

FINANCE AND MANAGEMENT COMMITTEE

20 July 2023

PRESENT:

Labour Group

Councillor R Pearson (Chair), Councillor L Singh (Vice-Chair) and Councillors A Archer (substituting for Councillor Harrison), M Mulgrew, G Rhind, B Stuart, S Taylor and N Tilley.

Conservative Group

Councillors D Corbin, M Fitzpatrick and S Meghani.

Liberal Democrats

Councillor G Andrew

In Attendance

Councillor M Gee
Councillor A Wheelton

FM/12 **APOLOGIES**

The Committee was informed that apologies had been received from Councillor S Harrison (Labour Group) and Councillor M Ford (Conservative Group).

FM/13 **DECLARATIONS OF INTEREST**

The Committee was informed that no declarations of personal interest had been received.

FM/14 **QUESTIONS FROM MEMBERS OF THE PUBLIC PURSUANT TO COUNCIL PROCEDURE RULE NO 10**

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

FM/15 **QUESTIONS BY MEMBERS OF THE COUNCIL PURSUANT TO COUNCIL PROCEDURE RULE NO 11**

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

FM/16 **REPORTS OF OVERVIEW AND SCRUTINY**

The Committee was informed that no reports from the Overview and Scrutiny Committee had been received.

FM/17 **TREASURY MANAGEMENT ANNUAL REPORT 2022-23**

The Head of Finance presented the report to the Committee and outlined the key points of the Annual Report with a summary of the out-turn position, confirming that investments were good and there would be scope to increase investments. It was noted that the Counterparty List provided the boundaries for the Council's investments.

Members sought clarity on the position of the Council in comparison to other Local Authorities and how its risk appetite to investments was defined.

The Strategic Director (Corporate Resources) informed the Committee that other Local Authorities had made commercial investments, but the investment rates secured by South Derbyshire were solid. The Strategic Director (Corporate Resources) explain that the Members would be notified about risk factors in due course.

RESOLVED:

- 1.1 The Committee approved the Treasury Management Annual Report for 2022/23, as per Appendix 1 to the report.**
- 1.2 The Committee noted the Prudential Indicators and Limits for 2022/23 to 2027/28 as per Appendix 2 to the report, as approved in February 2023.**
- 1.3 The Committee approved the updated counterparty (lending) list at 31st March 2023, as per Appendix 3 to the report.**

FM/18 **FINAL REVENUE BUDGET OUT-TURN 2022-23**

The Head of Finance presented the report to the Committee, highlighting an additional £200,000.00 funding from business rates which was to assist with a backlog in planning applications. The Housing Revenue Account fund showed an overall improvement, but it was noted that at the year end there was outstanding planned maintenance work and that £330,000.00 from ear marked reserves was to help progress the re-letting of void properties.

The Strategic Director (Corporate Resources) asked the Committee to note that Appendix 2 of the report which showed ear marked reserves supported the Council's corporate aims and were aligned to spend that had been approved by Members.

Members raised questions about the terminology of the report, if the £200,000.00 additional funding had been approved previously and why the provision for Land Charges had no spend against it. Members commented about the need to consider fleet replacement and maintenance costs carefully.

The Strategic Director (Corporate Resources) informed Members that the model for budgeting used in the future would be service driven. The budgetary changes would require a review of the procedural rules and the General Fund and Housing Revenue Account Funds would be addressed in future model

changes. The £200,000.00 additional funding was new and approved within the budget and policy framework delegated authority.

The Chief Executive informed Members that the provision for Land Charges would be used to fund the cleansing of the data prior to the transfer of the service to HM Land Registry.

RESOLVED:

1.1 The Committee approved the final outturn position for:

- **The General Fund Revenue Account 2022/23**
- **The Housing Revenue Account 2022/23**
- **The Balance of Reserves as at 31 March 2023.**

1.2 The Committee noted that a net appropriation of £599K in 2022/23 was made from the General Fund Reserve to other Earmarked Reserves and that a net appropriation of £145k was made from the Earmarked Reserves to the Housing Revenue Account, General Reserve as detailed in the report.

1.3 The Committee noted that the following contributions and adjustments had been made to Bad Debt and Appeal Provisions in 2022/23:

Sundry Debtors	40,436	General Fund
Temporary Accommodation	8,963	General Fund
Housing Benefit Overpayments	72,014	General Fund
Council Tax Arrears	13,576	General Fund
Business Rates Arrears	8,586	General Fund
Business Rates Appeals	283,000	General Fund
Planning Appeals	-10,000	General Fund

1.4 The Committee noted that, overall, there had been a reduction in the bad debt. The reduction contained within the balance sheet was £173k, whilst the annual charge to the general fund base budgets was a favourable variance of £193k.

1.5 The Committee noted that a review of the Earmarked Reserves would be undertaken by the Section 151 Officer before the end of the financial year, as set out in paragraph 5.8 of the report

FM/19 **FINAL CAPITAL OUTTURN 2022-23**

The Head of Finance presented the report in particular Table 4.10 of the report due to Section 106 funding.

Members raised queries on items in the report including the low number of applications for fuel poverty; the reason for an underspend on improvements at play parks and a village hall asset list.

The Head of Finance informed Members that an update would be provided to the queries raised in due course.

Members congratulated Officers on the transformation of the Delph in Swadlincote where improvements had been completed.

RESOLVED:

1.1 The Committee approved the final Capital outturn position for both the General Fund and Housing Revenue Account (HRA) for 2022/23.

1.2 The Committee approved the final balance on Capital Reserves for 2022/23.

FM/20 **COMMITTEE WORK PROGRAMME**

The Strategic Director (Corporate Resources) presented the report to the Committee highlighting how the programme included the new approach for next year's budget setting.

Councillor Wheelton requested that the Internal Audit report be included on the Audit Sub-Committee Agenda and Councillor Andrew requested that the date for the Proposed Policy for Paying Market Supplements was notified to all Members as soon as possible.

The Strategic Director (Corporate Resources) informed the Committee that the date for the Market Supplements report would not be known until the People Strategy was complete and Members would be updated in due course.

RESOLVED:

The Committee considered and approved the updated work programme.

FM/21 **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.

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

The Committee was informed that no questions had been received.

**GRADE OF POST – LEGAL & DEMOCRATIC SERVICES MANAGER
(DEPUTY MONITORING OFFICER)**

RESOLVED:

The Committee approved the recommendations in the report.

The meeting terminated at 18:55 hours.

COUNCILLOR R PEARSON

CHAIR