

FINANCE AND MANAGEMENT COMMITTEE

10th February 2022

PRESENT:

Labour Group

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

Conservative Group

Councillors, Ackroyd, Bridgen, Lemmon, Redfern, and Watson.

Independent Group

Councillors Fitzpatrick and Roberts

Non-Grouped

Councillor Wheelton

In Attendance

FM/124 **APOLOGIES**

The Committee was informed that no apologies had been received.

FM/125 **TO RECEIVE THE OPEN MINUTES OF THE FOLLOWING MEETINGS**

The Open Minutes of meetings held on 7th October 2021, 21st October 2021, and 25th November 2021 were noted and approved as true record and signed by the Chair.

FM/126 **DECLARATIONS OF INTEREST**

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

FM/127 **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/128 **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/129 **REPORTS OF OVERVIEW AND SCRUTINY COMMITTEE**

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

MATTERS DELEGATED TO COMMITTEE

FM/130 **RECRUITMENT OF BIKEABILITY CO-ORDINATOR**

The Head of Cultural and Community Services presented the report to the Committee that had been approved by the Housing and Community Services Committee in November 2021. It was noted that it would be a full time post until the end of the academic year and that extension of the post into the next financial year was dependent on need and the availability of future funding.

RESOLVED:

The Committee approved the recruitment of a Bikeability Co-ordinator, within the Active Communities and Health Unit of Cultural and Community Services. The new post will coordinate and deliver the South Derbyshire Active Schools Partnership's (SDASP) Bikeability programme

FM/131 **RECRUITMENT OF ACTIVE SCHOOLS' PARTNERSHIP (ASP) PHYSICAL EDUCATION (PE) AND SCHOOL SPORT COACH**

The Head of Cultural and Community Services outlined the report and informed the Committee that the fulltime post that would again be until the end of the Academic Year and that demand and future funding would impact on the continuation of the role into the next Financial Year.

Councillor Watson commended the report and the need for schools to be supported to improve the delivery of sports.

RESOLVED:

- 1.1 The Committee approved the recruitment of an Active Schools' Partnership (ASP) Physical Education (PE) and School Sport Coach, within the Active Communities and Health Team of Cultural and Community Services. The new post will support the delivery of the South Derbyshire ASP's (SDASP) PE and School Sport programme.***
- 1.2 The Committee approved the recruitment of additional ASP PE & School Sport Coaches subject to service demand of the SDASP PE and School Sport programme.***
- 1.3 The Committee gave the Strategic Director – Service Delivery delegated authority to extend the contracts of relevant ASP PE and School Sport Coaches subject to continued and/or growing service***

demand of the SDASP PE and School Sport programme and funding being secured

FM/132 **GENERAL FUND CONSOLIDATED BUDGET REPORT 2022/23 AND MEDIUM-TERM FINANCIAL PLAN TO 2026/27**

The Head of Finance delivered the report to the Committee noting that the increase in Council Tax receipts had been due to the growth of new proprieties in the District. The Head of Finance outlined the various Council Tax settings options and highlighted the impacts of different increases. It was noted that the prediction of the New Homes Bonus reducing was the worst case scenario. Members were asked to note the concern regarding an increase in Business Rates, the Fair Funding review and to consider the 2% increase to Parish Councils for concurrent functions.

The Section 151 Officer addressed the Committee and highlighted the uncertainty in relation to the government' funding reduction for Hew Homes Bonus in the years ahead and urged Members to consider the impact of the loss of the funding when setting the Council Tax for the next Financial Year.

The Chief Executive addressed the Committee regarding an exit strategy for when Land Charges were moved over to the Land Registry and explained that the new format had caused many issues for all councils involved. It was further noted that a position statement would go before Overview and Scrutiny and that an update report would be brought to the Finance and Management Committee at a later date.

Members carefully considered the cost of living crisis and the government advice regarding the Council Tax increase and sought clarity regarding support for struggling households. and proposed a Council Tax increase of £4.95 at Band D for 2022/23.

The Head of Finance confirmed that a support network was in place for residents when it was needed.

The Chair put the recommendations in the report to the Committee individually.

RESOLVED:

- 1.1 The Committee considered and approved the estimates of revenue income and expenditure on the General Fund for 2022/23.***
- 1.2 The Committee approved a 2% increase on grants to voluntary bodies and Parish Councils for concurrent functions.***
- 1.3 The Committee recommended to Full Council that the rate of Council Tax for 2022/23 should be increased by £4.95.***

1.4 The Committee approved the updated five-year financial projection for the General Fund to 2026/27 as detailed in Appendix 2 of the report and all the associated assumptions and risks as included in the report.

1.5 The Committee noted the Council's National Non-Domestic Rates return (NDR1) for 2021/22 showing retained business rates of £10,838,722 for 2022/23.

FM/133 **CAPITAL BUDGET TO 2027**

The Head of Finance introduced the report and outlined future projects to be funded by the Better Care Fund and the Green Homes Grant that would be reported on at a later date. It was noted that a review of Capital Reserves would be required due to General Fund Collaboration Agreement funding reduction along with a review of vehicle replacements. The Head of Finance informed the Committee the Housing Revenue Account was in a good position and that debt repayments would be met as expected and that 18 properties had been sold under Right to Buy.

