

EXECUTIVE

Minutes of a meeting of the Executive of the Bolsover District Council held in the Council Chamber, The Arc, Clowne on Monday, 10 February 2020 at 10:00 hours.

PRESENT:-

Members:-

Councillor Steve Fritchley in the Chair

Councillors Duncan McGregor (Deputy Leader), Nick Clarke, Clive Moesby, Sandra Peake, Liz Smyth and Deborah Watson.

Officers:- Karen Hanson (Joint Strategic Director - Place), Lee Hickin (Joint Strategic Director - People), Theresa Fletcher (Head of Finance and Resources & Section 151 Officer), Victoria Dawson (Solicitor - Team Manager (Contentious)) and Donna Cairns (Senior Governance Officer).

1 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Mary Dooley.

2 URGENT ITEMS OF BUSINESS

The Leader agreed to an urgent item of business at the meeting of Executive on 10th February 2020, in accordance with Section 100(B) 4(b) of the Local Government Act 1972, as follows:

Disposal of a parcel of land off St Martin's Walk at Hodthorpe.

This item of business was exempt from publication under Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, therefore the exclusion of the public was also added to the agenda.

Reason for Urgency: The Council had been in negotiations with Keepmoat Homes Limited over the access / disposal of this piece of land since 2015. Keepmoat Homes Limited were bound by a Grampian Condition as part of their planning application for the development in Hodthorpe, which required the confirmed access over the aforementioned land prior to commencement of any works on site. The urgency was necessary to ensure that the negotiated price was accepted and there was no room for Keepmoat to reduce the price due to a delay. They had set a deadline for agreement of the week commencing 10th February 2020. By considering the matter on 10th February, the Council could continue to progress the matter with Keepmoat Homes Limited's solicitor and complete the matter promptly. This was also to enable Keepmoat to commence with the development of the land.

The Chair of Growth Scrutiny Committee had consented to the use of the Special Urgency Procedure as the requirements to give notice of 28 clear days of a key decision and the private meeting had not been met.

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3 DECLARATIONS OF INTEREST

Members were requested to declare the existence and nature of any disclosable pecuniary interests and/or other interests, not already on their register of interests, in any item on the agenda and withdraw from the meeting at the appropriate time.

There were no declarations made at the meeting.

4 MINUTES

It was noted that at the Exclusion of the Public item, the Minutes incorrectly stated that Councillor Duncan McGregor both moved and seconded the motion. This should have stated that the motion was seconded by Councillor Steve Fritchley.

Moved by Councillor Duncan McGregor and seconded by Councillor Steve Fritchley
RESOLVED that, subject to the amendment noted above, the minutes of a meeting of Executive held on 20th January 2020 be approved as a true and correct record.

MATTERS REFERRED FROM SCRUTINY

None.

BUDGET & POLICY FRAMEWORK ITEMS

5 MEDIUM TERM FINANCIAL PLAN 2020/21 TO 2023/24

Executive considered the report of the Portfolio Holder – Finance & Resources which recommended the proposed budget for 2020/21 for the General Fund, Housing Revenue Account and Capital Programme as part of the Council's Medium Term Financial Plan covering the years 2020/21 to 2023/24 and provided elected Members with an overview of the Council's financial position in order to inform the decision making process.

The Head of Finance and Resources & Section 151 Officer gave a presentation which outlined key areas of the report and the Council's financial position. Members were advised that the presentation had also been given to Budget Scrutiny Committee and all Members were able to access a copy of the presentation even if they were unable to attend the meeting.

The Medium Term Financial Plan covered three areas:-

- General Fund;
- Housing Revenue Account (HRA);
- Capital Programme.

Executive's recommendations were to be reported to Council at its meeting on 19th February 2020 in order to secure agreement for the Council's budget in respect of the 2020/21 financial year.

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The Council's Section 151 Officer was satisfied that the methodology adopted to calculate the estimates was robust and provided Members with reliable information on which to base their decisions. Likewise the Section 151 Officer was satisfied that the proposed level of reserves was adequate to cover the issues and potential risks which the Council may face.

General Fund

The Council's original budget for 2019/20 showed a deficit of £0.083m. Executive considered the Revised Budget in December 2019 and no changes were made to the budget position since that time. The final in-year surplus was dependent on the actual financial performance in line with the revised budget. It was agreed that the estimated surplus of £0.261m, be used to increase the General Fund balance and be utilised to mitigate the expected increase in the contribution to the Local Government Pension Scheme over the next three financial years.

The proposed budget for 2020/21 showed a deficit of £0.290m.

The report set out details of the anticipated level of Government funding and other areas of income, as well as details of the expenditure changes forecast over the Medium Term Financial Plan period. An increase in Council Tax of 2.83% was proposed.

The assumptions made in the budget setting process were also outlined in the report that related to: increase in staffing budgets from pay awards; increases in employer superannuation contributions; inflation; income from planning fees; fees and charges; and the departure of the UK from the European Union.

The Council's main uncommitted Financial Reserves were the General Fund Working Balance of £2.0m and the uncommitted element of the Transformation Reserve of £2.159m. Due to the uncertainty surrounding local authority income and the fact that the Council had reduced budgets to a minimal level, it was considered important that the Council continue to review whether the Council has an acceptable General Fund Working Balance.

Housing Revenue Account (HRA)

A surplus of £0.155m was estimated on the 2019/20 budget, which was £0.132m higher than the current budget. It was agreed that the estimated surplus be allowed to increase the HRA balance and be utilised to mitigate the expected increase in the contributions to the Local Government Pension Scheme over the next three financial years.

