

## **ASSET MANAGEMENT SUB COMMITTEE**

**WEDNESDAY 9<sup>TH</sup> OCTOBER 2024**

Minutes of the meeting of the **ASSET MANAGEMENT SUB COMMITTEE** held in the Council Chamber, Council Offices, School Aycliffe Lane, Newton Aycliffe, on **WEDNESDAY 9<sup>TH</sup> OCTOBER 2024** at **7.00p.m.**

### **PRESENT**

**Councillors:** Eddy Adam, Martin Ashcroft, Jim Atkinson, Arun M. Chandran, Brian Haigh, Andy Hill, Michael Stead, Anne Woodward and John Woodward.

### **OFFICERS**

Mr D. Austin (Town Clerk)  
Mrs T. Woodhead (Finance Manager)  
Mrs. V. Anderson (Corporate Assistant)

**IN ATTENDANCE** One member of the public.

### **10. APOLOGIES FOR ABSENCE**

Apologies for absence were submitted on behalf of Councillors Lindsey Aston, John Clark, Jed Hillary, Joanne Jones, John Moore and Carl Robinson.

### **11. MEMBERS' DISPENSATIONS**

There were no requests for dispensations.

### **12. DECLARATIONS OF INTEREST**

There were no declarations of interest.

### **13. PUBLIC QUESTIONS**

There were no public questions.

### **14. MINUTES OF PREVIOUS MEETING**

It was proposed by Councillor Andy Hill, seconded by Councillor John Woodward, and agreed that the notes of the previous meeting of the Asset Management Sub-Committee, held on 26<sup>th</sup> June 2024 be received.

### **15. ASSET MANAGEMENT UPDATE**

An update report, together with appropriate appendices, was presented by the Town Clerk and Finance Manager for consideration, highlighting progress in delivering the Council's Asset Management Plan.

The Town Clerk provided a summary of the report and drew attention to section 3 which provides commentary to support the various information set out in the appendices.

It was agreed to move to consideration of the individual appendices in turn.

## **Appendix 1 – Land and Building Works Update Report for 2024/25**

This appendix set out the various land and building works planned for this year as part of the 2024/25 Capital Budget, highlighting the categorisation of the various capital projects between those agreed to go ahead in 2024/25, provisional sums, projects deferred to a future year and deleted projects, as agreed at the previous meeting.

The schedule included progress updates from officers on all of the projects agreed to go ahead in 2024/25.

Members considered the report page by page, receiving the progress updates and asking any questions on individual projects.

The Town Clerk updated Members on the funding bid which had been submitted to the Community Energy Fund in relation to the costs of undertaking feasibility study and securing project management and procurement support towards the proposed project to install a solar panel system at the Oak Leaf Sports Complex. Unfortunately, after quite a long and complicated application process, the Community Energy Fund have notified officers that the application has been unsuccessful. However, officers continue to work with the funding team to see if any relevant funding may be available in future and are still looking for opportunities. In a worst-case scenario, the Council may need to decide whether it wishes to fund the feasibility study as well as the capital cost for the panels to be installed. A climate change update report is due to be presented to the Council in next few months which will provide an update on this issue.

## **Appendix 2 – Other Capital Works Update Report for 2024/25**

This appendix set out the various non- land and building works planned for this year as part of the 2024/25 Capital Budget, highlighting the categorisation of the various capital projects between those agreed to go ahead in 2024/25, provisional sums, projects deferred to a future year and deleted projects, as agreed at the previous meeting.

The schedule included progress updates from officers on all of the projects agreed to go ahead in 2024/25.

Members considered the report page by page, receiving the progress updates and asking any questions on individual projects.

With reference to the electrical works equipment budget, Councillor Andy Hill asked if the plan is to replace working items or only when replacements needed.

The Town Clerk clarified that this budget would only to be used when replacements are required and when a viable electrical alternative is available.

### **Appendix 3 – Adjusted Capital Programme Budget 2024/25**

This appendix showed the adjusted Capital Programme Budget for 2024/25 highlighting the budget amounts were shown for the projects highlighted in Appendix 1 and 2.

Councillor Arun M. Chandran identified that damage to some of our bus shelters is an issue on the town and asked if there are enough funds available to repair them.

The Finance Manager explained that there is £2,500 per year in this budget and any underspend is carried forward and reviewed each year.

