

Date: 21st May 2018

The Arc
High Street
Clowne
Derbyshire
S43 4JY

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 30th May 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.

Please Note: A briefing session will take place at 1400 hours, prior to the Committee meeting starting at 1500 hours.

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 30th May 2018 at 1500 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 24 th January 2018.	3 to 5
5.	Update from Scrutiny Chairs.	Verbal Update
6.	Briefing on the Select Committee Inquiry into the Effectiveness of Local Authority Overview and Scrutiny Committees	6 to 9
7.	Outline of the Financial Outturn Position in respect of 2017/18	10 to 13
	<i>Please Note: Appendix 2 is to follow</i>	

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 24th January 2018 at 1400 hours.

PRESENT:-

Members:-

Councillor S. Peake in the Chair

Councillors R. Bowler, P.M. Bowmer, G. Buxton, T.J. Connerton, C.P. Cooper, P.A. Cooper, D. McGregor, C.R. Moesby, T. Munro, S. Peake, J.E. Smith, P. Smith, R. Turner, K.F. Walker, D.S. Watson and J. Wilson (from Minute No. 0559)

Officers:-

D. Clarke (Assistant Director – Finance and Revenues & Benefits), P. Campbell (Assistant Director – Community Safety and Head of Housing (BDC)), J. Wilson (Scrutiny and Elections Officer) and A. Brownsword (Senior Governance Officer)

0554. APOLOGIES

Apologies for absence were received from Councillors A. Anderson, T. Cannon, J.A. Clifton, H.J. Gilmour, A. Joesbury

0555. URGENT ITEMS OF BUSINESS

There were no urgent items of business.

0556. DECLARATIONS OF INTEREST

There were no declarations of interest.

0557. MINUTES – 15TH NOVEMBER 2017

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

RESOLVED that the minutes of a meeting of the Budget Scrutiny Committee held on 15th November 2017 be approved as a true and correct record.

BUDGET SCRUTINY COMMITTEE

0558. UPDATE FROM SCRUTINY CHAIRS

Customer Service and Transformation Scrutiny Committee

The Chair of the Customer Service and Transformation Scrutiny Committee informed the meeting that a survey had been sent to all Members requesting their opinion on the Strategic Alliance. It was important that as many Members as possible complete the survey. The deadline for returns was 22nd February 2018.

Healthy, Safe, Clean and Green Communities Scrutiny Committee

The Chair of the Healthy, Safe Clean and Green Communities Scrutiny Committee noted that a presentation on the Taxi Licensing Policy had been given at the last meeting which was well received and the policy had been discussed in detail.

Growth Scrutiny Committee

The Vice Chair of the Growth Scrutiny Committee noted that the Committee was focussing on three main areas:

1. Income Generation to try to identify income streams that the Council could improve.
2. Business/Employer needs including how to attract businesses into the Authority's area and skills.
3. High Street regeneration.

Moved by Councillor R. Turner and seconded by Councillor C.R. Moesby
RESOLVED that the updates be noted.

Councillor J. Wilson entered the meeting.

0559. UPDATE ON THE BUSINESS RATES PILOT

The Assistant Director – Finance and Revenues & Benefits informed the Committee that the Council had been successful in its bid to be included in the Business Rate Pilot. Initial figures showed that the Council would benefit by £400,000 in the next financial year. As yet, only a one year settlement had been received, but it was hoped this would be extended.

Moved by Councillor S. Peake and seconded by Councillor R. Bowler
RESOLVED that the report be noted.

BUDGET SCRUTINY COMMITTEE

0560. MEDIUM TERM FINANCIAL PLAN

The Assistant Director – Finance and Revenues & Benefits and the Assistant Director – Community Safety and Head of Housing (BDC) gave a presentation on the Medium Term Financial Plan 2018/19 – 2021/22. The presentation looked at:

- Budget Objectives
- Budget Process
- Budget Overview
- General Fund
- General Fund Summary
- General Fund
- HRA – Fees and Charges including,
 - Garages
 - Service Charges
 - Heating Service Charge (added to rent)
 - Heating Charge (Separate Account)
 - Heating (Total)
- Capital Programme
- Treasury Management Strategy
- Summary

It was noted that the current settlement included New Homes Bonus and the Fair Funding Review was still ongoing. Planning Fees were increasing which was adding to the Transformation Budget.

Members asked questions regarding HRA loan repayments and it was noted that no repayments were being made in the first 10 years, but monies were being put aside to make those payments.

Questions were also asked regarding the percentage difference in interest rates between loans and reserves, and whether it would be more prudent to pay off loans. The Assistant Director – Finance and Revenues & Benefits noted that apart from the HRA loan, the authority was not currently borrowing. Exercises were regularly carried out to ensure that the Council was getting the best deal.

A question was asked regarding the decrease in heating charges and it was noted that the change was as a result of detailed discussions following a review by the Customer Service and Transformation Scrutiny Committee during the previous year.

