Portfolio	Status	Project Name	Budget 2020/21	Rephasing to Future Years	Borrowing Saving 2020/21	Recommend Action	Theme	Narrative
Resources and Deputy Leader	Approved	Corporate Estate Planned Maintenance	3,150	2,111	148	Rephase	Property	Review required for compliance spend only, forecast reflecting some spend will be needed. Slippage also to be reviewed
Resources and Deputy Leader	Approved	Property Company Investment (Aequus Loan Facility)	14,931	7,931	0	Continue and rephased		Release of Funds controlled by Business Case Submission. Delayed by Covid
<b>sub-total</b>				<b>10,042</b>	<b>148</b>			
Resources and Deputy Leader	Approved	Capital Contingency	900	225	9	Continue and rephased		Back-up to all schemes in programme. May be released as monitoring allows.
<b>sub-total</b>				<b>225</b>	<b>9</b>			
Climate Emergency and Neighbourhood Services	Approved	Neighbourhood Services - Asset & Vehicle Replacement Programme	1,129	45	7	Rephase	Vehicles	Criteria for Vehicle replacement to be established, inc CAZ compliance.
Climate Emergency and Neighbourhood Services	Approved	Environmental Protection Vehicles	36	18	2	Rephase	Vehicles	Criteria for Vehicle replacement to be established, inc CAZ compliance.
<b>sub-total</b>				<b>63</b>	<b>9</b>			
Transport Services	Approved	City Centre Security	550	385	25	Integrate	Update City Centre Plan	Ensure outcomes to support Visitor Economy recovery and Zero traffic options.
Transport Services	Approved	Clutton Depot Refurbishment	230	115	8	Rephase	Property	Pause and confirm statutory arrangements, assume 50%
Transport Services	Approved	Parking Vehicle Replacement Programme	67	33	5	Rephase	Vehicles	Criteria for Vehicle replacement to be established, inc CAZ compliance.

**CAPITAL PROGRAMME REVIEW**

**Schemes Proposed for Rephasing by Portfolio**

Portfolio	Status	Project Name	Budget 2020/21	Rephasing to Future Years	Borrowing Saving 2020/21	Recommend Action	Theme	Narrative
Transport Services	Approved	Street Lighting LED Replacement Programme	350	350	25	Pause		Rephase to consider remaining Value for Money of final phase of programme.
Transport Services	Approved	London Road Modification	53	53	4	Pause		Rephase to bring together with Cleveland Bridge Proposals
<b>sub-total</b>				<b>936</b>	<b>66</b>			
Housing, Planning and Economic Development	Approved	Bath Streetspace	490	490	12	Integrate	Update City Centre Plan	Ensure outcomes to support Visitor Economy recovery and Zero traffic options.
Housing, Planning and Economic Development	Approved	Waterspace	154	154	11	Integrate	Update City Centre Plan	Ensure outcomes to support Visitor Economy recovery and Zero traffic options.
Housing, Planning and Economic Development	Approved	Bath Quays North	34,760	26,241	0	Continue and rephased		Progress actions under Development Agreement to support planning phase pre-works.
<b>sub-total</b>				<b>26,885</b>	<b>23</b>			
<b>TOTAL</b>	<b>Approved</b>			<b>38,151</b>	<b>255</b>			

**CAPITAL PROGRAMME REVIEW**

**Schemes Proposed for Rephasing by Portfolio**

Portfolio	Status	Project Name	Budget 2020/21	Rephasing to Future Years	Borrowing Saving 2020/21	Recommend Action	Theme	Narrative
Resources and Deputy Leader	Provisional	IT Asset Refresh	500	475	79	Rephase	IT	Criteria for replacement to be established
Resources and Deputy Leader	Provisional	Revenues & Benefits System: End of Life Replacement	100	100	22	Rephase	IT	Criteria for replacement to be established
Resources and Deputy Leader	Provisional	Property Improvement – Orange Grove Structural Works	750	750	53	Revise	Property	Revisit options for scheme
Resources and Deputy Leader	Provisional	Property Improvement – Haycombe Crematorium	60	60	4	Rephase	Property	Dignified Entrance works, ensure integrated with Crematorium Work Programme in Corporate Estate Maintenance
Resources and Deputy Leader	Provisional	Property Improvement – Youth Centres	325	163	11	Rephase	Property	Ensure integrated with Work Programme in Corporate Estate Maintenance
Resources and Deputy Leader	Provisional	Project Inception Fund	200	200	24	Rephase		Ensure linked to Place Recovery Plan
<b>sub-total</b>				<b>1,748</b>	<b>193</b>			
Children's Services	Provisional	IT Improvements at Children's Centres – Keynsham, St Martins, Radstock and Bath	30	30	6	Rephase	IT	Ensure integrated with Work Programme in Corporate Estate Maintenance
<b>sub-total</b>				<b>30</b>	<b>6</b>			
Climate Emergency and Neighbourhood Services	Provisional	Neighbourhood Services - Asset & Vehicle Replacement Programme	939	939	148	Rephase	Vehicles	Criteria for Vehicle replacement to be established, inc CAZ compliance.

