

FINANCE AND MANAGEMENT COMMITTEE (SPECIAL – BUDGET)

10th January 2019

PRESENT:-

Conservative Group

Councillor Harrison (Chairman), Councillor Watson (Vice-Chairman) and Councillors Mrs Coe, Dr Coyle, Ford, Hewlett, MacPherson and Smith

Labour Group

Councillors Rhind, Richards, Southerd and Taylor

FM/113 **APOLOGIES**

Apologies were received from Councillor Billings (Conservative Group).

FM/114 **DECLARATIONS OF INTEREST**

Councillor Ford declared a personal interest in Item 8 Council Tax Discount: Care Leavers, by virtue of being a County Councillor, advising he would not participate in the debate.

Councillor Dr Coyle declared a personal interest in the grants to voluntary bodies element of Item 7 Service Base Budgets 2018/2019, by virtue of being on the board of trustees for Sharpe's Pottery Heritage & Arts Trust Ltd.

Councillor Mrs Coe declared a personal interest in the grants to voluntary bodies element of Item 7 Service Base Budgets 2018/2019, by virtue of being on the board of trustees for Sharpe's Pottery Heritage & Arts Trust Ltd.

FM/115 **QUESTIONS FROM MEMBERS OF THE PUBLIC PURSUANT TO COUNCIL PROCEDURE RULE NO 10**

The Committee was informed that no questions from members of the public had been received.

FM/116 **QUESTIONS BY MEMBERS OF THE COUNCIL PURSUANT TO COUNCIL PROCEDURE RULE NO 11**

The Committee was informed that no questions from Members of the Council had been received.

FM/117 **REPORTS OF OVERVIEW AND SCRUTINY COMMITTEE**

The Committee was informed that no reports had been received.

MATTERS DELEGATED TO COMMITTEE

FM/118 SERVICE BASE BUDGETS 2019 / 2020

The Strategic Director (Corporate Resources) presented the report to Committee providing an overview of the Committee's main areas of spending and the Committee's proposed base budget for 2019/2020. The variance in expenditure from the Medium Term Financial Plan projection was explained; reasons included the requirement of computer licences, subsequent maintenance and staffing. The Strategic Director informed Members that future costs and risk associated with computer licenses were being reviewed where a move to Microsoft Office 365; a cloud-based system would potentially provide more functionality.

A proposal to an increase of 2% in contributions to Parish Councils in 2019/20 for Concurrent Functions was carried by the Committee.

RESOLVED:

- 1.1 *That the proposed revenue income and expenditure for 2019/20 as detailed in Appendix 1 for the Committee's Services are considered and included in the consolidated proposals for the General Fund.***
- 1.2 *The Committee considered and approved the proposed fees and charges as detailed in Appendix 2 for 2019/20.***
- 1.3 *The Committee considered and approved an increase of 2% in contributions to Parish Councils in 2019/20 for Concurrent Functions.***

FM/119 BUDGET REPORT 2019/20 INCORPORATING THE CONSOLIDATED BUDGET PROPOSALS AND MEDIUM TERM FINANCIAL PLAN TO 2024

The Strategic Director (Corporate Resources) presented the report to Committee, outlining the Council's overall financial position following a detailed review of current income and expenditure on the General Fund developing the financial plan and strategy approved in October 2018. The Strategic Director highlighted confirmation of the Council's financial settlement from central government for 2019/20; current spending and proposed base budget position for 2019/20 including proposed spending by Policy Committees; the proposed Council Tax Base for 2019/20 and the overall impact on the General Fund's 5-year financial projection.

Councillor Dr Coyle sought clarification on action being taken to address the projected future budget deficit. The Chairman responded that once clear direction is provided by central government in relation to the New Homes Bonus and Business Rates, further action can be taken to address deficit concerns, including the use of appropriate reserves earmarked for anticipated risks and service pressures.

The Chief Executive commented that growth in the district required investment in resources to allow this Council to not only provide an efficient service to its residents, but also be commercially smart in its delivery.

The Chairman put the recommendations in the report to the Committee individually.

