

The Arc
High Street
Clowne
Derbyshire
S43 4JY

Date: 16th January 2018

Dear Sir or Madam

You are hereby summoned to attend a meeting of the Budget Scrutiny Committee of the Bolsover District Council to be held in the Council Chamber, The Arc, Clowne on Wednesday 24th January 2018 at 1400 hours.

Register of Members' Interest - Members are reminded that a Member must within 28 days of becoming aware of any changes to their Disclosable Pecuniary Interests provide written notification to the Authority's Monitoring Officer.

You will find the contents of the agenda itemised on page 2.

Yours faithfully



Assistant Director of Governance and Monitoring Officer

To: Chairman and Members of the Budget Scrutiny Committee

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BUDGET SCRUTINY COMMITTEE

AGENDA

**Wednesday 24th January 2018 at 1400 hours in
the Council Chamber, The Arc, Clowne,**

Item No.		Page No.s
	PART A – OPEN ITEMS	
1.	To receive apologies for absence, if any.	
2.	To note any urgent items of business which the Chairman has consented to being considered under the provisions of Section 100(B) 4 (b) of the Local Government Act 1972.	
3.	Members should declare the existence and nature of any Disclosable Pecuniary Interest and Non Statutory Interest as defined by the Members' Code of Conduct in respect of: a) any business on the agenda b) any urgent additional items to be considered c) any matters arising out of those items and, if appropriate, withdraw from the meeting at the relevant time.	
4.	Minutes of a meeting held on 15 th November 2017	3 to 8
5.	Update from Scrutiny Chairs.	Verbal Update
6.	Update on Business Rates Pilot	Verbal Update
7.	Medium Term Financial Plan	Presentation

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 Wednesday 15th November 2017 at 1400 hours.

PRESENT:-

Members:-

Councillor S. Peake in the Chair

Councillors A. Anderson, Mrs P.M. Bowmer, T. Connerton, P. Cooper, Mrs P.A. Cooper, H.J. Gilmour, J.E. Smith, P. Smith, E. Stevenson, R. Turner, K. Walker, D. Watson and J. Wilson.

Officers:-

K. Hanson (Strategic Director), D. Clarke (Assistant Director Finance, Revenues & Benefits), P. Campbell (Assistant Director Community Safety and Head of Housing), L. Cheong (Scrutiny Officer – Acting) and A. Bluff (Governance Officer).

0394. APOLOGIES

Apologies for absence were received on behalf of Councillors T. Alexander, P. Barnes, J.E. Bennett, R. Bowler, G. Buxton, T. Cannon, J. Clifton, M. Dixey, R. Heffer, A. Joesbury, D. McGregor, T. Munro and S. Statter.

0395. URGENT ITEMS OF BUSINESS

There were no urgent items of business to consider.

0396. DECLARATIONS OF INTEREST

There were no declarations of interest made.

0397. MINUTES – 31st MAY 2017

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

RESOLVED that the minutes of a Budget Scrutiny Committee meeting held on 31st May 2017 be approved as a correct record.

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0398. UPDATE FROM SCRUTINY CHAIRS

Healthy, Safe, Clean and Green Communities Scrutiny Committee

As part of the Committees review of Enforcement, the Chair had accompanied one of the dog wardens during his working day; Councillor Gilmour (vice chair) with an enforcement officer and then with Councillor Munro to look at any untidy gardens / areas etc. The chair noted that the site visits had been interesting and informative and any relative findings had been passed to Environmental Health. Councillor Gilmour had also made enquiries with other local authorities in respect of collecting figures for benchmarking purposes.

The Housing Needs Manager had recently provided Committee with a presentation in respect of details on the new Homelessness Reduction Act coming into force in April 2018.

Customer Service and Transformation Scrutiny Committee

The Chief Executive Officer would be attending the Committee's informal meeting on 1st December 2017 to provide an update on the Council's Transformation agenda.

