

## **BUDGET SCRUTINY COMMITTEE**

Minutes of a meeting of the Budget Scrutiny Committee of the Bolsover District Council held in the Council Chamber, The Arc, Clowne, on Monday 12<sup>th</sup> September 2016 at 1400 hours.

### **PRESENT:-**

Members:- Councillors R.J. Bowler, P.M. Bowmer, D. Bullock, G. Buxton, C.P. Cooper, Mrs P.A. Cooper, S.W. Fritchley, H.J. Gilmour, A. Joesbury, D. McGregor, S. Peake, J.E. Smith, R. Turner, K.F. Walker, B. Watson, D.S. Watson and J. Wilson.

Officers:- B. Mason (Executive Director – Operations), P. Campbell (Assistant Director Housing and Community Safety), D. Bonsor (Housing Needs Manager) and A. Bluff (Governance Officer).

### **0257. APOLOGIES**

Apologies for absence were received on behalf of Councillors A. Anderson, J. Clifton, R.A. Heffer and T. Munro.

### **0258. URGENT ITEMS OF BUSINESS**

There were no urgent items of business to consider.

### **0259. DECLARATIONS OF INTEREST**

There were no declarations of interest made.

### **0260. MINUTES – 7<sup>th</sup> March 2016**

Moved by Councillor R.J. Bowler and seconded by Councillor H.J. Gilmour

**RESOLVED** that the Minutes of a Budget Scrutiny Committee held on 7<sup>th</sup> March 2016 be approved as a correct record.

### **0261. UPDATE FROM SCRUTINY CHAIRS**

#### **Healthy, Safe, Clean and Green Scrutiny Committee;**

Councillor Peake, Chair of Healthy, Safe, Clean and Green Scrutiny Committee, reported that the Committee had continued to raise its concerns regarding the provision of GP Services for Creswell and Langwith and had now had some progress with this.

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Mariola Babinska, Community Cohesion Officer, had attended a Committee meeting and had provided an update on her work in Shirebrook.

The Scrutiny Officer and the Chair had met with Annie Palmer, External Relations and Engagement Manager from East Midlands Ambulance Service, which resulted in a full presentation to Council on 7<sup>th</sup> September 2016.

The Committee had also considered and provided comments on the Draft Joint Enforcement Policy before it was considered by the Executive.

The Committee had provided its comments to the Consultation on the proposed closure of Bolsover Hospital and had requested a representative from the Clinical Commissioning Group to attend a meeting to speak to Members about the proposals (Committee was aware that a presentation was due at a special Council meeting to be arranged in the near future).

At the next Committee meeting on 20<sup>th</sup> September, Members would be raising their questions concerning the Corporate Plan Targets which related to the % of clean and tidy streets.

A Review on where public health fits within planning policy had also been started by the Committee.

### **Customer Service and Improvement Scrutiny Committee;**

Councillor Bowler, Chair of Customer Service and Improvement Scrutiny Committee advised the meeting that the Committee was close to completion on its Review of a District Heating System. Recommendations would be agreed at the next meeting on 19<sup>th</sup> September.

### **Growth Scrutiny Committee;**

Councillor Fritchley, Chair of Growth Scrutiny Committee, noted that the Growth Scrutiny Committee's topics were included on this meeting's agenda.

Councillor McGregor provided a further update to the meeting with regard to the Doctors' surgery situation at Creswell and Langwith as reported on earlier by the Chair of Healthy, Safe, Clean and Green Scrutiny Committee; Councillor McGregor understood that the delay was with regard to an agreement of rental charges between the owners of the land and Chesterfield Royal Hospital who would be taking over the surgeries – this delay meant that a planning application had not yet been submitted. Councillor McGregor agreed to provide Members with further updates on the situation.

Members thanked Councillor McGregor for the update.

## **0262. BUSINESS RATE RETENTION CONSULTATION PAPER**

The Executive Director – Operations gave a slide presentation to the meeting which provided details to Members on the Government's consultation paper in relation to

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Business Rate retention. The presentation had been previously provided to the Growth Scrutiny Committee at a special meeting held on 23<sup>rd</sup> August 2016.

The Government's consultation paper was seeking views on the implementation of its commitment to allow local government to retain 100% of the business rates which they raised locally.

The Government had stated that it would not impose a 'one-size-fits-all' solution across the country but was asking councils to consider how the system could be tailored to local needs and opportunities, especially in areas where communities were pressing forward with devolution deals, combined authorities and elected mayors. The Government's proposals potentially amounted to a fundamental reform.

