

## **BUDGET SCRUTINY COMMITTEE**

Minutes of a Budget Scrutiny Committee of Bolsover District Council held in the Council Chamber, The Arc, Clowne, on Monday 2<sup>nd</sup> June 2014 at 1000 hours.

### **PRESENT:-**

Members:-

Councillors A. Anderson, Mrs P. M. Bowmer, R. Brooks, T.J. Connerton, M. J. Dooley, S. W. Fritchley, H. J. Gilmour, R.A. Heffer, S. Peake (from Minute Number 0057), J.E. Smith, R. Turner, K. F. Walker, D.S. Watson and G.O. Webster.

Councillor K. Bowman in the Chair

Officers:-

B. Mason (Executive Director - Operations), P. Campbell (Head of Housing) and A. Bluff (Governance Officer).

### **0053. APOLOGIES**

Apologies for absence were received from Councillors S. Wallis, J. Wilson, D. McGregor, E. Hall and G. Parkin.

### **0054. URGENT ITEMS OF BUSINESS**

There were no urgent items of business to consider.

### **0055. DECLARATIONS OF INTEREST**

There were no declarations of interest made.

### **0056. MINUTES – 14<sup>TH</sup> JANUARY 2014**

Moved by Councillor J.E. Smith, seconded by Councillor R. Turner

**RESOLVED** that the minutes of a meeting of a Budget Scrutiny Committee held on 14<sup>th</sup> January 2014 be approved as a correct record.

## BUDGET SCRUTINY COMMITTEE

### 0057. MEDIUM TERM FINANCIAL PLAN 2014/15 TO 2016/17

The Executive Director – Operations provided a slide presentation to the meeting to update Members on the Medium Term Financial Plan (MTFP) 2014/15 to 2016/17. The MTFP had been approved by Members at Council in February 2014.

Members were reminded that the 2013/14 Accounts were currently being closed by the Accountancy Team.

The cumulative savings target over the next 3 years was £2.1m. To help achieve this target, savings had been identified from NNDR, the Growth and Transformation agenda, property and vacancies, however, much of these would require a significant level of work to implement change which minimised the impact on local residents and front line services.

There would be no financial relief for local councils over the next five years as the Government had only partially managed to tackle the underlying budget deficit. Further cuts were likely to be made to public services, irrelevant of which political party was elected to Government in the 2015 Parliamentary Elections.

To date, the Council's financial position and performance had held up well and there had been no major failing in service delivery despite the level of cuts.

Since the receipt of the Audit Commission's Audit Letter in respect of the 2011/12 financial year, significant improvements had been made in the Council's governance arrangements, including the financial accounts. In 2012/13, half of Internal Audit reports had been critical (a marginal assessment). However, there had since been a major turnaround in outcomes due to improvements in internal controls and the role of Audit Committee who had called Directors to account. These changes and improvements were now reflected in the Annual Governance Statement which formed part of the Accounts.

A report in relation to the General Fund had been presented to Council on 28<sup>th</sup> May; any Efficiency Grant under spend would be put into Reserves including the reward element of £250k. The Transformation Reserve would effectively be targeted at Invest to Save measures, some would go to asset rationalisation. Members would be informed as part of the 2013/14 year end financial reporting..

. The Co-Op Bank had previously written to all local authorities to say it no longer wished to operate their bank accounts. The Council was now in the process of accelerating its move away from the Co-Op bank and because this reflected the wishes of the Bank there would be no penalties for early termination of the contract. *Councillor Peake entered the meeting at this point.*

#### General Fund

The General Fund balance was £1.5m but issues such as Pleasley Vale could cost the Authority significant amounts of money to address.

## BUDGET SCRUTINY COMMITTEE

The General Fund faced a range of risks including the increasing dependence upon local sources of income, for example, New Homes Bonus, NNDR, fees and charges. These could decline or the Government could change the rules on such funding. The national framework in respect of Planning, Benefits or Rent Convergence could be reformed. Against this background the Council would need to make choices concerning its priorities in order to secure the savings required to meet its financial targets. .

### HRA

It was noted that there had been a small under spend of £85k in 2013/14 on the Housing Revenue Account.

Since HRA reform, a stock condition survey had been completed, 55 new houses had been built and there were further proposals to be brought forward in the light of the outcome of the stock condition survey. With respect to the HRA the Council now needed to operate its stock in a similar fashion to any other landlord including the identification of any funding necessary to maintain the housing stock in good condition.