Growth Scrutiny Committee

Committee had recently been provided with an update on Growth in the District and also High Street Regeneration by the Assistant Director Economic Growth along with contributions from the Chief Executive Officer and the Assistant Director Property and Estates. Sherwood Lodge was currently in the process of being dismantled. Officers were liaising with potential businesses that had showed an interest in moving onto the former Coalite site and two businesses were ready to move into units which were part of the new extension to the Tangent at Shirebrook.

0399. QUARTER 2 BUDGET MONITORING

Committee considered a report of the Assistant Director – Finance, Revenues & Benefits, which provided an update on the financial position of the Council following the second quarter's budget monitoring exercise for the General Fund, the Housing Revenue Account (HRA), Capital Programme and Treasury Management activity. The report had been previously presented to Executive on 6th November 2017.

The following items were highlighted from the full report and appendices.

General Fund

The Council had started the 2017/18 financial year with a funding gap of £170k. By the end of the second quarter savings of £156k had been achieved against the target which left £14k still to be achieved for a balanced budget.

Growth Directorate – Extra income received in quarter 2, additional to the budget, mainly related to planning fees. Previously, the Assistant Director Planning & Environmental Health had aligned the planning department structure in line with planning fees, however, if fees were increased in the future, then it may be necessary to have additional staffing to help deliver the work load. This would be monitored accordingly.

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Operations Directorate – Extra income received in quarter 2, additional to the budget, mainly related to crematorium fees.

Transformation Directorate – The new Go Active facility had done better than anticipated in its first year (opened in December 2016), however, this had created fluctuations in income and expenditure. Officers were working with the Leisure department in order to align budgets with trends.

Section 106 Monies – Improvements to the monitoring and control of Section 106 monies received by the Council meant that sums due to be utilised in a financial year were now recorded within the General Fund directorate budgets with the expenditure recorded against the sums. The amount budgeted to be spent in 2017/18 was £1.949m, however, there were no deadlines during 2017/18 by which the schemes needed to be spent - the earliest deadline was 20th September 2018. Officers were working to ensure that all of the spending was undertaken in line with the S106 legal requirements.

Members were advised that some items in the report had been superseded by the next item on the agenda, 'Revised Budget'.

Housing Revenue Account (HRA)

At the end of quarter 2 the HRA was showing a net surplus of £321k. Any under spend at the end of the year would be put into a development reserve that could be used for either HRA projects or HRA capital expenditure going forward.

Capital Programme

The Capital Programme budget was behind profiled expenditure and officers were working on re-profiling the budget – this would be reported to Executive in December 2017.

Treasury Management

The Council approved the 2017/18 Treasury Management Strategy in February 2017. Appendix 4 of the report identified the Treasury Management activity undertaken during the second quarter of 2017/18 and demonstrated that it was in line with the plans agreed as part of the Strategy. The income received from investments was currently higher than budgeted and it was anticipated that this would continue during the remainder of the financial year. A full assessment of this would be done during the half year review with a view to amending the budgets accordingly.

Further to a Member's question, the Assistant Director Finance, Revenues & Benefits, advised the meeting that some items, mainly maintenance items, required paying in advance at the beginning of each financial year, for example, software licences. More detail regarding these types of budget implications would be included in future reports.

Moved by Councillor S. Peake and seconded by Councillor J.E. Smith
RESOLVED that the report be noted.

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0400. REVISED BUDGET

A paper was circulated to the meeting which provided an indication of the revised budget outcome for 2017/18.

As reported during the last agenda item, the Council needed to achieve £14k savings in the current year to achieve a balanced budget. The information circulated showed how the funding gap of £170k had been reduced to £14k and the effect of that on future years.

Revision to budgets had been carried out with budget managers over the preceding weeks and also plans for the following financial year. This was ongoing and the report to Executive would include a further update on the position of each cost centre.

Revised Budget Outcome;

	2017/18 £000's	Ongoing £000's
Go Active	(105)	0
Planning	(187)	(100)
Crematorium	(85)	(50)
Salaries; Streetscene	(114)	(23)
Strategic Alliance Management Team	(25)	0
Other General Fund	(181)	(50)
Miscellaneous	<u>(97)</u>	<u>(131)</u>
Revised Budget Surplus	(780)	665

The Assistant Director – Finance, Revenues & Benefits, advised the meeting that information relating to business rates from the Derbyshire wide Pool would be clarified and reported on in the New Year.