Moved by Councillor S. Peake and seconded by Councillor R. Bowler
RESOLVED that the report be noted.

The meeting concluded at 1501

Bolsover District Council

Budget Scrutiny Committee

30th May 2018

**Briefing on the Select Committee Inquiry on the Effectiveness of Local Authority
Overview and Scrutiny Committees**

Report of the Scrutiny and Elections Officer

This report is public

Purpose of the Report

- To present the Select Committee's findings and recommendations following their Inquiry and the subsequent Government Response.

1 Report Details

- 1.1 This report provides Members with an overview of the findings and recommendations of the
- 1.2 The full Inquiry report can be found on the following link:
<https://publications.parliament.uk/pa/cm201719/cmselect/cmcomloc/369/36902.htm>
- 1.3 The Select Committee proposes the following revisions to Government guidance on scrutiny committees:

Select Committee Proposal	Current Local Approach
That overview and scrutiny committees should report to an authority's Full Council meeting rather than to the executive, mirroring the relationship between Select Committees and Parliament.	<p>This is contained within our current approach but would only take place where a recommendation is outside the current Budget and Policy Framework.</p> <p>Members could choose to extend this to all reports/recommendations and the Government have indicated that new guidance will be issued which will make this a requirement in future.</p>

Select Committee Proposal	Current Local Approach
That scrutiny committees and the executive must be distinct and that executive councillors should not participate in scrutiny other than as witnesses, even if external partners are being scrutinised.	This is part of our current approach.
That councillors working on scrutiny committees should have access to financial and performance data held by an authority, and that this access should not be restricted for reasons of commercial sensitivity.	This is part of our current approach and Members have access to Exempt papers via the Member Portal.
That scrutiny committees should be supported by officers that are able to operate with independence and offer impartial advice to committees. There should be a greater parity of esteem between scrutiny and the executive, and committees should have the same access to the expertise and time of senior officers and the chief executive as their cabinet counterparts.	Members should consider if they are satisfied that they have the same access to the expertise and time of senior officers and the Chief Executive as their Cabinet counterparts, through the current approach taken by the Authority.
That members of the public and service users have a fundamental role in the scrutiny process and that their participation should be encouraged and facilitated by councils.	Customer views are sought, where relevant, for all review work.

1.4 The Inquiry generated a total of 21 conclusions and recommendations most of which require action at a national level through revised guidance. These are contained on pages 42-45.

1.5 The Government's Response to the recommendations can be found on the following link:
<https://www.gov.uk/government/publications/local-authority-overview-and-scrutiny-government-response-to-select-committee-report>

The Government's Response indicates that new guidance will be published during 2018.

1.6 Independent analysis has also been completed by the LGIU:
<https://www.lgiu.org.uk/briefing/clg-select-committee-report-on-the-effectiveness-of-local-authority-overview-and-scrutiny-committees/>

and the Centre for Public Scrutiny:
<https://www.cfps.org.uk/select-committee-inquiry-overview-scrutiny-governments-response/>

2 Conclusions and Reasons for Recommendation

- 2.1 As a result of the findings and recommendations, Members are advised to consider a review of current Terms of Reference and Procedure Rules to ensure they remain fit for purpose.
- 2.2 The Government's Response indicates that new guidance will be published during 2018. Updated guidance will recommend that scrutiny committees report to Full Council.

3 Consultation and Equality Impact

- 3.1 As part of the initial Inquiry by the Select Committee, individuals and local authorities were given the opportunity to respond.
- 3.2 All Scrutiny Committees are committed to equality and diversity in undertaking their statutory responsibilities and ensure equalities are considered as part of all Reviews. The selection criteria when submitting a topic, specifically asks members to identify where the topic suggested affects particular population groups or geographies.
- 3.3 The Council has a statutory duty under s.149 Equality Act 2010 to have due regard to the need to advance equality of opportunity and to eliminate discrimination.

4 Alternative Options and Reasons for Rejection

- 4.1 Members could choose not to review our current Terms of Reference and Procedure Rules at all, if they feel satisfied with the current approach.
- 4.2 Members could choose to delay commencing a review until the Government issues revised guidance on Scrutiny.

5 Implications

5.1 Finance and Risk Implications

- 5.1.1 Choosing not to review our current approach could leave the authority at risk of not delivery our scrutiny function in an effective manner.

5.2 Legal Implications including Data Protection

- 5.2.1 The Scrutiny Committee function is a statutory requirement pursuant to s.21 of the Local Government Act 2000 and subsequent legislation which added to/amended these powers e.g. the Local Government and Public Involvement in Health Act 2007.

5.3 Human Resources Implications

- 5.3.1 None from this report.

6 Recommendations

- 6.1 That Members appraise themselves of the recommendations of the Select Committee and the subsequent Government Response.

