

FINANCE AND MANAGEMENT COMMITTEE

21st March 2013

PRESENT:-

Conservative Group

Councillor Wheeler (Chairman), Councillor Mrs. Watson (Vice-Chairman) and Councillors Jones, Lemmon, Murray, Smith and Watson.

Labour Group

Councillors Dunn (substitute for Councillor Wilkins), Frost, Rhind, Richards, Southerd, and Taylor.

In Attendance

Councillors Atkin and Harrison (Conservative Group).

FM/97. **APOLOGY**

An apology for absence from the Meeting was received from Councillor Wilkins (Labour Group)

FM/98. **MINUTES**

The Open Minutes of the Special Meetings held on 10th, 17th and 28th January and of the Meeting held on 21st February 2013, were taken as read, approved as true records and signed by the Chairman.

MATTERS DELEGATED TO COMMITTEE

FM/99. **AUDIT SUB-COMMITTEE**

RESOLVED:-

That the Minutes of the Audit Sub-Committee Meeting held on 20th February 2013 are received and any recommendations contained therein are approved and adopted.

FM/100. **MORTGAGE INTEREST RATE**

It was reported that under Section 438 of the Housing Act 1985, the Council was required to declare the local average rate of interest on its mortgages at six-monthly intervals. This was the rate charged to borrowers and was the higher of the Standard National Rate and the Council's Local Average Rate. The remaining borrower would be charged at the National Rate of 3.13%.

RESOLVED:-

That the Local Average Rate of Interest for the period April to September 2013 is declared at 3.13%.

FM/101. CORPORATE ACTION PLAN 2013/14

It was reported that the Council had approved a five-year Corporate Plan covering the period 2009 to 2014. Quarterly performance reports were submitted to monitor progress against the Plan. A refreshed Action Plan for 2013/14 was considered which set out the priorities for the year ahead along with the projects and the key measures of success that would support the delivery of the Plan.

Background was provided, together with the process for refreshing the Corporate Action Plan. Officers completed this through a series of facilitated workshops. Each workshop focussed on addressing one of the four themes within the Corporate Plan. The sessions had been challenging and focussed on improving service delivery within the resources available. As a result, the priorities in each theme had been updated along with the refreshment of projects and measures that would form the basis of the Corporate Action Plan for 2013/14.

Next, the report set out changes to the key projects and the key performance measures in the Corporate Action Plan, for each theme:

- Sustainable Growth & Opportunity
- Safe and Secure
- Lifestyle Choices
- Value for Money

Particular reference was made to maximising the take-up of grant income, the extensive consultation that had been undertaken and the continued work with key groups, stakeholders and businesses. Further sections of the report covered the communications campaigns and risk management. Officers responded to questions about how this process had contributed to service efficiencies and savings and relating to business continuity arrangements.

RESOLVED:-

That the updated Corporate Action Plan for 2013/14 is recommended to Council for approval.

FM/102. GUIDANCE FOR AWARDING DISCRETIONARY HOUSING PAYMENTS

It was reported that the Council had been allocated a much greater Government grant in 2013/14 towards Discretionary Housing Payments (DHP) for local residents. Due to changes in welfare reform, the demand for financial support through this scheme was expected to be higher. The report set out a proposed set of guidance notes for Council officers to ensure that future DHP were awarded on a fair, reasonable and equitable basis.

The detail of the report explained that DHP provided further financial assistance in addition to welfare benefits. The associated regulations were fairly broad and were supported by a Department for Works and

Pensions (DWP) Guidance Manual. This had recently been updated to take account of changes to welfare benefits, the abolition of council tax benefit, together with the impending introduction of Universal Credit. The DWP Guide had become the guidance manual used by other councils. This Council did not currently have a formally approved DHP policy or guidance. The Council had granted DHP in 160 cases to-date. Following the recent changes and substantial increase in Government funding, it was recommended that there should now be formal approval of DHP guidance to officers.

The report included a section on financial hardship payments, eligibility and the areas that could be considered as 'housing costs'. The financial and corporate implications were also reported. The Council had been awarded a DHP grant of £102,358 for 2013/14. In recent years, the grant had varied between £10,000 and £25,000 per year.

DHP payments were currently administered by the housing benefits service. The grant was cash limited and the Council had no other provision above the grant to fund DHP. The main issue could be that with the changes to Housing Benefits, demand was in excess of the cash limited amount. It was therefore considered appropriate to introduce an element of rationing/budget profiling to manage this. The Council had also been awarded a Homelessness Prevention Grant of approximately £64,000 in 2013/14, which was used to fund initiatives aimed at preventing homelessness.

