

FINANCE AND MANAGEMENT COMMITTEE

10th October 2019

PRESENT:-

Conservative Group

Councillor Watson (Chairman), Fitzpatrick (Vice-Chairman) and Councillors Angliss, Billings, Bridgen (substituting for Cllr Brown), Ford, Macpherson and Wheelton (substituting for Cllr Roberts).

Labour Group

Councillors Dr. Pearson, Rhind, Richards, Southerd and Taylor.

FM/59 **APOLOGIES**

Apologies were received from Councillor Mrs Brown and Roberts (Conservative Group).

FM/60 **MINUTES**

The Minutes of the Finance and Management Committee held on 25th July were noted and approved.

FM/61 **DECLARATIONS OF INTEREST**

Councillor Ford declared an interest in relation to Agenda Item 10, by virtue of being a County Councillor.

FM/62 **QUESTIONS FROM MEMBERS OF THE PUBLIC PURSUANT TO COUNCIL PROCEDURE RULE NO 10**

The Committee was informed no questions from members of the public had been received.

FM/63 **QUESTIONS BY MEMBERS OF THE COUNCIL PURSUANT TO COUNCIL PROCEDURE RULE NO 11**

The Committee was informed no questions from Members of the Council had been received.

FM/64 **REPORTS OF OVERVIEW AND SCRUTINY COMMITTEE**

The Committee was informed no reports had been received.

MATTERS DELEGATED TO COMMITTEE

FM/65 UPDATE TO THE MEDIUM TERM FINANCIAL POSITION

The Head of Finance presented the report updating the Committee on the Council's medium-term financial position. This is based on a Medium Term Financial Plan (MTFP) which sets out a financial projection for 5 years on the General Fund and 10 years on the HRA. The Head of Finance outlined the changes that affect the Council's medium-term financial position, highlighting the Growth provision, the uncertainty in the continuation of the New Homes Bonus, income from Industrial Units, and the approved contribution to the Community Partnership Scheme. In relation to the Housing Revenue Account (HRA), the Head of Finance highlighted the changes made to the MTFP and that it reflected the transfer of staffing from the HRA to the General Fund, and an increase in investment income. Highlighted risks included the continuation of right-to-buys and the rollout of Universal Credit as it is likely to increase debt levels.

Councillor Dr. Pearson raised comment in relation to the impact of Universal Credit and the level of monitoring of that impact by Overview and Scrutiny Committee. The Strategic Director (Corporate Resources) responded that Overview and Scrutiny Committee have been engaged in reviewing the rollout of Universal Credit for the last couple of years through the submission of reports on the number of claimants and level of arrears.

Councillor Macpherson sought reassurance on the handling of debt collection and that it be ensured that the customer interface continues to be positive and supportive. The Head of Housing Services responded to this, by highlighting the internal and multi-agency work being conducted to ensure that residents are fully supported.

RESOLVED:

- 1.1 That the update to the Medium-term Financial Plan (MTFP) to 2025 on the General Fund and to 2030 on the Housing Revenue Account as detailed in the report and summarised in Appendix 1 and Appendix 2 be approved.***
- 1.2 That the risks and assumptions detailed in the report for the General Fund and Housing Revenue Account be noted and that the Council continues its cautious approach to maintain financial stability ahead of the Government's Spending Review in 2020/21.***
- 1.3 That this strategy is reviewed half-yearly to ensure that potential budget deficits are addressed at the earliest opportunity.***
- 1.4 That efficiencies and budget savings continue to be pursued where opportunities arise to sustain the current financial position.***
- 1.5 That the financial projections provide the basis for planning and for setting the Base Budget for the General Fund and HRA for 2020/21.***

FM/66 THE LOCAL AUTHORITIES' PROPERTY FUND

The Strategic Director (Corporate Resources) presented the report to the Committee.

Councillor Richards sought clarification and reassurance on where the investment is made in relation to property. The Strategic Director (Corporate Resources) advised that a hyperlink in the report directs Members to a full breakdown of investments.