The Executive Director – Operations was seeking delegated powers from Cabinet to respond to the consultation on behalf of the Council. Members' views and comments to the consultation were also sought. The consultation period ended on 26<sup>th</sup> September 2016.

There were two consultations actually taking place; one on Business Rate Retention and the second on the 'Needs' Element in the system (Fair Funding Review).

There was an incentive in the system for promoting growth locally. Bolsover was doing well on growth and getting income in, however, it was recognised that not all councils would be able to do this but would still need to be able to fund their core services. As the system would be reset probably every 5 years, this could potentially remove much of the benefit of growth to reflect 'need' in the national system, ie, those Councils which had benefitted from growth could lose some of the gains to fund those councils which had not secured the revenue gains arising from growth.

The prospect of 100% NNDR Business Rate retention was prompting shire and district councils to work together in recognition of the shared interest in ensuring that the more rural areas they represented received a fair allocation of the funding available.

Under current arrangements, the Government provided a 'safety net' to councils to offset any losses if large business contributors relocated or went bankrupt. Under the consultation proposals it seems likely that this risk would need to be managed locally. Against this background the option of a Derbyshire Wide Pool was worth exploring as it had the advantage of operating within a distinct geographical area where councils had a good understanding of the economic position. Local management of risk clearly raised the question as to the extent that reward should be managed across a wider area?

Reform needed to be fiscally neutral, ie, additional resources from retaining NNDR locally would be matched by additional responsibilities. There was a clear issue about which additional responsibilities local government would assume?

The Government wanted 'pilot' schemes to test the new system. Would Bolsover want to be a 'pilot'?

Members asked questions.

Discussion took place around the Council's statutory services, new homes bonus, sale of council owned land and the Council's Local Plan.

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Moved by Councillor D. McGregor and seconded by Councillor S.W. Fritchely  
**RESOLVED** that the presentation be noted.

### **0263. FINANCIAL UPDATE**

Committee considered a detailed report and a slide presentation, which informed Members of the financial outturn position of the Council in respect of the 2015/16 financial year. The report had been previously presented to Executive on 11<sup>th</sup> July 2016.

The Council had closed its financial accounts for 2015/16 by the end of May 2016, reflecting the accelerated timescale agreed with the Council's external auditors, KPMG.

The draft Statement of Accounts would now be subject to an independent audit by the Council's external auditors, which would take place before 30th September 2016 - until the accounts were agreed by KPMG, there remained the possibility that they would be subject to amendment. The final audited accounts would be reported to and approved by the Audit Committee at its meeting on 21st September 2016.

#### General Fund

The Council had successfully met its savings target in respect of 2015/16 and had effectively managed its financial position to allow a contribution to the Transformation Reserve of £2.4m (Efficiency Grant plus Savings). While at the end of the financial year the Transformation Reserve amounted to £5.571m, it needed to be recognised that there were significant agreed commitments against the Reserve.

Officers would evaluate the 2015/16 financial outturn to identify areas where the budget could be reduced in respect of 2016/17 and future financial years. While it would be reasonable to anticipate that some savings would be secured, some of the income growth and expenditure reductions had already been built into budgets for 2016/17 and future years whilst other savings, which arose in 2015/16, could not be relied upon to re-occur in the current or future financial years. The contribution to the Transformation Reserve had, however, provided the Council with resources to progress its Growth and Transformation agendas in order to protect the level of services to local residents. Initiatives that had been funded included enhanced leisure facilities, new Council houses and maintaining decent homes, extension to The Tangent at Shirebrook, developing a housing Company and feasibility work on Coalite reclamation.

#### Housing Revenue Account (HRA)

The HRA had delivered an under spend of £0.032m which had been used to increase the level of the Development Reserve. The HRA continued to operate within the parameters established by the Business Plan and Medium Term Financial Plan (MTFP).

#### Capital Programme

The Capital Programme detailed total expenditure of £6,811 into a range of projects designed to deliver services and progress the Council's priorities. Appendix E to the report showed that a number of schemes were ongoing and therefore both the

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expenditure and resources relating to these approved schemes would need to be carried forward to 2016/17. The Capital Programme was fully funded from within agreed resources during the year.

### Treasury Management

During 2015/16, the Council had continued to operate within the framework established by the Treasury Management Strategy as approved in February 2015.

The Chief Executive Officer felt that the Council was in a good financial position through the hard work of Members and Officers.

