

FINANCE AND RESOURCES COMMITTEE

15 FEBRUARY 2018

Present: Councillor P D Simpson, Chair

Councillors: T P Brindley
E Cubley
S Easom
D A Elliott (substitute)
R I Jackson
P Lally
G Marshall
P J Owen
M Radulovic MBE
K E Rigby (substitute)
A W G A Stockwell

Apologies for absence were received from Councillors S A Bagshaw and S J Carr.

56. **DECLARATIONS OF INTEREST**

Councillor M Radulovic MBE declared a non-pecuniary interest in agenda item 14, minute number 68 refers, as he is a trustee of Eastwood People's Initiative. Councillor E Cubley declared a pecuniary interest in agenda item 20, minute number 74 refers, as he has business associations with some of the companies listed. Councillor R I Jackson declared a pecuniary interest in agenda item 20, minute number 74 refers, as one of the listed persons was previously a tenant of his.

57. **MINUTES**

The minutes of the meeting held on 8 January 2018 were confirmed and signed.

58. **REFERENCES**

58.1 Jobs and Economy Committee 16 January 2018 **Business Growth Plan**

An additional £20,000 was requested to be allocated to the budgets for each of the next two years to assist in the work of the Greater Nottingham Joint Planning Advisory Board to review the Aligned Core Strategy which is due to commence in 2018.

RESOLVED that a sum of £20,000 be included in the 2018/19 and 2019/2020 revenue budgets to meet the cost of contribution to the work of the Greater Nottingham Joint Planning Advisory Board on reviewing the Aligned Core Strategy.

- 58.2 Leisure and Environment Committee
24 January 2018
Leyton Crescent Recreation Ground – Funding Award

The Committee was advised of the Council's success in securing additional funding for work at the Leyton Crescent Recreation Ground play area in Beeston Rylands. In partnership with the Beeston Rylands Community Action Team, an application was submitted to the Nottinghamshire County Council Supporting Local Communities fund for a contribution towards work at this site and £16,000 was awarded. Using the £16,000 as match funding a £50,000 bid was made in August 2017 to Waste Recycling Environmental (WREN). A condition of the £50,000 award from WREN is that the Council would be required to provide £5,312.87 as a contributing third party payment to WREN. United Living the Council's housing modernisation partner had agreed to provide funding for this.

RESOLVED that a supplementary capital estimate of £50,000 for the provision of new play equipment in the play area at Leyton Crescent Recreation Ground, Beeston Rylands be approved with funding provided by WREN.

- 58.3 Policy and Performance Committee
6 February 2018
Water Safety Review

Following two tragic incidents in which young men drowned the Committee considered a systematic programme of water safety risk assessments on Broxtowe-owned or maintained watercourses.

RESOLVED that £33,700 be allocated in the 2018/19 capital programme for remedial measures to enhance the safety of watercourses for which the Council is responsible.

59. REFERENCE: BUSINESS PLANS AND FINANCIAL ESTIMATES 2018/19 – 2020/21

It was recommended by the Leisure and Environment Committee that further consideration be given to the Financial Estimates 2018/19 – 2020/21.

RECOMMENDED to Council that the following be approved:

- a. **The detailed revenue budget estimates for 2018/19 (base) including any revenue development submissions.**
- b. **The capital programme for 2018/19 to 2020/21.**
- c. **The fees and charges for 2018/19.**

60. BUSINESS PLANS AND FINANCIAL ESTIMATES 2018/19 – 2020/21

The Committee considered the proposals for business plans, detailed revenue budget estimates for 2018/19, capital programme for 2018/29 to 2020/21 and proposed fees and charges for 2018/19 in respect of the Council's priority areas. The Committee noted that there were a number of projects where funding was actively being sought. It was stated that the projects that would be completed would be dictated by the success of the Council in generating capital receipts, including receipts from Tram compensation, the sale of the Eastwood Cash Office or indeed the sale of any Council asset which could reduce the shortfall of £1million in the capital programme.