## APPENDIX 2

### CAPITAL PROGRAMME REVIEW

#### Schemes Proposed for Rephasing by Portfolio

Portfolio	Status	Project Name	Budget 2020/21	Rephasing to Future Years	Borrowing Saving 2020/21	Recommend Action	Theme	Narrative
Climate Emergency and Neighbourhood Services	Provisional	Waste Depot Relocation	15,842	15,842	0	Continue and rephased		Spend will be in future years. 20/21 is Design and Planning phase and part of approved programme.
<b>sub-total</b>				<b>16,781</b>	<b>148</b>			
Transport Services	Provisional	Cleveland Bridge Refurbishment	3,920	1,920	0	Continue and rephased		Contractor appointed. Continue to seek approvals and delivery options prior to Sept 2021 grant condition.
Transport Services	Provisional	Transportation Delivery Programme	600	480	34	Integrate	Update City Centre Plan & Others	Member led Environmental Improvements - rephase to focus on implementation programme for 21/22
Transport Services	Provisional	Replacement Mopeds for Outer Area Parking Enforcement	35	26	4	Rephase	Vehicles	Criteria for Vehicle replacement to be established, inc CAZ compliance.
Transport Services	Provisional	Passenger Transport Vehicle Replacement Programme	1,180	885	139	Rephase	Vehicles	Criteria for Vehicle replacement to be established, inc CAZ compliance.
Transport Services	Provisional	Pay & Display Replacement	285	285	34	Rephase		Criteria for replacement to be established
Transport Services	Provisional	Somerdale Bridge	1,200	600	0	Rephase		Funding sources for full scheme need confirming.
Transport Services	Provisional	Highways Road Salt Storage	675	675	47	Rephase		Progresses with Waste Relocation which will 21/22
Transport Services	Provisional	Lansdown P&R Extension	240	240	17	Rephase		Review to seek external funding.
Transport Services	Provisional	Securing of Sports and Leisure Centre car park	30	30	2	Rephase		Criteria for replacement to be established
<b>sub-total</b>				<b>5,141</b>	<b>278</b>			

**CAPITAL PROGRAMME REVIEW**

**Schemes Proposed for Rephasing by Portfolio**

Portfolio	Status	Project Name	Budget 2020/21	Rephasing to Future Years	Borrowing Saving 2020/21	Recommend Action	Theme	Narrative
Housing, Planning and Economic Development	Provisional	York Street & Swallow Street Public Realm	225	225	16	Pause	Heritage	Forecast reflect rephase to next FY
Housing, Planning and Economic Development	Provisional	BWR Phase 2	5,000	5,000	0	Continue and rephased		No plans for 20/21
Housing, Planning and Economic Development	Provisional	Affordable Housing	2,085	2,085	61	Rephase		Monitor Progress of when capital works will take replace
Housing, Planning and Economic Development	Provisional	Cattlemarket	150	150	11	Rephase		Carry out feasibility study later and seek alternative funding
Housing, Planning and Economic Development	Provisional	Borrowing Match Grant Programmes	150	150	11	Rephase		New bids to wait until 21/22
<b>sub-total</b>				<b>7,610</b>	<b>98</b>			
Community Services	Provisional	Parks Equipment	125	63	4	Rephase		Criteria for replacement to be established
<b>sub-total</b>				<b>63</b>	<b>4</b>			
<b>TOTAL</b>	<b>Provisional</b>			<b>31,373</b>	<b>728</b>			

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**CAPITAL PROGRAMME REVIEW**
**Schemes with Other Review Actions by Portfolio**