Members commended the report and the continued delivery of services.

RESOLVED:

1.1 The Committee considered and approved the capital programme expenditure and funding to 2027.

1.2 The Committee approved that the current Fleet Management Strategy and Vehicle Replacement Plan be reviewed in 2022/23 and be realigned to the level of resources currently available and that the outcome be reported back to the Committee.

FM/134 **HOUSING REVENUE ACCOUNT BUDGET, FINANCIAL PLAN AND PROPOSED RENT 2022-23**

The Head of Finance informed the Committee of the 1.4 % rent increase for 2022/23 agreed by the Housing and Community Services Committee and highlighted how the repayment of debt has reduced interest charges and this had helped to improve the position of the Housing Revenue Account but noted that future Right to Buy sales could reduce income.

Members raised concern that rent arrears could increase due to the predicted cost of living crisis

The Head of Finance informed the Committee that there was a plan in place regarding future rent arrears and that housing officers continued to work with residents regarding repayment of arrears.

RESOLVED:

- 1.1 The Committee approved the proposed revenue income and expenditure for 2022/23, together with the 10-year Financial Plan for the Housing Revenue Account (HRA) as detailed in Appendix 1 of 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/135 **TREASURY MANGEMENT COUNTERPARTY LIMITS UPDATE**

The Head of Finance addressed the Committee and sought approval for the requested increase on counter-party limits to enable flexibility with cash deposits.

RESOLVED:

The Committee approved the updated Counterparty List for investments and bank deposits as detailed in Appendix 1 of the report.

FM/136 **PROPOSED REVISED COUNCIL TAX REDUCTION SCHEME 2022 – 2023 & CONSULTATION FEEDBACK**

The Head of Customer Services presented the report to the Committee and outlined the consultation process and the number of responses received. The Head of Customer Services informed the Committee how the recommended changes would offer greater support to those on low incomes, be a fairer distribution of funding, be less complicated to apply for and reduce the number of changes to awards of support when the circumstances changed for the claimant. It was further noted that there was expected to be a slim-lined administration process with a reduction in debt repayments and would be aligned to other welfare changes. It was also noted that there would be a Hardship Fund available to assist those individuals who may not be covered by the proposed scheme.

Councillor Richards and Members of the Committee commended the report and the way in which the Council supported those who were vulnerable and facing possible financial hardship

RESOLVED:

- 1.1 The Committee noted the consultation activity carried out in relation to proposed changes to South Derbyshire's Local Council Tax Reduction Scheme for working-age residents.***
- 1.2 The Committee supported the adoption of a banded scheme, as well as all other changes proposed as part of the consultation, including:***

- ***The introduction of a banded scheme.***
- ***The removal of the baseline, so those on the lowest incomes would no longer need to pay 8.5% or 10% towards their Council Tax.***
- ***The removal of second adult rebate.***
- ***The introduction of a standard £5 non-dependent deduction.***
- ***The treating of Universal Credit claims as a claim for council tax support.***
- ***The introduction of a minimum award.***
- ***Changes to bring the scheme into line with recent changes to other welfare benefits.***

1.3 The Committee recommended to Full Council on 23 February 2022 the adoption of a banded scheme and all other changes as proposed in 1.2 of the report.

1.4 The Committee recommended that £20,000 of the Welfare Reform Fund be set aside for hardship cases that may arise as a result of the implementation of the proposed changes in 2022/2023.

FM/137 **SUPPORTING ASPIRATIONS ACTION PLAN**

The Head of Economic Development and Growth presented the report highlighting the key points of the Action Plan that included a structured approach to good career guidance and an across team approach to supporting social mobility. The Council's role, as an employer and the proposed activities were outlined.

Members commended the report and fully supported the Action Plan and noted the need to improve aspirations of all children in South Derbyshire.

The Chair raised a query regarding the monitoring and feedback of progress. The Head of Economic Development and Growth informed the Committee that it would be monitored and reported via the Corporate Plan.

RESOLVED:

The Committee endorsed the Supporting Aspirations Action Plan.

FM/138 **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/139 **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 FOR THE FOLLOWING MEETINGS

The Exempt Minutes of the Meetings held on 7th October 2021, 21st October 2021 and 25th November 2021 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.

CONTINUATION OF TEMPORARY RESTRUCTURE DUE TO COVID19

The Committee approved the recommendations in the report.

ACQUISITION OF HOUSE IN LIEU OF COMMUTED SUM

The Committee approved the recommendations in the report

SWADLINCOTE TOWN CENTRE GRANT SCHEME

The Committee approved the recommendations in the report

EAST MIDLANDS FREEPORT

The Committee approved the recommendations in the report

APPOINTMENT OF TREASURY MANAGEMENT ADVISORS

The Committee approved the recommendations in the report

The meeting terminated at 20:00 hours.

COUNCILLOR PEARSON

CHAIR