

FINANCE AND MANAGEMENT COMMITTEE

09 February 2023

**PRESENT:**

**Labour Group**

Councillor Pearson (Chair), Councillor Rhind (Vice-Chair) and Councillors Tilley, Richards Southerd and Taylor.

**Conservative Group**

Councillors Corbin (substitute for Councillor Lemmon) Dawson, Fitzpatrick, Ford, Smith and Watson

**Non-Grouped**

Councillor Churchill

**In Attendance**

Councillor Bambrick  
Councillor Wheelton

FM/113 **APOLOGIES**

The Committee was informed that apologies had been received from Councillor Lemmon (Conservative Group).

FM/114 **TO RECEIVE THE OPEN MINUTES OF THE FOLLOWING MEETINGS:**

The Open Minutes of the meeting held on 17 March 23, 28 April 2023, 09 June 2023 and 21 July 2023 were noted and approved as a true record and signed by the Chair.

FM/115 **DECLARATIONS OF INTEREST**

The Committee was informed that a declarations of personal interest had been received from Councillor Smith regarding Item CL/119 by virtue of being a Parish Councillor.

FM/116 **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/117 **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/118 **REPORTS OF OVERVIEW SCRUTINY**

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

FM/119 **GENERAL FUND CONSOLIDATED BUDGET REPORT 2023/24 AND MEDIUM-TERM FINANCIAL PLAN TO 2027/28**

The Head of Finance presented the report to the Committee and outlined the the proposed medium term financial plan and Government settlement for 2023/24. The Committee received updates regarding the reduction of reserves, the government funding guarantee of £1.8 million and the New Homes Bonus.

The Head of Finance requested that the Committee considered an increase for Parish Council concurrent functions and voluntary bodies grants as well as the Council Tax increase for 2023/24.

The Committee was informed of the changes to the budget that included the reduced energy tariff from January 2023, the increased investment income that off set additional expenses and the increase of the pension contribution of up to 20% on salaries.

Councillor Richards addressed the Committee and proposed a 2% increase for Parish Councils and voluntary bodies grants and informed the Committee that a 1% increase for 2023/24 Council Tax was considered sufficient due to the increase in investment and confirmation that the New Homes Bonus would be received until 2024/25.

**RESOLVED:**

- 1.1 The Committee considered and approved the estimates of revenue income and expenditure on the General Fund for 2023/24 as detailed in the report.***
- 1.2 The Committee considered and approved a 2% increase for grants to voluntary bodies and Parish Councils for concurrent functions in 2023/24.***
- 1.3 The Committee considered and recommended to Full Council a Council Tax increase of 1% for 2023/24.***
- 1.4 The Committee approved the updated five-year financial projection for the General Fund to 2027/28 as detailed in Appendix 2 of the report, and all the associated assumptions and risks as included in the report.***
- 1.5 The Committee approved that the Council's National Non-Domestic Rates return (NDR1) for 2023/24 showing retained business rates be reported to Finance and Management Committee on 16 March 2023.***

**FM/120 HOUSING REVENUE ACCOUNT BUDGET, FINANCIAL PLAN AND PROPOSED RENT 2023-24**

The Head of Finance presented the report to the Committee noting the 3% increase in rents and gave an update on utility costs, the increase in pension contributions and the impact on the medium term plan predicting a £1.5 million reserve over the 10-year plan.

**RESOLVED:**

**1.1 *The Committee considered and approved the proposed revenue income and expenditure for 2023/24, for the Housing Revenue Account (HRA) as detailed in Appendix 1 to the report.***

**1.2 *The Committee approved that the HRA be kept under review and measures identified to mitigate the financial risks detailed in the report and to maintain a sustainable financial position.***

**FM/121 CAPITAL BUDGET TO 2028**

The Head of Finance addressed the Committee and sought approval of the recommendations within the report. The Committee was updated on the Better Care Fund, Community Project grant, Green Homes grant and Corporate projects. An overview of the Public Buildings Budget and the programme of works was presented to the Committee. It was also noted that the updated Capital Budget included repairs, decarbonisation, council house developments and a vehicle replacement schedule.

Councillor Richards raised a query regarding the Disabled Adaptions Grant.

The Head of Finance confirmed that any remaining funds were carried over but it was envisaged that all would be spent by the end of the financial year.

Councillor Ford raised concern regarding the Occupational Health Service.

The Strategic Director (Corporate Resources) confirmed that that the issue had been resolved with the County Council.

**RESOLVED:**

**1.1 *The Committee considered and approved the capital programme expenditure and funding to 2028.***

**1.2 *The Committee approved the Public Buildings Planned Maintenance Programme as at Appendix 2 of the report.***

**FM/122 AUDIT OF ACCOUNTS AND FINANCIAL STATEMENTS**

The Strategic Director (Corporate Resources) addressed the Committee and presented the report noting concerns raised by the Audit Sub-Committee regarding the delays with the external audits. The Strategic Director (Corporate Resources) assured the Committee that there was no reason to believe that any

issues would be found with the Council and noted there was very little the Council could do but noted that the government had appointed a specialist body to look into the issues. In addition, the Committee was informed that the costs of the external audit were expected to rise.

Councillor Wheelton attended the meeting and addressed the Committee as Chair of Audit Sub-Committee and sought advice from the Section 151 Officer regarding placing the issue of delayed external audits on the risk register.

Members discussed the reasons for the issue to be placed on the risk register in the future.

The Chief Executive addressed the Committee and explained that it would be a cumulative risk but should be discussed with and agreed by the Section 151 Officer as to whether it was to be placed on the Risk Register.

**RESOLVED:**

***1.1 The Committee considered the position regarding the external audit of the Council's Accounts and Financial Statements.***

FM/123 **TOYOTA CITY**

The Head of Economic Development and Growth attended the meeting and presented the report to the Committee following its approval by Environmental and Development Services Committee. The Head of Economic Development and Growth noted how Toyota worked alongside a variety of community groups and businesses in the area and that 2023 would mark 25 years of the partnership and that there were a number of events planned in celebration. The Committee was requested to approve the recommendations outlined within the report.

Members commended the report and recognised the importance of the partnership with Toyota and the way in which the company supported the Council's intention to become carbon neutral by 2023.

**RESOLVED:**

***1.1 The Committee recognised the importance of the relationship with Toyota City to South Derbyshire, particularly in terms of inward investment and employment.***

***1.2 The Committee approved that the activities of the Toyota City Partnership Board continued to be supported.***

***1.3 The Committee approved that a one-off budget of £20,000 be allocated from General Fund Reserves to support the further development of the successful relationship for the benefit of the local economy.***

FM/124 **COMMITTEE WORK PROGRAMME**

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

**RESOLVED:**

*The Committee considered and approved the updated work programme.*

FM/125 **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.*

**TO RECEIVE THE EXEMPT MINUTES OF THE FOLLOWING MEETINGS:**

*The minutes of the 17 March 2022, 28 April 2022, 09 June 2022 and 21 July were received.*

**Exempt questions rule 11**

*The Committee was informed no questions had been received.*

**ENVIROMENTAL EDUCATION PROJECT CONTRACTS & FUNDING**

**RESOLVED:**

*The Committee approved the recommendations in the report.*

**FUTURE SERVICE DELIVERY AND EMPLOYMENT MODELS UPDATE**

**RESOLVED:**

*The Committee approved the recommendations in the report.*

The meeting terminated at 19:30 hours

COUNCILLOR R PEARSON

CHAIR