

## **BUDGET SCRUTINY COMMITTEE**

Minutes of a meeting of the Budget Scrutiny Committee of the Bolsover District Council held in Chamber Suites 1 and 2, The Arc, Clowne, on Monday 14<sup>th</sup> September 2015 at 1000 hours.

### **PRESENT:-**

Members:-

Councillor S.W. Fritchley in the Chair

Councillors T. Alexander, R.J. Bowler, T. Cannon, J.A. Clifton, H.J. Gilmour, R.A. Heffer (from during minute number 0341), A. Joesbury, T. Munro, S. Peake, J.E. Smith, E. Stevenson, R. Turner (from during Minute No 0340), K.F. Walker, B. Watson, D.S. Watson and J. Wilson.

Officers:-

B. Mason (Executive Director – Operations) and A. Bluff (Governance Officer).

### **0336. APOLOGIES**

Apologies for absence were received from Councillors P. Barnes, J.E. Bennett, Mrs P.M. Bowmer, G. Buxton, C.P. Cooper, M.G. Crane and C. Moesby.

### **0337. URGENT ITEMS OF BUSINESS**

There were no urgent items of business.

### **0338. DECLARATIONS OF INTEREST**

There were no declarations of interest.

### **0339. MINUTES – 4<sup>TH</sup> MARCH 2015**

Subject to the inclusion of Councillor Peake's name being included in the list of Members present, it was

Moved by Councillor H.J. Gilmour, seconded by Councillor S.W. Fritchley

**RESOLVED** that the minutes of a meeting of a Budget Scrutiny Committee held on 4<sup>th</sup> March 2015 be approved as a true and correct record.

## BUDGET SCRUTINY COMMITTEE

### 0340. UPDATE FROM SCRUTINY CHAIRS

#### Healthy, Safe, Clean and Green Scrutiny Committee:

Councillor Peake informed the meeting of the work of the Healthy, Safe, Clean and Green Scrutiny Committee.

The Committee had selected a review on Self Harm and young people.

Members would speak to a range of stakeholders including colleagues from Derbyshire County Council, Domestic Violence Worker and Parenting Practitioner and will be involving the Youth Council in the evidence gathering. Mandy Chambers, Health and Communities, Derbyshire County Council would be providing support to Members during the review.

The aim of the review was to identify the extent of the problem in Bolsover (as currently statistics are for the whole of Derbyshire) and to be able to provide our partners with relevant data in order to ensure that limited funding is directed most appropriately as well as identifying any gaps in service for the young people of Bolsover District.

#### Customer Service and Transformation Scrutiny Committee:

Councillor Bowler informed the meeting that the Customer Service and Transformation Scrutiny Committee was carrying out a review regarding the CAN Ranger service.

The aim of the review was to identify whether the current CAN Ranger Service was the most appropriate and cost effective way of delivering service to our Communities.

So far the Committee had held focus groups involving all eight CAN Rangers and questions the Assistant Director of Housing and Community Safety and the Housing Enforcement Manager. Neighbouring local authorities and Parish Councils had been consulted as part of the evidence gathering for the review.

#### Growth Scrutiny Committee:

Councillor Fritchley informed the meeting that the Growth Scrutiny Committee was carrying out a review on major development sites in the District. The Committee would be speaking to the Assistant Director of Economic Growth to decide which site(s) to focus on and the order of priority.

The Assistant Director – Property and Estates would be attending the next Growth Scrutiny meeting to provide an update in relation to the Business Executive Group (BEG).

A decision would need to be made as to which site(s) to focus on and the order of priority.

Moved by Councillor H.J. Gilmour, seconded by Councillor S.W. Fritchley  
**RESOLVED** that the updates from Scrutiny Chairs be received.

## BUDGET SCRUTINY COMMITTEE

### 0341. FINANCIAL OUTTURN 2014/15 INCLUDING PRESENTATION

Members considered a detailed report in relation to the Council's financial outturn position for the 2014/15 financial year. The report had been previously presented to the Executive at its meeting held on 13<sup>th</sup> July 2015.

The Council had closed its financial accounts for 2014/15 in line with the required deadline of 30<sup>th</sup> June 2015. The final audited Statement of Accounts would be reported to and approved by the Audit Committee at its meeting on 23<sup>rd</sup> September 2015. A copy of the accounts was also available on the Council's website.