Questions were responded to about reductions in benefits associated with the under occupancy of rented accommodation, the entitlement of tenants on benefits to the DHP and about the additional administrative burden of the new arrangements.

RESOLVED:-

- (1) That the Guidance for awarding Discretionary Housing Payments as detailed in the report is approved.***
- (2) That the Guidance is implemented from 1st April 2013.***
- (3) That demand and the impact upon available funding is monitored and reported to the Committee as part of quarterly financial monitoring reports.***

FM/103. **SAFEGUARDING CHILDREN, YOUNG PEOPLE & VULNERABLE ADULTS POLICY AND ACTION PLAN 2012/13**

A report was submitted to present a revised Safeguarding Children, Young People & Vulnerable Adults Policy. This set out the Council's responsibilities to protect and promote the welfare of children, young people, and vulnerable adults using or receiving services provided or commissioned by the Council.

The Policy would support Council officers, elected Members and volunteers in fulfilling their statutory responsibilities.

The legislative background was provided. In June 2012, a safeguarding audit was undertaken that focused on evaluating the adequacy of the corporate safeguarding policy and that appropriate governance arrangements were in place to ensure a strategic approach to safeguarding. The audit confirmed key controls were in place. However, corporate restructuring exercises and a change in reporting lines had meant that monitoring arrangements needed to be improved. The audit also identified that between 2007 and 2011, a significantly low number of some 38 staff and 16 Members had attended some form of training related to safeguarding. Therefore, in light of the findings from the audit, the Council's Safeguarding Children, Young People & Vulnerable Adults Policy and Action Plan had been updated accordingly.

The report set out key aspects of the revised Policy, its principles, purpose and scope. Further sections covered governance, the nomination of a Member champion and proposals for training, an action plan and monitoring.

There was discussion about training for elected Members, whether training already completed by a Member through another organisation would be considered valid and the need for consistency in training. It was agreed this matter would be pursued.

RESOLVED:-

That the Committee:

- a) Adopts and publishes the Safeguarding Children, Young People & Vulnerable Adults Policy and Action Plan 2012/13 as submitted.***
- b) That Councillor Mrs. Watson is appointed as the Member Champion for Safeguarding in order to progress and take forward safeguarding issues within the Council and local community.***

FM/104. **ADOPTING A CAPITAL ALLOWANCE FOR LOW COST AFFORDABLE HOUSING**

The Committee was asked to consider a capital limit that would enable the Council to retain the proceeds from the future disposal of housing land for reinvestment into low cost affordable housing.

The Council had adopted a strategy for delivering affordable housing. Under the HRA self-financing regime, greater opportunities were likely to arise to deliver more affordable housing in the form of New Build. Capital receipts were already starting to accrue and the Council was able to

retain a much greater proportion of these receipts compared to the previous housing subsidy system. An internal officer working group had been formed. The group was seeking to develop options to deliver more affordable housing and the report summarised the work undertaken by the group to date.

To satisfy accounting requirements associated with the retention of land receipts, the Council was required to set up a Capital Allowance. This technically allowed the retention of sums up to the amount of the allowance. The allowance should reflect the best estimate of the level of investment, associated with schemes and projects that would be delivered in accordance with the Regulations and it could be reviewed at any time. The difficulty at this stage was that the level of investment could not be fully quantified and this would be considered as part of an options appraisal. The potential risks were also reported. It was recommended that the Capital Allowance be set at £100,000 which was just in excess of the anticipated receipt from an approved disposal. Following the options appraisal, it was anticipated that the Allowance would be increased to reflect costed proposals of specific schemes and the overall level of estimated investment.

RESOLVED:-

That a Capital Allowance of £100,000 under Regulation 16 of the Local Authorities Capital Finance and Accounting Regulations (England) 2003 is approved.

FM/105. **WORK PROGRAMME**

The Committee was asked to review its work programme. It was suggested that future reports should be on a rolling 12-month basis.

RESOLVED:-

That the updated work programme is approved.

FM/106. **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 Meeting held on 21st February 2013 were received.

A REVIEW OF THE COUNCIL'S STRUCTURE (Paragraph 1)

The Committee approved recommendations for a review of the Council's structure, subject to a period of consultation.

R. WHEELER

CHAIRMAN