

OVERVIEW AND SCRUTINY COMMITTEE

18<sup>th</sup> January 2017

**PRESENT:-**

**Conservative Group**

Councillor Mrs Farrington (Chairman), Councillor Swann (Vice-Chairman)  
and Councillors Billings and Mrs Coe

**Labour Group**

Councillor Dunn, Bambrick

**In attendance**

Councillor Atkin

OS/43 **APOLOGIES**

Apologies were received from Councillors Mrs Patten (Conservative Group),  
and Dr Pearson (Labour Group)

OS/44 **DECLARATIONS OF INTEREST ARISING FROM ITEMS ON AGENDA**

Councillor Dunn declared an interest in Item 6 by virtue of being Deputy  
Cabinet Member for Highways, Transport and Infrastructure at County Council.

OS/45 **QUESTIONS RECEIVED BY MEMBERS OF THE PUBLIC PURSUANT TO  
COUNCIL PROCEDURE RULE NO. 10**

The Committee were informed that no questions from members of the Public  
had been received.

OS/46 **QUESTIONS RECEIVED BY MEMBERS OF THE COUNCIL PURSUANT TO  
COUNCIL PROCEDURE RULE NO. 11**

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

OS/47 **CONSOLIDATED BUDGET REPORT 2017/18 AND MEDIUM TERM  
FINANCIAL PLAN**

The Director of Finance and Corporate Services delivered the report to the  
Committee, advising that it had been previously discussed and approved by  
Finance and Management Committee. The Director clarified the position  
entering the 2017/18 budget round, the updated General Fund position with  
the medium-term projection, and identified that action needed to be taken in

order to alleviate the projected budget deficit of £800,000 in 2018/19. The Committee were informed that the finance team were working with service areas to review spending and identify savings particularly focussing on the effect of growth.

It was noted that the Council's Financial Settlement for 2017/18, along with those projected through to 2022, were less than initially anticipated, a reflection of the change in core funding, largely due to the reduction of the Revenue Support Grant and the New Homes Bonus being 'top-sliced' to fund adult social care.

It was reported that the government responded to the consultation on the New Homes Bonus by outlining their proposals to reduce legacy payments of the bonus from 6 to 4 years in 2018/19. The Director advised that there would be a transitional period for 2017/18 where this bonus would be for 5 years and then down to 4. The other main proposal confirmed by the government was to discount the first 0.4% of growth by considering it 'deadweight'. The Director clarified the principle of 'deadweight' related to the governments' view that an initial level of growth within any district would be inevitable. The original proposal was 0.25%, but citing levels of growth across the country and the requirement of funding for adult social care, the government confirmed that the first 0.4% of growth would be deemed 'deadweight' and therefore no longer qualify for the New Homes Bonus. The consultation also outlined proposals to introduce penalties for authorities where no Local Plan was in place and that where new homes which were rejected at the application stage, but then overturned on appeal no New Homes Bonus payment would be made. In terms of total core funding, Committee were advised that the Council generated £12.3m but is forecasted to decrease to £10.6m or 15% over the next five years.

The Director highlighted that growth within the District and subsequent cost pressures would affect income, not only council tax and new homes bonus, but also potentially impact the service base budget, for example, the provision of refuse bins for new properties. The Director explained the recommendation to increase provision for growth and setting up a reserve, outside the general reserve, to specifically deal with the cost of growth would allow the Council to allocate and direct resources accordingly. The Director advised that the current expenditure would not be sustainable, that the cost of growth would need to be monitored and savings identified in order to address the £800,000 deficit.

Members sought clarification on the setting and distribution of business rates. The Director of Finance and Corporate Services explained that business rates are set by government nationally. Members were advised that a consultation

process regarding the distribution of business rates is ongoing, but currently 40% is retained by this Council, 50% is transferred to government, 9% to County Council and 1% to Fire Authority.

Councillor Atkin queried the Director of Housing and Environmental Services on funding for refuse bins for new properties. It was clarified that the bins are provided by the Council and funded through payment of council tax. It was also noted that growth within the district has placed added pressure on these resources. In this light, Councillor Swann welcomed the initiative to set up the growth reserve to assist with pressures on services.

**RESOLVED:-**

***The budget proposals approved by the Finance and Management Committee were noted.***

OS/48 **REVIEW OF THE COUNCIL'S RECYCLING AND BULKY WASTE COLLECTION SERVICES and REVIEW OF THE COUNCIL'S STREET SCENE SERVICES**

The Director of Housing and Environmental Services presented the report to Committee highlighting that the review of services had become crucial in order to deliver value and operate efficiently. Members were advised that services were reaching capacity, due to growth in the district. It was also noted that the move to the new Depot building would also potentially have an impact on this review.

Members raised concerns and sought clarification relating to the collection of waste at the side of bins, fly-tipping and the review of the recycling provision at Civic Amenity sites. The Director of Housing and Environmental Services advised Members that information on waste allowed at the side of bins would be provided in due course. With regards to the issue of fly-tipping, the Director responded that recent prosecutions had shown that fly-tipping had become a cross-border activity, identifying that issues in neighbouring districts with collection rates and capacity had a direct impact on fly-tipping in South Derbyshire. The Director clarified that the review of recycling provision at Civic Amenity sites would evaluate whether these sites are financially effective by assessing the cost of clearing dumped waste, the subsequent loss of recycling credit and the impact of waste going to landfill. Members suggested that identifying and addressing seasonal pressure points combined with educating residents through the provision of clear information on waste allowance would be of assistance.

**RESOLVED:-**

***Members noted the content of the report, and supported the proposed recommendations to the Environmental & Development Services Committee, and detailed at 3.1.1 to 3.1.6 within this report.***

OS/49 **COMMITTEE WORK PROGRAMME 2016-17**

The Director of Finance and Corporate Services provided an update on the renewal of the iPads that upon the transfer of Northgate Services to the Council, procurement of the agreed replacements can be initiated.

The Committee considered and made a recommendation.

**RESOLVED:-**

***That an Open Meeting with Burton and Derby hospitals be added to the work programme for 2016/17.***

OS/50 **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 would be 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.***

**EXEMPT QUESTIONS FROM MEMBERS OF THE COUNCIL UNDER COUNCIL PROCEDURE RULE NO 11**

***The Committee were informed that no exempt questions from Members of the Council had been received.***

The Meeting terminated at 7.15pm.

COUNCILLOR FARRINGTON

CHAIRMAN