

FINANCE AND MANAGEMENT COMMITTEE

13<sup>th</sup> October 2016

**PRESENT:-**

**Conservative Group**

Councillor Harrison (Chairman), Councillors Atkin, Mrs Coyle, Mrs Hall (substituting for Councillor Smith), Watson and Wheeler

**Labour Group**

Councillors Rhind, Richards, Southerd and Mrs Stuart (substituting for Councillor Wilkins)

**In Attendance**

Councillor Shepherd

FM/72 **APOLOGIES**

Apologies were received from Councillors Mrs Coe, Hewlett, Mrs Plenderleith, Smith (Conservative Group) and Wilkins (Labour Group)

FM/73 **MINUTES**

The Open Minutes of the Meeting held on 21<sup>st</sup> June 2016, 21<sup>st</sup> July 2016 and 1<sup>st</sup> September 2016 were taken as read, approved as a true record and signed by the Chairman.

FM/74 **DECLARATIONS OF INTEREST**

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

FM/75 **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/76 **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/77 **REPORTS OF THE OVERVIEW AND SCRUTINY COMMITTEE**

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

FM/78 **AUDIT SUB-COMMITTEE**

The Minutes of the Audit Sub-Committee Meetings held on 21<sup>st</sup> September 2016 were submitted.

**RESOLVED:-**

***That the Minutes of the above Audit Sub-Committee Meetings be received and any recommendations contained therein approved.***

FM/79 **UPDATE ON THE COUNCIL'S MEDIUM TERM FINANCIAL POSITION**

The Director of Finance and Corporate Services presented the report to Committee, highlighting key factors that may impact on the financial position in relation to the General Fund and the Housing Revenue Account.

It was reported that based on current forecasts, the level of the General Reserve fund remained healthy. However, due to the impact of the reduction of core funding, projections showed that the budget deficit would take effect from 2018/19 onwards. The Director of Finance and Corporate Services advised that key budget saving areas were the leisure facility management contract, the pay award for the next two years combined with the revised pay and grading structure being lower than that budgeted. The Director informed the Committee that a separate report would be presented at a later date to propose the reinvestment of a proportion of the leisure management savings into playschemes. It was highlighted and agreed that remedial measures needed to be in place in order to maintain a resilient and sustainable financial position.

The Director of Finance and Corporate Services reported that the Housing Revenue Account was in a tighter position than the General Reserve Fund. This was predominantly due to the change in legislation to reduce rental of Council Houses by 1% per year to 2020 and therefore had placed pressure on income revenues.

Councillor Richards addressed the Committee advising that a presentation was being held by East Midlands Council with representatives from the Local Government Association regarding apprenticeship schemes. The Chief Executive informed the Committee that a government-assisted company had presented to Officers on the apprenticeship levy.

Councillor Atkins led Members in commending and thanking the Director of Finance and Corporate Services and his team for their hard work and efforts.

**RESOLVED:**

- 1.1 Members approved the updated financial projections on the General Fund to 2022 and the Housing Revenue Account to 2027 as detailed in the report.***
- 1.2 Members agreed that the financial projections provided the basis for planning purposes and for setting the General Fund and Housing Revenue Account's Base Budgets for 2017/18.***
- 1.3 Members approved the Protocol for the control and use of Earmarked Reserves as detailed in Appendix 3.***

**FM/80 PROPOSED LOCAL COUNCIL TAX SUPPORT SCHEME 2017/18**

The Director of Finance and Corporate Services delivered the report to the Committee, outlining the options available to members with regards to alternative schemes and the Compensation Grant. Members were advised that the current scheme was cost effective given that changes including reduction of tax credits had been absorbed in the collection fund and the cost of the scheme was reducing whilst being implemented. A discussion ensued as to whether the Compensation Grant be transferred in its entirety, withheld or reviewed. Members decided to continue to transfer the grant.

**RESOLVED:**

- 1.1 Members agreed that the existing Local Council Tax Support Scheme currently in place be continued and adopted for 2017/18.***
- 1.2 Members noted that the detailed parameters would be reported to Full Council on 19th January 2017.***
- 1.3 Members reviewed the current Compensation Grant, associated with the Council's Support Scheme, paid to Parish Councils. No changes were recommended.***

**FM/81 RISK BASED VERIFICATION FRAMEWORK FOR HOUSING BENEFIT**

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

**RESOLVED:**

- 1.1 Members approved that the process of Risk Based Verification for Housing Benefit and Council Tax Reduction Scheme claims be extended to include Change of Circumstances.***
- 1.2 Members agreed that the Risk Based Verification Scheme Policy be updated to include Change of Circumstances.***
- 1.3 Members consented to adopt broadly similar procedures of a risk based approach in respect of claims for Council Tax relief, exemptions and discounts.***

**FM/82 ETWALL LEISURE CENTRE – OVERFLOW CAR PARK**

The Director of Finance and Corporate Services delivered the report to the Committee outlining the proposal from John Port School to resolve the ongoing car parking issue. It was reported that the School has accepted that if the Section 106 funds were not made available, then John Port School would incur the cost.

**RESOLVED:-**

***Members agreed that John Port School be reimbursed the Councils share of the cost of capital works from Section 106 funds received for that purpose.***

FM/83 **COMMITTEE WORK PROGRAMME**

**RESOLVED:-**

*Members considered and approved the updated work programme.*

FM/84 **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 21st June 2016, 21st July 2016 and 1st September 2016 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.*

**STENSON FIELDS COMMUNITY FACILITY**

**RESOLVED:-**

*Members approved the recommendations in the report.*

The meeting terminated at 6.40pm.

COUNCILLOR J HARRISON

CHAIRMAN