- 6.2 That Members commence a review of our existing Terms of Reference and Procedure Rules to ensure they remain fit for purpose in light of the recommendations of the Inquiry. Any amendments should then be submitted to Standards Committee for consideration prior to the review of the Constitution for 2019/20.

7 Decision Information

Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: <i>BDC: Revenue - £75,000 <input type="checkbox"/></i> <i>Capital - £150,000 <input type="checkbox"/></i> <i>NEDDC: Revenue - £100,000 <input type="checkbox"/></i> <i>Capital - £250,000 <input type="checkbox"/></i> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
District Wards Affected	All
Links to Corporate Plan priorities or Policy Framework	All

8 Document Information

Appendix No	Title
	Not applicable
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Electronic versions of the Select Committee Inquiry and Government Response, in addition to the independent reviews by the LGIU and the CfPS are available from the Scrutiny and Elections Officer.	
Report Author	Contact Number
Joanne Wilson, Scrutiny and Elections Officer	Ext. 2385

Bolsover District Council

Budget Scrutiny

30 May 2018

Financial Outturn 2017/18

Report of the Head of Finance & Resources

This report is public

Purpose of Report

- To update Budget Scrutiny Committee on the Financial Outturn for 2017/18.

1 Report Details

- 1.1 The position in respect of the General Fund outturn position can be found in Appendix 1.
- 1.2 The appendix shows a contribution to the Transformation Reserve of £1.785m for the year.
- 1.3 The following table summarises how this has been achieved:

	Amount £000's
NNDR	(890)
Vacancies	(154)
Increase in Planning Income	(108)
Increase in Grants	(151)
Interest & Banking Costs	(75)
Benefit Grant	(69)
Miscellaneous	(93)
Increase to Equal Pay Provision	535
Transfer agreed at Revised Budget	(780)
Total Transferred to Transformation Reserve	(1,785)

1.4 Appendix 2 details the outturn position by cost centre.

2 Conclusions and Reasons for Recommendation

2.1 During the 2017/18 the Council managed its budget effectively securing a favourable financial outturn. In particular the Council successfully met its financial savings target, and was able to grow make a contribution of £1.785m to the Transformation Reserve. The improved outturn position has allowed the Council to set aside earmarked reserves to meet contractual commitments and to address some of the key issues and potential liabilities it is facing. The Transformation Reserve is the Council's only general earmarked reserve that doesn't have commitments against it in 2018/19 so continued prudence is needed when committing against this reserve.

3 Consultation and Equality Impact

3.1 The report has no direct implications for Consultation or Equality issues.

4 Alternative Options and Reasons for Rejection

4.1 The financial outturn report for 2017/18 is primarily a factual report which details the outcome of previously approved budgets therefore there are no alternative options that need to be considered.

5 Implications

5.1 Financial and Risk Implications

5.1.1 The financial implications are set out within the body of the report.

5.2 Legal Implications including Data Protection

5.2.1 The Statement of Accounts is required to be prepared and audited by the 31 July each year. The Council has now completed the draft Statement of Accounts and they have been signed off by the Chief Financial Officer as at 25 May 2018 which secures compliance with the Council's obligations.

6 Recommendations

6.1 That Members note the outturn position in respect of the 2017/18 financial year.

7 Decision Information

Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: <i>BDC: Revenue - £75,000 <input type="checkbox"/></i> <i> Capital - £150,000 <input type="checkbox"/></i>	No
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<p><i>NEDDC: Revenue - £100,000</i> <i>Capital - £250,000</i> <i>* Please indicate which threshold applies</i></p>	
<p>Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)</p>	No
<p>District Wards Affected</p>	All
<p>Links to Corporate Plan priorities or Policy Framework</p>	Robust financial Governance arrangements underpin the effective operation of the Council and its ability to secure the full range of Corporate Plan Priorities.

8 Document Information

Appendix No	Title
1	Financial Outturn Summary
2	Cost Centre Analysis
<p>Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)</p>	
Report Author	Contact Number
Dawn Clarke – Head of Finance & Resources	01246 217658

BDC Outturn 2017/18	2017/18 £000's	2018/19 £000's	2019/20 £000's	2020/21 £000's	2021/22 £000's
Current Efficiency Target / Budget Shortfall (MTFP March 2018)	(780)	(1,027)	34	550	1,184
Council Tax Increase 2018/19	n/a	(107)	(107)	(107)	(107)
<u>Options Identified:</u>					
NNDR	(890)	(1,324)	0	0	0
Transformation, Income Generation/Cost Reduction, Business Redesign	39	0	0	0	0
Vacancy Management	(154)	0	0	0	0
Total transformation options	(1,005)	(1,431)	(107)	(107)	(107)
General Fund (Surplus) /Unidentified savings Target	(1,785)	(2,458)	(73)	443	1,077
Transformation Reserve Balance	(4,005)	(6,463)	(6,463)	(6,463)	(6,463)