In the 2019/20 budget, the setting of rent levels was in line with the Government's regulations which required a reduction in rent levels by 1% per annum for four years commencing from April 2016.

For 2020/21, an annual increase in line with Consumer Price Index plus 1% was proposed, in line with the Ministry of Housing, Communities and Local Government's Policy Statement. The Head of Finance and Resources & Section 151 Officer reported that this increase would be an average increase on rents of £2.23 per week, which equated to £107 per year.

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The report set out details of the assumptions on which the HRA budget was based and details of the proposed charges in relation to non-dwelling rents.

Capital Programmes

Details of the proposed Capital Programmes in respect of the General Fund and the HRA over the period of the Medium Term Financial Plan were set out in the report.

It was noted that there were to be three separate reports to Council on 19th February 2020 concerning the Council's Treasury Management Strategy, Investment Strategy and Capital Strategy. The Capital Strategy report was to consider capital financing such as borrowing which would enable the proposed capital programme budgets to proceed.

Executive agreed that the Council was in a comfortable financial position but that work would continue to improve efficiencies and generate income in order to manage the budget in a sustainable manner.

Moved by Councillor Clive Moesby and seconded by Councillor Sandra Peake

RESOLVED – *That the following recommendations be referred to Council:*

- (1) *That in the view of the Chief Financial Officer, that the estimates included in the Medium Term Financial Plan 2020/21 to 2023/24 are robust and that the level of financial reserves whilst at minimum levels are adequate, be accepted.*
- (2) *That officers report back to Executive and to the Budget Scrutiny Committee on a quarterly basis regarding the overall position in respect of the Council's budgets. These reports to include updates on achieving savings and efficiencies for 2020/21 and future years.*

GENERAL FUND

- (3) *A Council Tax increase of £5.00 is levied in respect of a notional Band D property (2.83%).*
- (4) *The Medium Term Financial Plan in respect of the General Fund as set out in **Appendix 1** to the report be approved as the Revised Budget 2019/20, as the Original Budget in respect of 2020/21, and the financial projection in respect of 2021/22 to 2023/24.*
- (5) *That any further under spend in respect of 2019/20 is transferred to the Council's General Fund Reserves.*
- (6) *On the basis that income from Planning Fees may exceed £0.500m in 2019/20, the Chief Executive in consultation with the Leader be granted delegated powers to authorise such additional resources as are necessary to effectively manage the resultant increase in workload.*

HOUSING REVENUE ACCOUNT (HRA)

- (7) *That Council sets its rent levels in line with government policy, increasing rent levels by CPI (1.7%) plus 1% to apply from 1st April 2020.*

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- (8) *That the increases in respect of other charges as outlined in **Appendix 3 Table 1** to the report be implemented with effect from 1st April 2020.*
- (9) *The Medium Term Financial Plan in respect of the Housing Revenue Account as set out in **Appendix 3** to the report be approved as the Revised Budget in respect of 2019/20, as the Original Budget in respect of 2020/21, and the financial projection in respect of 2021/22 to 2023/24.*
- (10) *That under spends in respect of 2020/21 to 2023/24 are transferred to the HRA Revenue Reserve.*

CAPITAL PROGRAMME

- (11) *That the Capital Programme as set out in **Appendix 4** to the report be approved as the Revised Budget in respect of 2019/20, and as the Approved Programme for 2020/21 to 2023/24.*
- (12) *That the Director of Development be granted delegated powers in consultation with the relevant Portfolio Holder and the Asset Management Group to approve the utilisation of the £260,000 of AMP Refurbishment Work allocation, with such approvals to be reported back to Executive through the Quarterly Budget Monitoring Report.*

REASON FOR DECISION:

To make recommendations on setting the budget in respect of the General Fund, the Housing Revenue Account and the Capital Programme.

OTHER OPTIONS CONSIDERED:

Alternative options were considered throughout the process of the preparation of the budget and were outlined in the report.

(Head of Finance and Resources & Section 151 Officer)

6 EXCLUSION OF THE PUBLIC

Moved by Councillor Duncan McGregor and seconded by Councillor Steve Fritchley

RESOLVED that under Section 100(A)(4) of the Local Government Act 1972 (as amended), the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in the stated Part 1 of Schedule 12A of the Act and it is not in the public interest for that to be revealed. [The category of exempt information is stated after each Minute].

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PART 2 - EXEMPT ITEMS

KEY DECISION – UNDER SPECIAL URGENCY

7 DISPOSAL OF A PARCEL OF LAND OFF ST MARTIN'S WALK AT HODTHORPE

Executive considered the report of the Portfolio Holder – Economic Development which sought approval for the sale of a parcel of land, as indicated on the plan attached to the report, to Keepmoat Homes Limited, to facilitate a pedestrian access as part of a new residential development scheme.

Moved by Councillor Liz Smyth and seconded by Councillor Sandra Peake

RESOLVED – That Executive approve the disposal of the parcel of land on St Martins Walk to Keepmoat Homes Limited and delegate powers to the Director of Development, in consultation with the Leader, to finalise the terms of sale.

REASON FOR DECISION:

In order for Keepmoat Homes Limited to commence development of the scheme on land to the north west of Broad Lane in Hodthorpe, approval was granted for the disposal of the Council owned ransom strip to Keepmoat Homes Limited to satisfy condition 2 of the Planning Approval.

OTHER OPTIONS CONSIDERED:

There was no other alternative option available in order to achieve sustainable development.

(Paragraph 3)

(Director of Development)

The meeting concluded at 10:17 hours.