### Capital Programme

A deliberate decision had been made to minimise expenditure on the Capital Programme until the stock condition survey in respect of both housing and non housing assets were completed. The capital receipt was awaited in respect of the sale of Sherwood Lodge to Morrison's, which had constrained expenditure on the general sector programme whilst the receipt was awaited.

Members asked various questions and a lengthy discussion took place.

**RESOLVED** that the report be received.

### **0058. HOUSING UPDATE**

The Head of Housing provided a slide presentation to the meeting to update Members on the recently completed Stock Condition Survey.

Detailed information from the survey would help plan future works and investment in the Council's housing stock. A more detailed report would be presented to a future Executive meeting.

It was clear from the results of the survey that the Council's housing stock had been well maintained over the years and no property had been found to be unviable.

£126 m is the estimated spend on its housing stock over the term of the 30 year business plan, ( £807 per property, per year). The main work would be carried out on kitchens, heating, windows, roofing and bathrooms as each of these components had a limited life span if house was to be kept decent. A programme would be

## BUDGET SCRUTINY COMMITTEE

started shortly in respect of some elements of the Programme – including roofing – to phase the work required over a reasonable period of time. . Where appropriate, rebuild options would be considered for a limited number of properties which were not sustainable either financially or in terms of meeting tenants aspirations.

Discussion took place regarding contractors used by the Council, elderly people's bungalows, the need to build more Council properties and the demand for new properties, a shortage of 2 bedroom houses in the District and 1 bedroom flats due to Welfare Reform, loss of Council properties under the Right to Buy Scheme (RTB), of which the qualifying period had recently been changed from 5 years to 3 years by the Government and rent convergence and how it would affect the Council. The Head of Housing noted that historically approximately 15 Council houses were sold per year under the RTB scheme and a report regarding rent convergence would be presented to Members in the near future.

*Councillor Cooper left the meeting at this point.*

Members requested the precise cost of the CAN Ranger Service and if this were included in the detailed spend per Council property. The Executive Director – Operations replied that this information would be sent to Members after the meeting.

Further to a question raised in relation to Council owned garage sites, the Head of Housing confirmed that every garage site that had been identified as being unsafe had now been demolished. Where appropriate the sites would be looked at with a view to being developed.

Members thanked the Head of Housing and the Executive Director – Operations for their presentations.

**RESOLVED** that the presentation be noted.

### **0059. UPDATE FROM SCRUTINY CHAIRS**

#### Safe and Inclusive Scrutiny Committee

Councillor Dooley, Chair of Safe and Inclusive Scrutiny Committee provided an update to the meeting on the Committee's work.

The Committee would be carrying out a review on enforcement in relation to dog fouling and litter picking as the performance target on this was failing. A scoping document had been completed and information on the way forward would be discussed at the next meeting of the Committee.

#### Improvement Scrutiny Committee

Councillor Gilmour, Chair of Improvement Scrutiny Committee provided an update to the meeting on the Committee's work.

## BUDGET SCRUTINY COMMITTEE

It was noted that the Authority had retained its accreditation of Customer Service Excellence and a report would be presented to Members at the end of June.

Housing Repairs Performance was currently 96% against a target of 97%. The target for the level of former tenant arrears continued to fail also. In response to a question the Head of Housing replied that tracing agents were used by the Authority but in respect of some former tenants there was not a trail which could be followed. .

The Committee's review work would consider the wider issues around welfare reform.

### Sustainable Communities Scrutiny Committee

Councilor Bowman, Chair of Sustainable Communities Scrutiny Committee, provided an update to the meeting on the Committee's review work.

The Committee would be carrying out two reviews – a light touch review on Street Services and the main review in relation to the Growth Strategy.

Recycling and household waste Performance target, E01-Recycle and Compost 45% of household waste by March 2015, was currently failing and Committee felt that this was not good enough. Questions had also been raised at the last Committee meeting regarding the proximity of the green bin facilities from the entrance at all sheltered accommodation properties. Food caddies and their use during the winter months when the green bin facility was suspended had also been raised. Committee had noted, however, that the new composter facility was now on stream.

**RESOLVED** that the updates from the three scrutiny chairs be noted.

The meeting concluded at 1205 hours.