Discussion progressed on to Broxtowe's allocation of funding from the New Homes Bonus Scheme. It was noted that the Authority became aware of the changes to funding shortly before Christmas and there had been disappointment with the settlement. There was also concern that there was no allowance in the 2018/19 budget for the on-going investigation. Updates on the cost of the investigation would be brought to the Committee as and when there were any further financial implications. It was noted that in the 2017/18 budget an allowance of £38,000 had been made for the investigation. The funding for the investigation had been taken from the General Fund and the Housing Revenue Account. It was stated that the final monies spent on the internal investigation would be subject to a value for money audit and review.

There followed a debate about the level of staff turnover, which had been included on the Strategic Risk Register. It was stated that specific technical posts were becoming increasingly difficult to recruit to, such as Planning Officers, Accountants and IT specialists. These professionals were in high demand in all areas and because of that there was a high turnover of these staff.

There were comments on Freedom of Information and it was noted that some requests were very complicated and the information took a long time to compile. The sickness figures were also noted. It was stated that levels of sickness were reducing and that the policy on absence had been refreshed.

RESOLVED that the attached Business Plans be approved.

RECOMMENDED to Council that the following be approved:

- a. **The detailed revenue estimates for 2018/19 (base) including any revenue development submissions.**
- b. **The capital programme for 2018/19 to 2020/21.**
- c. **The fees and charges for 2018/19.**

61. BUDGET PROPOSALS AND ASSOCIATED STRATEGIES

The Committee considered the budget proposals and associated strategies with particular reference to notional capital charges and the amounts being drawn from reserves.

It was noted that the impact of the drop in revenue support grant was explained in appendix 9 of the report and that financial sustainability was on the Strategic Risk Register.

RESOLVED that:

1. **The business plans for the Council's corporate priorities and support functions, subject to amendment as a result of any budget decisions, be approved.**

RECOMMENDED to Council that:

2. **The Housing Revenue Account budget as submitted be approved (appendix 3).**
3. **The capital submissions and priorities within them be approved (appendix 4).**
4. **The Interim Deputy Chief Executive be authorised to arrange the financing of the capital programme as necessary (appendix 4).**
5. **The General Fund revenue budgets as submitted be approved (appendix 5).**
6. **An amount of £25,000 be provided for a General Contingency in 2018/19 (appendix 5).**
7. **The council tax requirement for 2018/19 including special expenses (but excluding local precepting requirements) be £5,438,606 (appendix 5).**
8. **An amount of £1,172,342 be withdrawn from general non-earmarked reserves in 2018/19 (appendix 5).**
9. **The prudential indicators as set out be approved (appendix 6).**
10. **The Minimum Revenue Provision policy as set out be approved (appendix 7).**
11. **The treasury management strategy statement be approved (appendix 7).**
12. **The investments strategy be approved (appendix 8).**
13. **The General Fund Medium Term Financial Strategy be approved (appendix 9).**

62. LOCAL LOTTERY

Consideration was given to the creation of a local lottery, which could be used as a funding source for local good causes whose funding would possibly otherwise have to be cut by the Council as budgets were reduced.

It was noted that a local lottery had existed in Broxtowe before, but had folded when the national lottery was introduced. It was argued that the local lottery would appeal to a different market to the national lottery, with a greater chance of winning smaller prizes.

RESOLVED that the establishment of a local lottery for Broxtowe, including the funding for its set up and launch, be approved.

63. NEW HOMES BONUS PROVISIONAL ALLOCATIONS 2018/19

The Committee noted the provisional New Homes Bonus allocation for 2018/19. The final allocation will be confirmed later in the new financial year. It was noted that the Secretary of State for Housing, Communities and Local Government, had been lobbied about the comparatively low grant allocated to Broxtowe and the changes made to the scheme after it commenced. It was noted that of the seven districts in Nottinghamshire, Broxtowe was the smallest, meaning that there were significant challenges in finding a five year land supply. It was requested that a report on the calculation used to set the allocation be submitted to the Jobs and Economy Committee.

64. CAPITAL PROGRAMME 2017/18 UPDATE

The expenditure on the 2017/18 capital programme to 31 December 2017 and the planned financing of the 2017/18 capital programme in appendices 1 and 2 was noted.

It was reported that by 31 March 2018 it was expected that the budget would be 90% spent and that this was in line with other years.

RESOLVED that the capital budget variations for 2017/18 as set out in appendix 3 be approved.