The Town Clerk drew attention to the split of this year's Capital Programme, following the categorisation of the programme by the Sub-Committee. Based on the proposed allocation of the budget, it is likely that there will be a total investment of £326,365 in 2024/25, if all agreed projects go ahead and none of the provisional sums are spent. This represents around 60% of the budget.

### **Appendix 4 – Capital Budget Position to 31<sup>st</sup> August 2024**

This appendix shows actual spending on the 2024/25 Capital Budget to 31<sup>st</sup> August 2024 showing spending on the completed projects referenced in Appendix 1 and 2.

The Finance Manager circulated an additional document showing the capital projects being funded by the VAT Windfall Reserve and spending to date.

### **Appendix 5 – Medium-Term Financial Plan**

This appendix sets out the Medium-Term Financial Plan Capital Programme Budgets for the period 2024/25 to 2028/29.

The Finance Manager explained that the MTFP had been reported to and approved by the Policy and Resources Committee on 11<sup>th</sup> September.

Councillor Arun M. Chandran raised concerns regarding the budget provision in the 2025/26 financial year for the renewal of the A167 street lighting commuted sum and whether the Council should be renewing this agreement.

The previous ten-year agreement with Durham County Council expires in May / June 2025. Budget provision of £60,000 has been set aside in the MTFP for the possible renewal of this agreement but costs are likely to be significantly higher than this due to the substantial increase in electricity costs over the period.

Councillor Chandran highlighted that any decision by Durham County Council regarding the lights would need to consider the new Copelaw site being built with up to 1,400 properties, which would negate their argument of low traffic usage.

He proposed that the issue be deferred to the Environment Committee and personally felt that the Town Council should not invest any further into street lighting.

The Town Clerk advised that the issue could be dealt with as a financial decision as part of the agreement of the 2025/26 Capital Budget at Environment Committee next week or as a policy decision following further enquiries with Durham County Council regarding their intentions for the lights and likely costs.

Councillor Arun M. Chandran proposed that the item be reviewed as a policy matter via the Environment Committee Agenda at the November meeting, following officer enquiries with Durham County Council.

Councillor Eddy Adam said he had raised this issue with officers prior to the meeting highlighting similar concerns.

He highlighted that at the time the Council agreed the current agreement, the decision was correct but the developments since have significantly changed things. He suggested approaching Durham County Council to not only gather information on possible costings, but a full picture of what their intention is if the Town Council does not renew the agreement.

The Town Clerk confirmed he was happy to make some initial enquiries and depending on the amount of information back, do a full report to the November Environment Committee. From a budget perspective, a decision would be needed by January to inform the final 2025/26 Capital Budget.

It was agreed that the Town Clerk would seek further information and prepare a report to the Environment Committee in November for a policy decision on the issue.

### **Appendix 6 – Summary of Asset Management Plan**

This appendix sets out the Asset Management Plan and potential capital investment requirements for the period 2024/25 to 2033/34.

It was proposed by Councillor Eddy Adam, seconded by Councillor Jim Atkinson and agreed that the Asset Management Update Report be received.

## **16. DRAFT 2025/26 CAPITAL PROGRAMME BUDGETS**

The report was presented by the Finance Manager setting out the draft 2025/26 Capital Programme Budget for members consideration.

The Finance Manager highlighted that the budget had been prepared largely on the basis of the investment already identified in the Medium-Term Financial Plan, adjusted for any changes in costs as well as the addition of any new projects identified by managers as being of an essential nature.

The draft budget had been agreed with all budget managers and considered at a meeting of the Chairmen and Vice Chairmen of each Committee and spokesperson for each political group and will be reported to Environment, Recreation and Policy and Resources Committees during October.

It was proposed by Councillor Eddy Adam, seconded by Councillor Arun Chandran and agreed that the draft 2025/26 Capital Programme Budgets and proposed categorisation of the projects by officers be approved.

## **17. RECOMMENDATIONS**

It was agreed that the following recommendations be submitted to the Policy and Resources Committee for consideration and approval:

- i) That the Asset Management Update Report be received and agreed
- ii) That the Town Clerk would contact Durham County Council to gather information, regarding the A167 lighting situation, given that the 10-year agreement is due to end next year and prepare a report to the November meeting of the Environment Committee to seek a policy decision from the Council on the issue.
- iii) That the draft 2025/26 Capital Programme Budgets and proposed categorisation of the projects by officers be approved.

**CHAIRMAN**