Moved by Councillor S. Peake and seconded by Councillor J.E. Smith

RESOLVED that the update be noted.

0401. OVERVIEW OF DEBT RECOVERY

The Assistant Director – Community Safety and Head of Housing (BDC) advised the Committee of the process followed in dealing with housing rent arrears recovery. Information in the form of a flow chart relating to guidance on how this was carried out was circulated to the meeting.

Tenants needed to be aware of the consequences of not paying their rent which was serious in the fact that they could lose their home. However, the Council would support someone in rent arrears who had complex issues but would be less flexible with someone who had no reason not to pay their rent. The Council's money advice worker was also available to help any tenant in rent arrears.

Last year two and a half thousand home visits were carried out in relation to rent arrears, some were multiple visits to the same household; almost 400 warning notices were served, 87 court cases of which some were multiples for people who had appeals

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lodged and there were 31 evictions. Evictions were usually for wilful non-payment of rent.

The Assistant Director, Finance, Revenues & Benefits informed the meeting that information was still awaited from the Department for Work and Pensions (DWP) on the timescales for processing a housing benefit claim under Universal Credit as this would have an impact on the Council's current process of how tenants rent arrears were dealt with. An Officer Working Group had had been set up in respect of how this would be dealt with within departments.

In response to Members' questions, the Assistant Director – Community Safety and Head of Housing confirmed that Housing Assistants would signpost tenants to all of the additional support resources available to them where necessary. In relation to 'write off' of rent arrears, these were only done for former tenants, which was normal accounting practice, however, if the person 'reappeared' then the arrears would be reinstated and recovery attempts made. To help with finding former tenants, tracing agency services were used on a no find no fee basis. The Assistant Director, Finance, Revenues & Benefits added that a similar process was used for council tax arrears.

Members were asked to note that most 'write off's' were due to bankruptcy or the death of a tenant and also that Bolsover had low rent write offs.

Members thanked the Assistant Director – Community Safety and Head of Housing for providing Committee with the information.

Moved and seconded

RESOLVED that the presentation be noted.

The Assistant Director – Community Safety and Head of Housing left the meeting.

0402. BUSINESS RATE PILOT

Committee considered a report of the Assistant Director, Finance, Revenues & Benefits, which had been previously presented to the Executive on 17th October 2017, in relation to a Derbyshire Business Rates Pilot arrangement for 2018/19.

The report set out a case for the Council to enter into a Business Rates Pilot across a two tier area that should bring additional financial advantages through the retention of a higher proportion of business rates income and also gain additional benefits from any further growth.

The current pooling arrangement which had been in operation since April 2015 had been a success and the Council was now looking to build upon this by participating in one of the first two tier pilots.

The Government had previously announced the expansion of the pilot programme for 100% business rates retention for 2018/19 and these would run alongside the five current 100% pilots which had been in operation since 1st April 2017. The pilots were deemed as an opportunity for the Government to test more technical aspects of the

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100% business rates retention system such as the tier-splits and would also provide the opportunity to evaluate how collaboration between local authorities worked in practice.

At its meeting on 17th October, the Executive had granted approval for the Assistant Director Finance, Revenues & Benefits, in her capacity as the Council's Section 151 Officer and in consultation with the Leader of the Council, to submit an expression of interest to enter into a 100% Business Rates Pool Pilot in 2018/19.

In response to a Members question, the Assistant Director, Finance, Revenues & Benefits, confirmed that the Council would remain in the current Derbyshire wide pool if the expression of interest application to the Government was unsuccessful.

Moved by Councillor S. Peake and seconded by Councillor J.E. Smith

RESOLVED that the information regarding the Derbyshire Business Rates Pilot arrangement for 2018/19 be noted.

The meeting concluded at 1510 hours.