Councillor Southerd commented on the receipt of dividends and the Strategic Director (Corporate Resources) responded that any dividends are not reinvested but paid to the Council on a quarterly basis. Councillor Dr. Pearson, whilst noting the reasons to invest, sought clarification on whether there would be any risk of overexposure to a fund and whether a limit would be imposed to mitigate such a risk. The Strategic Director (Corporate Resources) advised that while there was no limit, ongoing consultation with Treasury advisors on such matters would ensure prudence. The Director also highlighted that by increasing the total investment to £4m, this would still only account for approximately 10% of the Council's investments and would ensure a balanced portfolio.

RESOLVED:

That the Council invests an additional £2m into the CCLA Lamit Property Fund for an indefinite period, subject to quarterly review.

That progress on the value of the cash deposit together with dividend returns is reported to the Committee on a quarterly basis.

FM/67 REVIEW and PROPOSED USE OF EARMARKED RESERVES

The Head of Finance presented the report advising that due to Section 106 funding being made available for works completed in Hilton, this funding would be put back into the General Fund.

RESOLVED:

That amounts received under S106 agreements for Hilton are transferred to the General Reserve as detailed in the report.

That a sum of £250,000 is transferred from the Growth Reserve to the Public Buildings Maintenance Reserve.

FM/68 DISABLED FACILITIES GRANTS AND ADAPTATIONS TO COUNCIL HOMES UPDATE

The Head of Housing Services presented the report to the Committee explaining that adaptations to Council properties are carried out under the Council's own adaptations policy, which was agreed by Housing and

Community Services Committee on 6th June 2019 and that funding for DFGs is received by the Council as part of the Better Care Fund (BCF), which supports a range of services and functions designed to help people with a disability remain in their own home. The Head of Housing Services clarified that adaptations paid for through the BCF are delivered in partnership with Derbyshire County Council (DCC) and subject to a formal referral from the Occupational Therapy Service.

Whilst Members welcomed the report, Cllr Rhind sought clarification on the current underspend and the possibility of the funding being clawed back as a consequence. The Head of Housing Services advised that although this could be a possibility, the work that this Council has undertaken with the County Council has been proactive and been received positively.

Councillor Richards welcomed the report and that awareness of this scheme would be raised through communications so that more residents can engage in the process where required. Councillor Fitzpatrick requested a timescale on the implementation of the post of occupational health and was advised by the Head of Housing that once the job evaluation process had been completed, a further report would be submitted in the new year.

Councillor Macpherson sought clarification on the process of means-testing particularly in relation to those who do not qualify for funding but are able to fund the scheme themselves. The Head of Housing Services advised that the scheme is implemented in line with the government and County Council's guidance which stipulates a means-testing approach. Members were advised that the use of Communications would not only raise awareness but also assist residents by educating them on the process involved.

RESOLVED:

- 1.1 That the current position regarding expenditure and timescales for the provision of adaptations be noted.***
- 1.2 That the extension of the contract for the Technical Officer funded through the Better Care Fund (BCF) be approved.***
- 1.3 That the Committee agree to providing the public with further information regarding the availability of Disabled Facilities Grants.***
- 1.4 That the possibility of creating an in house "Occupational Therapist" role is explored further as part of the Better Care Fund project.***

FM/69 **COMMITTEE WORK PROGRAMME**

The Strategic Director (Corporate Resources) presented the report to the Committee.

RESOLVED:

Members considered and approved the updated work programme.

FM/70 **LOCAL GOVERNMENT ACT 1972 (AS AMENDED BY THE LOCAL GOVERNMENT [ACCESS TO INFORMATION] ACT 1985)**

RESOLVED:-

That, in accordance with Section 100(A)(4) of the Local Government Act 1972 (as amended), the press and public be excluded from the remainder of the Meeting as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that there would be disclosed exempt information as defined in the paragraphs of Part 1 of the Schedule 12A of the Act indicated in brackets after each item.

MINUTES

The Exempt Minutes of the Meetings held on the 25th July 2019 were received.

TO RECEIVE QUESTIONS FROM MEMBERS OF THE COUNCIL PURSUANT TO COUNCIL PROCEDURE RULE NO. 11

The Committee was informed no questions had been received.

BAD & DOUBTFUL DEBTS

The Committee approved the recommendation in the report.

STRUCTURE REVIEW CORPORATE PROPERTY SERVICES UNIT

The Committee approved the recommendation in the report.

The meeting terminated at 6.50 pm.

COUNCILLOR P WATSON

CHAIRMAN