

MINUTES of the MEETING
of the SOUTH DERBYSHIRE DISTRICT COUNCIL
held at Civic Offices, Civic Way, Swadlincote
on 2nd March 2015
at 6.00 p.m.

PRESENT:-

Conservative Group

Councillor Murray (Chairman), Councillor Atkin (Vice-Chairman) and Councillors Mrs. Brown, Ford, Mrs. Hall, Harrison, Hewlett, Jones, Lemmon, Mrs. Patten, Mrs. Plenderleith, Roberts, Smith, Stanton, Mrs. Watson, Watson and Wheeler.

Labour Group

Councillors Bambrick, Bell, Chahal, Dunn, Frost, Mrs. Heath, Mrs. Mead, Mulgrew, Pearson, Rhind, Richards, Shepherd, Southerd, Stuart, Taylor, Tilley and Wilkins.

CL/124 **APOLOGIES**

Apologies for absence from the Meeting were received from Councillors Bale & Mrs Hood (Conservative Group)

CL/125 **MINUTES**

The Open Minutes of the Meeting of the Council held on 9th February 2015 (Minutes Nos. CL/104 - CL/119) were taken as read, approved as a true record and signed by the Chairman.

CL/126 **DECLARATIONS OF INTEREST**

No declarations of interest were received.

CL/127 **ANNOUNCEMENTS FROM THE CHAIRMAN, LEADER AND CHIEF EXECUTIVE**

The Chairman gave a summary of events attended since the last meeting, making particular reference to the opening of three new businesses in Swadlincote.

The Leader referred to a visit made by Councillor Plenderleith to Councillor Bale, who remains very ill. Flowers and best wishes from his fellow Councillors had been passed onto Councillor Bale and his family.

The Chief Executive Officer requested a change in the order of business, making the Local Plan Part 1 – Housing Requirement the first item.

CL/128 **QUESTIONS BY MEMBERS OF THE PUBLIC PURSUANT TO COUNCIL PROCEDURE RULE NO. 10**

Council were informed no questions had been received.

CL/129 **QUESTIONS BY MEMBERS OF THE COUNCIL PURSUANT TO COUNCIL PROCEDURE RULE NO. 11**

Council were informed that no questions had been received.

CL/130 **LOCAL PLAN PART 1 – HOUSING REQUIREMENT**

The Planning Policy Manager presented a report bringing Members up to date with the latest position on the Local Plan Part 1 (2011-2028) and to seek endorsement on an increased housing requirement to be met in South Derbyshire, in the range 12,539 – 12,618 dwellings (an increase of 198 – 277 dwellings).

Councillor Watson stated it was essential that the Local Plan be in place to afford some protection to the Council's position, that the Council had done all it was required to do by the Housing Inspector, unlike its partners in the Derby Housing Market Area, Amber Valley Borough Council (AVBC) and Derby City Council (DCC). As DCC's figures were now capped the Councillor suggested the Council and AVBC split the remaining requirement equally between them, recommending that the higher figure quoted be taken forward.

Councillor Tilley commended the work undertaken by Officers, but queried why the matter was being debated in Open Committee, rather than Exempt. The Chief Executive Officer confirmed that, legally, the matter had to be an Open item. Councillor Southerd again commended the Officers on their work and stressed that a Plan be maintained to protect the Council from unrestricted development.

RESOLVED:-

That the housing target in the Local Plan Part 1 (2011-2028) be increased in the range of 12,539 – 12,618 dwellings (an increase of 198 – 277 dwellings) as recommended in the report.

CL/131 **COUNCIL TAX SETTING 2015/16**

The Director of Finance and Corporate Services referred to this report, as presented at the last Finance and Management Committee, recommending that the 2015/16 Council Tax levels be again frozen at current levels.

The Leader commented that there had been further improvement in the Council's financial position over the last 12 months, that sensible plans had been put in place year on year and for the longer term, minimising the burden on local taxpayers. He further explained the Council's current and prospective financial position for 2015/2016.

Councillor Richards stated that the Opposition Group were content to support a zero increase in the Council Tax levels.

As required by the Constitution a recorded vote was taken;

The Members who voted for were: Councillors Murray, Atkin, Bambrick, Bell, Mrs. Brown, Chahal, Dunn, Ford, Frost, Mrs. Hall, Mrs Heath, Harrison, Hewlett, Jones, Lemmon, Mrs Mead, Mulgrew, Mrs. Patten, Pearson, Mrs. Plenderleith, Rhind, Richards, Roberts, Shepherd, Smith, Southerd, Stanton, Stuart, Taylor, Tilley, Mrs. Watson, Watson, Wheeler and Wilkins.

No votes against.