Moved by Councillor A.M. Syrett and seconded by Councillor D. McGregor  
**RESOLVED** that the report be received.

*Councillor Peake left the meeting at this point.*

### **0264. CCTV**

Committee considered a presentation by the Executive Director – Operations in relation to the Council's current position regarding the future of BDC funded CCTV systems in the District.

The CCTV system was working but arguably was not 'fit for purpose' and did not meet the reasonable expectations of partners. The system currently could not demonstrate good value for money and any upgrade would be expensive, either to improved WiFi or fibre optic. It also may require bespoke recommendations at a cost of up to £50k.

The Surveillance Camera Code of Practice stated that cameras must be used "in pursuit of a legitimate aim" and to meet an identified "pressing need". The Council was also required to publish performance statistics to demonstrate that need. The District area did not need a 'Town Centre' CCTV along the lines of those used where there was a sufficient nighttime economy. The Council's need in relation to CCTV was more 'mobile'.

It was difficult to demonstrate that the use of existing CCTV was proportionate; there was a lack of clear evidence of the benefit of it reducing anti social behaviour and crime.

Officers' felt that the Council should look to end the current arrangements through negotiation, discuss with parish council's what their requirements were and look at wider Community Safety options of investment in the CAN Ranger Service and the use of deployable cameras. These options would need further work but were likely to produce better outcomes for the Council.

In response to a question, the Head of Housing replied that in relation to the cost per inspection of CCTV – this had been significant and had not led to any convictions. The Council could not afford 24/7 monitoring. There was not an even spread of cameras across the District. Five cameras did not work and three had been taken down by DCC

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when they had replaced some lampposts. DCC had refused to reinstate the cameras on the new lampposts.

A lengthy discussion took place.

Members asked further questions to which the Executive Director – Operations and the Head of Housing replied.

*Councillors Bullock and Joesbury left the meeting at this point.*

Moved by Councillor R.J. Bowler and seconded by J.E. Smith

**RESOLVED** that officers produce a report on all of the options available in relation to CCTV in the District for Members to consider.

(Executive Director – Operations/Head of Housing/Governance Manager)

### 0265. JOINT VENTURE / HOUSING COMPANY UPDATE

Committee considered a slide presentation in relation to a Joint Venture Company which had been established by the Council.

A shareholder agreement would be signed once the bank account was established and both parties would transfer £50k into the company to cover feasibility work and costs of running the company. Both parties would then need to approve any feasibility studies.

The most effective route was for the Council to provide the loan to fund build/project costs under a commercial agreement. Feasibility work would establish a site specific Business Plan. Members would need to take a view regarding risk/development objectives, etc.

The Council would need to consider establish a wholly owned company to consider purchasing houses from the Joint Venture. These houses would then be rented out to produce a financial return for the Council which would sit in the General Fund and not the Housing Revenue Account. The houses would need to be for market rent to ensure they were affordable and the Council would purchase houses either 'up front' or when they could not be sold on a wider development - Members would see a project based Business Plan before anything was approved.

Objectives and Outcomes would be set out in project specific Business Plans and would, promote economic growth, generate 'income' for Council, bring forward 'marginal' sites and improve housing choice and promote regeneration.

Members welcomed the report and queried if any sites had been identified. The Executive Director – Operations replied that four sites had currently been identified and feasibility studies would be carried out where appropriate,, carried out. Members would be kept up to date in relation to these at future meetings.

Moved by Councillor D. McGregor and seconded by Councillor G. Buxton

**RESOLVED** that the report be received.

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### **0266. HOUSING WORKING GROUP UPDATE**

Councillor Gilmour requested that the Housing Working Group Update report be considered at the Customer Service and Transformation Scrutiny Committee to be held on 19<sup>th</sup> September 2016 as an urgent item and not at this meeting of Budget Scrutiny Committee.

Councillor Bowler, Chair of Customer Service and Improvement Scrutiny Committee, agreed and added that all Members were invited to attend the meeting on 19<sup>th</sup> September or were welcome to put any comments regarding the report in writing to the Committee beforehand if they could not attend the meeting.

Moved by Councillor R.J. Bowler and seconded by Councillor H.J. Gilmour

**RESOLVED** that the Housing Working Group report be considered at the Customer Service and Transformation Scrutiny Committee to be held on 19<sup>th</sup> September 2016.

(Governance Manager/Scrutiny Officer)

The meeting concluded at 1555 hours.