Portfolio	Status	Project Name	Budget 2020/21	Borrowing Cost Saving	Recommend Action	Theme	Narrative
Resources and Deputy Leader	Approved	York Street Vaults Phase 2	900	0	Pause	Heritage	Ensure project linked to Archway Project t and Heritage Plans
Resources and Deputy Leader	Approved	Bath Area Forum - CIL Funded Schemes - Approved	196	0	Integrate	Ensure correct CIL focus	Budget represents committed offers by Bath Area Forum.
Climate Emergency and Neighbourhood Services	Approved	Waste Depot Relocation	1,491	105	Continue - swap grant for borrowing		Planning & design of New Waste Depot facilities at Pixash Lane. Grant replaces by borrowing for 20/21, but future build will need borrowing
Transport Services	Approved	Highways Maintenance Programme	5,826	106	Continue - swap grant for borrowing where possible		Further Government funding likely to be annouced will allow budget to funded more from grant and Council Borrowing to support 21/22
Transport Services	Approved	Hicks Gate Roundabout Improvement	113	0	Continue but develop future project differently		Meet immediate critical land and legal gateways then put on hold. Then consider transfer to WECA as lead authority
Transport Services	Approved	A37 to A362 Improvements to Access Somer Valley Enterprise Zone	10	0	Continue but develop future project differently		Meet immediate critical land and legal gateways then put on hold. Consider future transfer to WECA lead authority

**CAPITAL PROGRAMME REVIEW**
**Schemes with Other Review Actions by Portfolio**

Portfolio	Status	Project Name	Budget 2020/21	Borrowing Cost Saving	Recommend Action	Theme	Narrative
Housing, Planning and Economic Development	Approved	Keynsham High Street Public Realm Implementation	1,493	0	Integrate	Update Economic Recovery Plan	Re-scope to better support economic recovery including exploring Zero traffic option
Housing, Planning and Economic Development	Approved	Midsomer Norton Public Realm	169	0	Integrate	Update Economic Recovery Plan	Re-scope to better support economic recovery including exploring Zero traffic option
Housing, Planning and Economic Development	Approved	Somer Valley Enterprise Zone - Infrastructure	1,043	0	Continue but develop future project differently		Complete current OBC stage Milestone and pause.
Community Services	Approved	Heritage Services Energy Capture Scheme	300	0	Pause	Heritage	Ensure this is priority project within Heritage Plans
Community Services	Approved	Parade Gardens Café Acquisition	10	0	Remove		Excess budget from old scheme no longer needed. Borrowing saving adjusts income target



**CAPITAL PROGRAMME REVIEW**
**Schemes with Other Review Actions by Portfolio**

Portfolio	Status	Project Name	Budget 2020/21	Borrowing Cost Saving	Recommend Action	Theme	Narrative
Resources and Deputy Leader	Provisional	Bath Area Forum - CIL Funded Schemes - Provisional	1,123	0	Integrate	Ensure correct CIL focus	Pause to Review CIL Priorities & role of Bath Area Forum
Children's Services	Provisional	SEND Capital – Bath Studio School/Aspire	2,000	141	Continue - swap grant for borrowing		Can come from Basic Need Grant and also likely will be 20/21
Children's Services	Provisional	Schools CIL	1,472	0	Integrate	Ensure correct CIL focus	Pause to Review CIL Priorities
Climate Emergency and Neighbourhood Services	Provisional	Clean Air Zone	18,320	0	Integrate	CAZ Proposals	Link Proposals with other Low Emission Work
Transport Services	Provisional	City Centre Protection Measures	640	0	Integrate	Update City Centre Plan	Ensure outcomes to support Visitor Economy recovery and Zero traffic options.
Transport Services	Provisional	City Centre Streetscape / Security	250	0	Integrate	Update City Centre Plan	Ensure outcomes to support Visitor Economy recovery and Zero traffic options.
Transport Services	Provisional	Electric Vehicle Charging - Taxi's and On Street	80	0	Integrate	CAZ Proposals	Link Proposals with other Low Emission Work
Transport Services	Provisional	Office for Low Emission Vehicles (OLEV) Bid	804	0	Integrate	CAZ Proposals	Link Proposals with other Low Emission Work

**CAPITAL PROGRAMME REVIEW**
**Schemes with Other Review Actions by Portfolio**

Portfolio	Status	Project Name	Budget 2020/21	Borrowing Cost Saving	Recommend Action	Theme	Narrative
Housing, Planning and Economic Development	Provisional	Bath River Line	602	0	Integrate	Update City Centre Plan	Ensure outcomes to support Visitor Economy recovery and Zero traffic options, s.t. grant conditions
Housing, Planning and Economic Development	Provisional	Bath Quays - Weston Island	100	0	Integrate	Update City Centre Plan	Seek to rephase over future financial years with alternative funding
Housing, Planning and Economic Development	Provisional	CIL - Public Realm	300	0	Integrate	Ensure correct CIL focus	Pause to Review CIL Priorities
Housing, Planning and Economic Development	Provisional	Keynsham High Street Public Realm Implementation	952	0	Integrate	Update Economic Recovery Plan	Re-scope to better support economic recovery including exploring Zero traffic option

