

FINANCE AND MANAGEMENT COMMITTEE

12th October 2017

PRESENT:-

Conservative Group

Councillor Harrison (Chairman), Councillor Mrs Plenderleith (Vice-Chairman) and Councillors Mrs Coe, Coyle, Ford, Mrs Hall (substituting for Councillor Hewlett), Watson and Wheeler

Labour Group

Councillors Rhind, Richards, Southerd and Wilkins

FM/67 **APOLOGIES**

Apologies were received from Councillors Hewlett and Smith (Conservative Group)

FM/68 **MINUTES**

The Open Minutes of the Meetings held on 22nd June 2017, 20th July 2017 and 31st August 2017 were taken as read, approved as a true record and signed by the Chairman.

FM/69 **DECLARATIONS OF INTEREST**

Councillors Mrs Coe, Richards and Wheeler declared a personal interest in relation to Item 16 on the Agenda by virtue of being acquainted with the current market manager.

FM/70 **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/71 **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/72 **REPORTS OF THE OVERVIEW AND SCRUTINY COMMITTEE**

There were no reports of the Overview & Scrutiny Committee to consider.

FM/73 **INFORMATION TECHNOLOGY AND DIGITAL STRATEGY 2017 TO 2020**

The Director of Finance and Corporate Services presented the report to Committee updating Members on the progress and proposed strategy that has been through the consultation process.

RESOLVED:

Members approved the Information Technology and Digital Strategy, together with the associated work plan for 2017 to 2020 as detailed in the report, for implementation.

FM/74 UPDATE on the COUNCIL'S MEDIUM TERM FINANCIAL POSITION

The Director of Finance and Corporate Services presented the report to Committee outlining the process, potential risks and benefits of the proposal to enter the government's pilot scheme to trial the 100% retention of Business Rates and highlighted that the rate accounted is dependent on growth and sustainability of businesses.

Whilst referring to the pilot scheme, some Members queried how funds would be distributed. The Director responded advising that if the Council was to be part of the pilot, it would share in all Business Rates generated in Derbyshire with all growth being retained in the County; it was being proposed that a proportion would be shared locally, with a proportion being retained centrally to be used to finance infrastructure projects approved by the Derbyshire Economic Partnership.

The Director explained how the New Homes Bonus (NHB) bonus would be accounted in the Council's Medium Term Financial Position. The impact of the changes to the NHB scheme were outlined, where the reduction to legacy payments of the bonus from 6 to 4 years, the increase in the baseline where the first 0.4% of growth would be deemed 'deadweight' and therefore no longer qualify for the NHB, and the introduction of penalties for authorities where new homes which were rejected at the application stage, but then overturned on appeal would receive no NHB payment.

The Director highlighted that growth within the District and subsequent cost pressures would affect income, not only council tax and NHB, but also potentially impact the service base budget, for example, the provision of waste collection for new properties. The Director explained the recommendation to set-aside additional income from the NHB in the annual Growth Provision in the MTFP, to specifically deal with the cost of growth allowing the Council to allocate and direct resources accordingly. The Director advised that the current expenditure would not be sustainable, that the cost of growth would need to be monitored and savings identified in order to address the projected longer-term budget deficit.

RESOLVED:

1.1 Members approved the updated financial projections on the General Fund to 2023 and the Housing Revenue Account to 2028 as detailed in the report.

1.2 Members approved that additional income from the New Homes Bonus over that projected in the base budget is set-aside in the annual Growth Provision in the MTFP as detailed in the report.

- 1.3 Members approved that the Council undertakes a review of the impact of residential growth on service delivery to ascertain the potential cost implications over the financial planning period.***
- 1.4 Members approved that further budget savings are pursued to alleviate the projected General Fund deficit in the medium-term.***
- 1.5 Members approved that the financial projections provide the basis for planning purposes and for setting the General Fund and Housing Revenue Account's Base Budgets for 2018/19.***
- 1.6 Members approved that the Policy on Earmarked Reserves as detailed in Appendix 3 be approved.***
- 1.7 Members approved that the Council supports a business case to become a pilot authority, as part of the Derbyshire Business Rates Pool, to trial 100% Business Rates Retention in 2018/19.***
- 1.8 Members approved that subject to the outcome of the business case, the Council submits an application to the Government alongside other Pool authorities for a Derbyshire-wide pilot in 2018/19.***
- 1.9 Members approved that an update on progress of the pilot is provided to the Committee at its next meeting on 30th November 2017.***

FM/75 **PROPOSED LOCAL COUNCIL TAX SUPPORT SCHEME 2018/19**

The Director of Finance and Corporate Services presented the report to Committee.