RESOLVED:

That the Council approves the following resolutions:-

- 1. It be noted that on 15th January 2015, the Finance and Management Committee calculated the Council Tax Base 2015/16:***
 - (a) For the whole area as 30,608 (Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended by the Localism Act 2011).***
 - (b) For dwellings in those parts of its area to which a Parish Precept relates as 20,763.***
- 2. Calculate that the Council Tax Requirement for the Council's own purpose for 2015/16 (excluding Parish Precepts) is £4,598,852.***
- 3. That the following amounts be calculated for the year 2015/16 in accordance with Sections 31 and 36 of the Localism Act 2011:***
 - (a) £48,720,464***

Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Act taking into account all precepts issued to it by Parish Councils.
 - (b) £43,453,672***

Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act.
 - (c) £5,266,792***

Being the amount by which the aggregate of 3(a) above exceeds the aggregate of 3(b) above, calculated by the Council in accordance with Section 31A (4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).

(d) £172.07

Being the amount at 3(c) above (Item R) all divided by Item T (1a above) calculated by the Council in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish Precepts).

(e) £667,940

Being the aggregate amount of all Parish Precepts referred to in Section 34 (1) of the Act.

(f) £150.25

Being the amount at 3 (d) above less the result given by dividing the amount at 3 (e) above by Item T (1a above) calculated by the Council in accordance with Section 34 (2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish Precept relates.

- 4. *To note that Parish Councils have issued precepts to the Council in accordance with Section 41 of Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in Schedule A of this Appendix.***
- 5. *To note that the County Council, the Police and Crime Commissioner and the Fire and Rescue Service for Derbyshire, have issued Precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in Schedule B of this Appendix.***
- 6. *That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in Schedule C of this Appendix, as the amounts of Council Tax for 2015/16 for each part of its area and for each of the categories of dwellings, this being the aggregate of Schedules A and B.***

- 7. That in accordance with Section 52 (ZB) of the Local Government Finance Act 1992, the Council determines that the amount of council tax shown at 3 (f) above of £150.25 being unchanged from 2014/15 is not excessive and therefore there is no requirement for a local referendum.**

CL/132 **EVALUATION OF THE GENERAL FUND RESERVE AND OPTIONS FOR UTILISATION**

The Leader thanked the Director of Finance and Corporate Services for producing his report at such short notice, a report that has now been considered by Members. Whilst there is a downside in the forecast reserves for 2015/16 due, in particular, to the Government grant levels, there is also an upside, namely the Business Rates Retention and likely a significant underspend for 2014/15.

The Leader commented that supplementing current capital projects had its merits, but having recently committed £650,000 to them, including funds for Disabled Facility Grants and £300,000 for the Community Partnership Scheme. Projects that had not received support were not rejected due to allocated funds being exhausted, but because they scored more poorly.

Whilst Members are aware that the Civic Offices are ‘tired’, investment to reduce future costs could only be justified if they believed that the premises had a long term future, but in the short term this was felt to be doubtful. Upgrading the IT network and investment in the customer contact areas are likewise linked to the future of the council offices. The Leader stated that the Chief Executive may wish to consider the above options and come back to the Finance and Management Committee with a situation report and proposals when he considered this appropriate.

The Leader stated that the Conservative Group is determined to propose an option which benefits all South Derbyshire Council Tax payers, the money held in the Council’s reserves above the prudent minimum being the people’s money. The intention is that the Council return 5% of the 2015/16 Council Tax to Council Tax payers as an efficiency dividend on 1st July 2015. This would result in a total costs of £270th to be funded from the uncommitted reserves. Unlike the large unitary authorities of London Boroughs of Ealing and Kensington and Chelsea, the figures for a District Council’s Council Tax are small, so the Council cannot hope to offset the precept increases set by Derbyshire County Council, the Police and Crime Commissioner or Fire and Rescue Authority, but he felt that the Council could return some of the people’s money by way of the following proposals;

- 1) An efficiency dividend at a flat rate of £6.20 be paid to South Derbyshire Council Tax payers in 2015/16.
- 2) That the amount be credited to Council Tax accounts on 1st July 2015, with the relevant payment instalment reduced accordingly.
- 3) That the dividend is applied to households which, on 1st July 2015, are known to be liable for Council Tax.
- 4) That the dividend is credited to the 2015/16 Council Tax liability.

- 5) That household's exempt from Council Tax or have no Council Tax liability do not receive a dividend.
- 6) That where any households have a Council Tax liability less than the flat rate amount of £6.20 in 2015/16, their liability be reduced to zero.
- 7) That the dividend is not applied to any Council Tax arrears.
- 8) That the use of £270,000 from uncommitted General Reserves be authorised to fund the dividend, including the administrative costs detailed in the report.

Councillor Richards recorded his appreciation of the principles behind the proposals and that the Labour Group was in agreement to a zero increase for 2015/16. However, he referred to the recommendations in the Director of Finance and Management's previous report as to the Council remaining cautious in its expenditure due, primarily, to the uncertainties around future grant funding. Councillor Richards queried whether the £270,000 figure quoted for this proposal could be spent elsewhere on other options, feeling that the £6.20 dividend was insignificant. Serious doubts regarding the Council's financial position were expressed should such a proposal be taken forward and therefore the Labour Group were not minded to disregard the Director of Finance and Corporate Services' guidance in these matters.