**CAPITAL PROGRAMME REVIEW**

**Schemes with Other Review Actions by Portfolio**

Portfolio	Status	Project Name	Budget 2020/21	Borrowing Cost Saving	Recommend Action	Theme	Narrative
Community Services	Provisional	CIL - Green Infrastructure / Recreation	300	0	Integrate	Ensure correct CIL focus	Pause to Review CIL Priorities
Community Services	Provisional	Whitchurch Parks (CIL)	50	0	Integrate	Ensure correct CIL focus	Pause to Review CIL Priorities
Community Services	Provisional	Heritage Collections Centre	250	0	Pause	Heritage	Ensure this is priority project within Heritage Plans
Community Services	Provisional	Museums Acquisitions	5	0	Pause	Heritage	Ensure priority projects within Heritage Plans
Community Services	Provisional	Heritage Infrastructure Development	377	0	Pause	Heritage	Ensure priority projects within Heritage Plans
<b>OVERALL TOTAL</b>				<b>351</b>			

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## CORPORATE POLICY DEVELOPMENT AND SCRUTINY PANEL

This Forward Plan lists all the items coming to the Panel over the next few months.

Inevitably, some of the published information may change; Government guidance recognises that the plan is a best assessment, at the time of publication, of anticipated decision making. The online Forward Plan is updated regularly and can be seen on the Council's website at:

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<http://democracy.bathnes.gov.uk/mgPlansHome.aspx?bcr=1>

The Forward Plan demonstrates the Council's commitment to openness and participation in decision making. It assists the Panel in planning their input to policy formulation and development, and in reviewing the work of the Cabinet.

*Should you wish to make representations, please contact the report author or, Democratic Services (). A formal agenda will be issued 5 clear working days before the meeting.*

*Agenda papers can be inspected on the Council's website and at the Guildhall (Bath), Hollies (Midsomer Norton), Civic Centre (Keynsham) and at Bath Central, and Midsomer Norton public libraries.*

Ref Date	Decision Maker/s	Title	Report Author Contact	Director Lead
<b>27TH JULY 2020</b>				
27 Jul 2020	Corporate Policy Development and Scrutiny Panel	Assessment of the Council's Business Income - Where we are now	Andy Rothery Tel: 01225 477103	Director Finance - Section 151 Officer
27 Jul 2020	Corporate Policy Development and Scrutiny Panel	Capital Programme Update	Andy Rothery Tel: 01225 477103	Director Finance - Section 151 Officer
<b>28TH SEPTEMBER 2020</b>				
28 Sep 2020	Corporate Policy Development and Scrutiny Panel	Assessment of the Council's Business Income - Where does the Council want to be?	Andy Rothery Tel: 01225 477103	Director Finance - Section 151 Officer
28 Sep 2020	Corporate Policy Development and Scrutiny Panel	Procurement Strategy	Richard Howroyd Tel: 01225 477334	
28 Sep 2020	Corporate Policy Development and Scrutiny Panel	Contacting the Council (Background Briefing:- reporting an issue to the Council)	Tracey Long	Director Partnership & Corporate Services
<b>23RD NOVEMBER 2020</b>				

Ref Date	Decision Maker/s	Title	Report Author Contact	Director Lead
23 Nov 2020	Corporate Policy Development and Scrutiny Panel	Assessment of the Councils Business Income - How do we get to where we want to be?	Andy Rothery Tel: 01225 477103	Director Finance - Section 151 Officer
23 Nov 2020	Corporate Policy Development and Scrutiny Panel	Budget Structure	Andy Rothery Tel: 01225 477103	Director Finance - Section 151 Officer
23 Nov 2020 Page 39	Corporate Policy Development and Scrutiny Panel	Retail Centres: Initiatives / Rent pressure / Empty premises / Commercial Estate challenges	Andrea Frow Tel: 01225 47 7242	Director of Economy & Growth

#### FUTURE ITEMS

The Forward Plan is administered by **DEMOCRATIC SERVICES:** [Democratic\\_Services@bathnes.gov.uk](mailto:Democratic_Services@bathnes.gov.uk)

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