RESOLVED:

- 1.1 Members approved that the existing Local Council Tax Support Scheme currently in place is continued and adopted for 2018/19.***
- 1.2 Members approved that the detailed parameters are reported to Full Council on 18th January 2018.***
- 1.3 Members approved that the current Compensation Grant, associated with the Council's Support Scheme, paid to Parish Councils is maintained for 2018/19***

FM/76 **DISCRETIONARY BUSINESS RATE RELIEF SCHEMES**

The Director of Finance and Corporate Services explained the business rate relief schemes criteria to Committee.

Councillor Richards noted the importance of small businesses in driving the economy and was joined by Members in welcoming the report.

RESOLVED:

1.1 Members approved the proposed Discretionary Business Rate Revaluation Relief Scheme for 2017/18 to support local businesses in South Derbyshire worst affected by the 2017 Rating Revaluation List.

1.2 Members approved that rate relief is awarded to a business based on the following scheme criteria:

- ***Its RV is less than £200,000.***
- ***Its Business Rates payable in 2017/18 has increased by 10% or greater when compared to 2016/17.***
- ***The business does not qualify for any other relief.***
- ***The business is not part of a national chain or group of companies, i.e. it is a local business in the District.***
- ***Relief is limited to 90% of the total increase in rates payable between 2016/17 and 2017/18.***

1.3 Members approved that the proposed Scheme for future years be reviewed as part of the annual Budget Round.

1.4 Members approved that notice be given to terminate all other discretionary relief payments beyond April 2019 to allow for an annual review process to be implemented from 2019/20.

FM/77 **DISABLED FACILITIES GRANTS – DELIVERY OF THE 2017/18 ALLOCATION**

The Director of Finance and Corporate Services presented the report to Committee. Councillor Rhind noted that the report had been referred by the Housing and Community Services Committee and was joined by Councillor Mrs Coyle in reporting that all queries had been addressed by the Strategic Housing Manager.

RESOLVED:

1.1 Members approved the appointment of a Technical Officer (scale 6 – subject to Job Evaluation) on an 18 month fixed term contract to address the current underspend on mandatory Disabled Facilities Grants (DFGs) and enable the expansion of the service and increased capacity within the team.

1.2 Members reviewed and agreed adaptations to the existing grant administration process to remove the task of procuring each individual job. This will involve undertaking a larger procurement exercise to identify a small number of contractors within a framework agreement who will work under a 2 year measured term contract (this will not include major adaptations over £25k which will still go out to tender on an individual basis)

1.3 Members reviewed the use of the Better Care Fund allocation and the existing DFG policy and agreed that proposed revisions and

amendments be brought back to Housing and Community Services Committee in March 2018.

FM/78 **COMMITTEE WORK PROGRAMME**

The Director of Finance and Corporate Services presented the Work Programme to Committee and advised that titles of reports to be submitted to the Committee from November 2017 to March 2018 would be circulated after the Meeting.

RESOLVED:

That the Committee considered and approved the updated work programme subject to further information.

FM/79 **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 22nd June 2017, 20th July 2017 and 31st August 2017 were received.

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

The Committee was informed that no questions had been received.

SWADLINCOTE MARKET

Members approved the recommendations in the report.

TEMPORARY CHANGES TO STAFFING IN PLANNING

Members approved the recommendations in the report.

PROPERTY IN SWADLINCOTE

Members approved the recommendations in the report.

REVIEW OF COUNCIL MANAGEMENT STRUCTURE

Members approved the recommendations in the report.

REMUNERATION PANEL REPORT

Members approved the recommendations in the report.

The meeting terminated at 7.20pm.

COUNCILLOR J HARRISON

CHAIRMAN