RESOLVED:

- 1.1 The Committee considered the estimates of revenue income and expenditure for 2019/20 for the General Fund and approved a level of income and expenditure as detailed in the report.***
- 1.2 The Committee considered and approved an increase of 2% in grants to voluntary bodies and payments to Parish Councils under concurrent functions for 2019/20.***
- 1.3 That the Council Tax Base for 2019/20 of 33,302 (equivalent Band D) properties as detailed in Appendix 3 is approved.***
- 1.4 That an estimated Council Tax Surplus of £1,000,000 is declared on the Collection Fund for 2018/19 and the Council's proportion of £110,200 is transferred to the General Fund in 2019/20.***
- 1.5 That the rate of Council Tax for 2019/20 be deferred to the next meeting of the Committee on 14 February 2019.***
- 1.6 That the updated 5-year financial projection on the General Fund to March 2024 as detailed in Appendix 1, including associated assumptions and risks as detailed in the report, is approved.***
- 1.7 That efficiencies and budget savings continue to be pursued where opportunities arise to sustain the current financial position.***
- 1.8 That the decisions made in recommendations 1.1 to 1.7 are used as the basis for consultation with local residents, businesses, voluntary and community groups, etc. and are subject to review by the Overview and Scrutiny Committee.***

Abstentions: Councillors Mrs Coe and Dr Coyle

FM/120 **COUNCIL TAX DISCOUNT: CARE LEAVERS**

The Strategic Director (Corporate Resources) presented the report to Committee advising that Derbyshire County Council had requested that district councils in Derbyshire give consideration to an exemption from Council Tax for Derbyshire care leavers up to the age of 25, to help them move into adulthood without the added pressures of debt.

Councillor Richards sought clarification on the position of other Derbyshire authorities and implications for this authority in the event of them opting not to participate in the initiative. The Strategic Director (Corporate Resources) clarified that there had been mixed reactions, where some authorities were in the process of seeking Committee approval; some undecided and a few not minded to participate for the reason that the County Council would not be contributing the cost to district councils. Councillor Richards noted that although he was not opposed to the proposal, there was some concern in relation to its implementation.

Councillor Dr Coyle sought further clarification on the process involved in the proposed scheme. The Strategic Director (Service Delivery) advised that, if approved, a policy would need to be devised and approved which would outline the criteria for a case by case assessment.

Councillor Southerd agreed with the proposal in principle, suggesting that a decision be deferred until further information on the position of other local district councils is made available to the Committee. The Chief Executive offered to put this matter to an upcoming meeting with Chief Executives of Derbyshire authorities and to revert to the next Committee. This was accepted by the Committee.

RESOLVED:

- 1.1 The Committee deferred making a recommendation to Council, for the exercise of a discretion under Section 13A (1) C of the Local Government Act 1992 to exempt by way of a discount Derbyshire County Council Care leavers from Council Tax, to the next meeting of the Committee on 14 February 2019.***

Abstention: Councillor Ford

FM/121 **COUNCIL TAX PREMIUM ON LONG-TERM EMPTY PROPERTIES**

RESOLVED:

- 1.1 The Committee approved increasing the Council Tax Premium from 50% to 100% on properties empty for longer than 2 years but less than 5 years.***
- 1.2 The Premium of 100% is effective from 1 April 2019.***
- 1.3 That approval was given, in principle, to increasing the Council Tax Premium to 200% on properties empty for between 5 and 10 years from 1 April 2020.***
- 1.4 That approval was given, in principle, to increasing the Council Tax Premium to 300% on properties empty for over 10 years from 1 April 2021.***

1.5 That increases to 200% and 300% in future years are considered ahead of the Budget Round for 2020/21 and 2021/22 respectively.

FM/122 **MAINTENANCE STANDARDS PROJECT BRIEF**

The Strategic Director (Service Delivery) presented the report to Committee highlighting that the project would enable effective management and maintenance of the Council's land resources through geographic information system (GIS) mapping.

RESOLVED:

1.1 That the Committee endorsed the Business Case set out in Appendix A (Project Brief - Maintenance Standards Phase 1) as a valid business reason to invest in resources to capture environmental asset maintenance data.

1.2 The Committee approved £50,000 from earmarked reserves to deliver the project as set out in the Business Case.

1.3 The Committee approved a new temporary post of a GIS Project Officer on a fixed-term contract for 18 months.

FM/123 **LOCAL GOVERNMENT ACT 1972 (AS AMENDED BY THE LOCAL GOVERNMENT [ACCESS TO INFORMATION] ACT 1985)**

RESOLVED:-

That, in accordance with Section 100(A)(4) of the Local Government Act 1972 (as amended), the press and public be excluded from the remainder of the Meeting as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that there would be disclosed exempt information as defined in the paragraphs of Part 1 of the Schedule 12A of the Act indicated in brackets after each item.

TO RECEIVE QUESTIONS FROM MEMBERS OF THE COUNCIL PURSUANT TO COUNCIL PROCEDURE RULE NO. 11

The Committee was informed that no questions had been received.

RESTRUCTURE OF LEGAL AND DEMOCRATIC SERVICES

The Committee approved the recommendations in the report.

The meeting terminated at 7.20pm

CHAIRMAN