Councillor Harrison stated that given the level of reserves the Council holds, the proposal was both prudent and feasible, in accordance with the Council's good record of financial management which the proposal will not jeopardise.

Members debated the feasibility and validity of the proposal.

The Labour Group requested that a recorded vote be taken.

The Chief Executive Officer sought to clarify that the proposal being voted on included item 1.2 from the Director of Finance and Corporate Services' report, namely, If any specific proposals are approved in principle, any further detailed implications and process arrangements are reported to the Finance and Management Committee on 19th March 2015 prior to implementation. This was agreed.

The Members who voted for were: Councillors Murray, Atkin, Mrs. Brown, Ford, Mrs. Hall, Harrison, Hewlett, Jones, Lemmon, Mrs. Patten, Mrs. Plenderleith, Roberts, Smith, Stanton, Mrs. Watson, Watson and Wheeler.

The Members who voted against were: Councillors Bambrick, Bell, Chahal, Dunn, Frost, Mrs Heath, Mrs Mead, Mulgrew, Pearson, Rhind, Richards, Shepherd, Southerd, Stuart, Taylor, Tilley and Wilkins.

The proposal was carried on the Chairman's casting vote.

RESOLVED:

- a) ***That an efficiency dividend at a flat rate of £6.20 be paid to South Derbyshire Council Tax payers in 2015/16.***

- b) That the amount be credited to Council Tax accounts on 1st July 2015, with the relevant payment instalment reduced accordingly.**
- c) That the dividend be applied to households which, on 1st July 2015, are known to be liable for Council Tax.**
- d) That the dividend be credited to the 2015/16 Council Tax liability.**
- e) That household's exempt from Council Tax or have no Council Tax liability do not receive a dividend.**
- f) That where any households have a Council Tax liability less than the flat rate amount of £6.20 in 2015/16, their liability be reduced to zero.**
- g) That the dividend not be applied to any Council Tax arrears.**
- h) That the use of £270,000 from uncommitted General Reserves be authorised to fund the dividend, including the administrative costs detailed in the report.**
- i) That any further detailed implications and process arrangements are reported to the Finance and Management Committee on 19th March 2015 prior to implementation.**

CL/133 **OPEN REPORTS**

Council received and considered the open minutes of its committees.

RESOLVED:-

That the open minutes of the following Committees are approved as a true record:-

Environmental and Development Services Committee (Special Budget), 8th January 2015 (Minutes Nos. EDS/66 – EDS/72)

Housing and Community Services Committee (Special Budget), 13th January 2015 (Minutes Nos. HCS/51 – HCS/58)

Finance and Management Committee (Special Budget), 15th January 2015 (Minutes Nos. FM/89 – FM/97)

Overview and Scrutiny Committee, 21st January 2015 (Minutes Nos. OS/30 – OS/40)

Environmental and Development Services Committee, 29th January 2015 (Minutes Nos. EDS/73 – EDS/84)

CL/134 **COMPOSITION OF COMMITTEES, SUB-COMMITTEES AND WORKING PANELS**

Council were informed no changes had been made to the composition of Committees, Sub-Committees and working panels since its last meeting.

CL/135 **COMPOSITION OF SUBSTITUTE PANELS**

Council were informed that no changes had been made to the composition of the substitute panels since its last meeting.

CL/136 **REPRESENTATION ON OUTSIDE BODIES**

Council were informed that no changes had been made to the Council's representation on outside bodies since its last meeting

CL/137 **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 for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined under the paragraphs of Part 1 of Schedule 12A of the Act as indicated in the reports of Committees.

EXEMPT MINUTES OF THE COUNCIL

The Exempt Minutes of the Council, held on 9th February 2015, (Minute Nos. CL/120-CL/123) were taken as read, approved as a true record and signed by the Chairman.

EXEMPT QUESTIONS BY MEMBERS OF THE COUNCIL PURSUANT TO COUNCIL PROCEDURE RULE NUMBER 11

Council were informed that no questions had been received.

RISK BASED VERIFICATION FRAMEWORK AND POLICY

The Director of Finance and Corporate Services referred to his report, as presented at the last Finance and Management Committee.

RESOLVED:

- a) That a Risk Based Verification Framework to process claims for Housing Benefit and the Council Tax Reduction Scheme be approved.*
- b) That a Risk Based Verification Scheme Policy be approved.*
- c) That the Framework and the Policy be implemented from April 2015.*
- d) That the Policy be reviewed and approved on an annual basis.*
- e) That the performance of the Scheme be monitored by the Audit Sub Committee.*

The Meeting terminated at 7.10pm

COUNCILLOR P MURRAY

CHAIRMAN OF THE DISTRICT COUNCIL