The Executive Director commented that the Statement of Accounts had been prepared to a high standard and it was anticipated that they would be subject to a positive report from External Audit. The Director did raise a concern that the number of Internal Audit reports where internal control arrangements were assessed as marginal seemed to be on a growing trend and that efforts needed to be made to ensure that this trend was reversed.

*Councillor Heffer entered the meeting at this point.*

#### General Fund

The year had seen the savings target being achieved and an overall £1.3m under spend secured on the General Fund. This position had been secured as a result of effective utilisation of the Efficiency Grant received from the Government, NNDR growth and improved income levels.

The £1.3m under spend monies had been transferred to the Transformation Reserve increasing it to £4.9m of which £2.9m was currently committed (of which £2M was for the enhanced Leisure facilities in Clowne).

The General Fund balance was £1.7m which was available to protect services to local residents should anticipated income levels were reduced, etc. If these changes were permanent then the use of reserves would enable a considered response to financial pressures. The Transformation Reserve was to provide funding to enable the Council to pursue its agreed priorities of Growth and Transformation.

#### Housing Revenue Account

There had been a £0.4m under spend on the Housing Revenue Account which had been transferred to the Major Repairs Reserve where it would be utilised to support investment in Council properties.

It was noted that 20 bungalows and 15 houses had been built in the year and 32 houses had been sold under Right to Buy. Fourteen houses had also been demolished. There were also plans to build more new houses in the District and the Council had put in place contractual arrangements which would facilitate the construction of new houses. .

Further to a question raised by a Member, the Executive Director – Operations explained that income from disposal of properties under Right to Buy was used to repay debt and build new properties.

## **BUDGET SCRUTINY COMMITTEE**

### Capital Programme

Key capital expenditure over the year included approximately £2m on the new Council housing development at New Houghton and £2m on other housing projects.

### Treasury Management

The Council had operated within Treasury Management limits during the year.

The Council had changed its banking arrangements from the Cooperative Bank to Lloyds Bank.

Moved by Councillor J. Wilson, seconded by Councillor S.W. Fritchley  
**RESOLVED** that the update be received.

### **0342. QUARTER ONE BUDGET MONITORING REPORT AND FINANCIAL UPDATE INCLUDING PRESENTATION**

Members considered a report which provided an update on the financial position of the Council following the first quarter's budget monitoring exercise for the General Fund, the Housing Revenue Account, Capital Programme and Treasury Management activity. The report had been previously presented to the Executive at its meeting held on 13<sup>th</sup> July 2015.

Although there was not yet any detail of the Council's General Fund settlement, the Government's 'austerity' agenda was likely to impact on the Housing Revenue Account with increased Right to Buy sales and 1% rent reductions for the next four years.

Other impacts on the Council's financial position would arise from the a National Living Wage and a series of welfare reforms which were likely to impact on homelessness, Discretionary Housing Payments and levels of arrears. It was also noted that the Government could amend the frameworks in respect of 'New Homes Bonus' and National Non Domestic Rates.

In response to a Member's question concerning the market value of Council houses, the Executive Director – Operations replied that the Government had established the formula for discount on Right to Buy properties.

A discussion took place.

Moved by Councillor K.F. Walker, seconded by Councillor S.W. Fritchley  
**RESOLVED** that the update be received.

### **0343. RISK MANAGEMENT**

Members considered a presentation of the Executive Director – Operations in relation to the Council's Risk Management Strategy.

## **BUDGET SCRUTINY COMMITTEE**

It was noted that the new Strategic Risk Register took into account the impact of legislative changes and the impacts of Welfare Reform.

A Member raised a query regarding 'write offs' in relation to Council Tax debt. The Executive Director – Operations provided an explanation of how write offs were built into the Council's budgets and also the potential recovery of these types of debts.

A lengthy discussion took place regarding the proposed feasibility work for the former Coalite site as presented to the Executive on 7<sup>th</sup> September.

A discussion also took place regarding major risk to the HRA in relation to Universal Credit.

Moved by Councillor K.F. Walker, seconded by Councillor S.W. Fritchley  
**RESOLVED** that the presentation be received.

The meeting concluded at 1055 hours.