

## MINUTES

### FINANCE AND RESOURCES OVERVIEW AND SCRUTINY

6 FEBRUARY 2018

#### **Present:**

Cllr Adeleke  
Cllr Chapman (Chair)  
Cllr E Collins  
Cllr Douris (Vice Chair)  
Cllr Taylor  
Cllr Silwal

#### **Also Present:**

Councillor Williams – Leader of the Council; and  
Councillor Harden – Portfolio Holder for Residents and Corporate Services

#### **Officers:**

S Marshall	Chief executive
M Brookes	Solicitor to the Council
J Deane	Corporate Director (Finance & Operations)
J Doyle	Group Manager - Democratic Services
B Hosier	Group Manager - Commissioning, Procurement and Compliance
N Brown	Group Manager – Commercial Assets & Property Development
C Baker	Group Manager – Revenues, Benefits & Fraud
M Rawdon	Group Manager – People and Performance
B Trueman	Group Manager – Information, Communication & Technology
R Twidle	Member Support Officer (Minutes)

The meeting began at 7:30 pm

#### **77            MINUTES**

The minutes of the meeting held on 7 November and 4 December 2017 were agreed by the Members present and signed by the Chairman.

#### **78            APOLOGIES FOR ABSENCE**

Apologies for absence were submitted on behalf of Cllr McLean and Cllr Tindall.

**79**                    **DECLARATIONS OF INTEREST**

Cllr Douris declared an interest; he said a company of which he is a principal shareholder rented a garage from DBC.

**80**                    **PUBLIC PARTICIPATION**

None.

**81**                    **CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE IN RELATION TO CALL-IN**

None.

**82**                    **ACTION POINTS FROM THE PREVIOUS MEETING**

The Chairman noted that all action points had been completed, and, in particular, was pleased to note the decrease in costs of agency staff. M Rawdon confirmed that these costs were being closely monitored, and where possible, staff were directly employed as this was more cost effective. Cllr Douris asked if the majority of agency staff were located in the 'Clean, Safe & Green' team; M Rawdon confirmed this was correct but also clarified that the larger spend of agency costs was office based agency staff.

J Deane confirmed that the response to the Action Point asking for the Business Rates Retention figure as a percentage was not correct; He said, as a whole, this figure was approximately 5%, while as growth, it was 40%; the Chairman thanked him for this clarification.

**83**                    **JOINT BUDGET PREPARATIONS 2018/2019**

The Chair introduced the item; he noted that both Joint Budgets had provided good, detailed presentations. He asked officers if they had anything further they wished to add to the presentations. He then invited questions for officers.

The Chairman noted pg 8, item 6 of the agenda pack: "The Council leases 39-41 The Marlowes to an external tenant. The rent free period associated with this property ends during 2018/19. The Council can expect to receive six months of rent on this property, representing £160k of additional income". He asked if DBC were in target to receive this income. N Brown confirmed this; 50% of the rental was due to be paid in September 2018.

Cllr Adeleke asked for further clarification of the information contained within J Deane's presentation. J Deane said that in his view there was a risk with the Fair Funding Review, that by the time central Government had consulted all stakeholders, and all the different concerns had been raised, the model may look very similar to the existing one. He said that in order for Local Authorities (LA's) to retain all locally raised business rates, there would be additional responsibilities; there were concerns

that the cost of delivering these responsibilities may be more than the additional funding from the retained business rates.

Cllr Adeleke then asked for a further explanation of the figures relating to the Business Rates retention that were contained within J Deane's presentation. He noted outgoings of £60 million, in comparison to only an income of £3 million. J Deane said that these figures were based on the Assessment of Need once the new model had been completed; J Deane said that this model was not due to be completed until Autumn 2019. He said between now and then, DBC would be working with all stakeholders including The Department for Communities and Local Government, and other LA's) to inform this model, input its views, as well as gaining an understanding of what these responsibilities would be. He confirmed from Autumn 2019, there would be a consultation period where DBC and other LA's would have the opportunity to review the model and consider its effect/impact, and then provide feedback. He said it was not impossible that DBC could face a significant reduction of its Assessment of Need.

Cllr Adeleke raised concerns, asking if DBC was effectively being penalised for being a successful borough. He said it appeared that the more successful a borough was, the more central Government appeared to "claw back". He asked what could be done to mitigate this? J Deane said that he had attended a meeting with other district councils across the Country where this very point was raised; why should successful or entrepreneurial councils face a reduction in their Assessment of Need? He said that responses by central Government had tended to be non-committal on this point. J Deane re-iterated that DBC would push to represent its interests to the review, as well as lobby central Government.

Cllr Douris referred to pg 27 of the agenda pack; he noted an increase in income of £5k. He asked for clarification. M Brookes confirmed that this had been generated by the Address Management Service, following the decision to charge developers for this service.

Cllr Douris noted the reduction in costs of the cemeteries (pg 37 of the agenda pack). N Brown confirmed costs were reducing, He said that following an annual review, the decision not to provide particular services; based on historic sales, if items had not been sold, DBC would not to continue to do so.

Cllr Douris took the opportunity to comment on the quality of presentation, as well as the reports contained in the agenda pack, saying it was appropriate to recognise the efforts of the staff. J Deane said that the hard work of the staff deserved recognition, particularly in a year of significant changes. Cllr Douris said this recognition should be given. Cllr Douris also added that in a difficult financial climate, DBC had continued to provide services while maintaining financial probity. The Chairman echoed these comments.

Cllr Silwal referred to pg 7/8 of the agenda pack; "Prior to the Provisional Settlement, District Councils were able to increase Council tax by the greater of £5 or 1.99% without triggering a referendum. This trigger point has been raised to the greater of £5 or 2.99%. The new flexibility is expected to generate an additional £38k of Council Tax revenue in 2018/19"; he asked for some more detail. J Deane said this was from an increase of Council Tax to £5.67. Cllr Douris highlighted that this went into DBC's base budget, and was cumulative; this was good news. J Deane added that there

had been significant support for this strategy; resident engagement events showed 90% support for increasing council tax.

Cllr Adeleke asked what was meant by 'Third Parties' within the reports. He noted that substantial amounts of money were paid to these. J Deane confirmed that these were contractors that provided outsourced services. He said that they be more efficient, and therefore cheaper, or better placed to provide the service.

The Chair asked the Committee if there were any further questions; none were forthcoming.

Outcome: At the invitation of the Chairman, in light of the recommendation within the Budget Preparation 2018/19 Report; the Committee noted, as at Quarter 3 2017/18, the following:

- General Fund Revenue forecast revenue outturn
- Housing Revenue Account forecast outturn
- General Fund Capital position
- Housing Revenue Account Capital position

## **84                    WORK PROGRAMME**

The Chair referred to the work programme at pg 80 of the agenda pack. Cllr Douris raised the possibility of the Committee considering a specific element contained within the reports, and whether there would be an opportunity to interrogate or review it in more detail. J Deane confirmed that this suggestion was being reviewed by M Brookes. He said that the new Assistant Director was due to start in approximately a month and that there would be an opportunity to discuss with him and the Committee what they would like to scrutinise. M Brookes added that all the work programmes of the Overview & Scrutiny Committees were now considered at CMT, and items which were relevant to the Corporate Work Plan were being devised; M Brookes said that these would then be fed back.

Cllr Taylor asked that the work programme be updated to reflect the departed officers.

The Meeting ended at 8:30 pm. The Chair closed the meeting and thanked those present for their attendance. He also asked that the Committee's thanks be passed onto staff, in recognition for their hard work.