65. SECTION 106 ITPS ALLCOATIONS

The Committee considered the progress on outstanding Interim Transport Planning Statement funded schemes as well as a proposed additional scheme to introduce real time bus information at stops across the borough.

RESOLVED that the additional scheme be approved.

66. RENT ARREARS 2017/18

The Committee noted the report on rent arrears, which had seen a significant increase in recent years. It was noted that the figures presented in the appendix referred to the net amount of arrears, whereas the gross figure was around £343,000. The meeting was informed that the level of rent arrears

was decreasing and that a Financial Inclusion Officer and a Tenancy Sustainability Officer had been added to the establishment to help tenants manage their finances. There was also a new policy in place.

Discussion progressed on the potential impact of Universal Credit on rent arrears. It was noted that there were 24 cases where Council tenants were on Universal Credit and between them they had arrears of £19,000, largely because of the time lag between the benefit being applied for and then administered. It was noted that the system had been changed to take out the period of six weeks before the first payment was made, meaning that there would be a reduced impact on rent arrears.

67. UNIVERSAL CREDIT

The Committee noted the current position of the Council with regard to Universal Credit, which is due to be fully implemented in Broxtowe in June 2018.

68. GRANTS TO VOLUNTRARY AND COMMUNITY ORGANSIATIONS, CHARITABLE BODIES AND INDIVIDUALS INVOLVED IN SPORT, THE ARTS AND DISABILITY MATTERS

The Committee considered eight requests for grant aid in accordance with the provisions of the Council's Grant Aid Policy.

It was proposed that all of the grants be made as requested. On being put to the meeting the motion was carried.

RESOLVED that the applications be dealt with as follows:

	£
Age Concern Eastwood	9,000
Broxtowe Women's Project	6,000
Eastwood People's Initiative	2,500
Chilwell Community Association	3,150
Stapleford Community Association	3,000
Toton Coronation Hall Community Association	7,000
Beeston Shopmobility	14,500
2 nd Beeston Sea Scouts	1,750
5th Stapleford Scout Group	4,500
Bramcote Cricket Club	865
Broxtowe Play Forum	5,500

69. COMPLAINTS REPORT

The Committee noted the position regarding the complaints received by the Council and expressed disappointment that there had been nine complaints that were not acknowledged within three working days. It was stated that performance continued to improve and that it was expected that at the time of the next report the target would be being met.

70. PAY AWARD AND REVIEW OF ALLOWANCES

The Committee considered the recommendation of the Independent Remuneration Panel to adopt a 2% pay award for 2018/19 on allowances to be paid to members. It was proposed that no increase to members' allowances be made. On being put to the meeting the motion was carried.

RECOMMENDED to Council that there be no increase in allowances for members.

71. MEMBERS ALLOWANCES

The Committee considered the level of allowance to be recommended for the Ad Hoc and Investigatory and Disciplinary Committee. The Committee also considered whether roles within the new governance structure were being paid at the correct level.

It was proposed that no change to the existing remuneration policy or remuneration levels be made and that allowances to members of the Ad Hoc and the Investigatory and Disciplinary Committees be reviewed when the investigation had concluded. On being put to the meeting the motion was carried.

RESOLVED that:

1. **Option 4 be recommended to Council.**
2. **Allowances to members of the Ad Hoc and the Investigatory and Disciplinary Committees be reviewed when all processes relating to the investigation have been concluded.**

72. WORK PROGRAMME

The Committee considered the Work Programme.

RESOLVED that the Work Programme be approved.

73. EXCLUSION OF PUBLIC AND PRESS

RESOLVED that, under Section 100A of the Local Government Act, 1972, the public and press be excluded from the meeting for the following item of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 1, 2 and 3 of Schedule 12A of the Act.

74. IRRECOVERABLE ARREARS

RESOLVED that the arrears in excess of £1,200 on national non-domestic rates, council tax, rents, housing/council tax, benefit overpayment and sundry debtors as set out in the report be written off and to note the exercise of the Deputy Chief Executive's delegated authority under financial regulation 5.9 be noted.

Having declared a pecuniary interest, Councillors R I Jackson and E Cubley left the meeting for this item and did not vote thereon.

75. EMPLOYEE SAVINGS – GENERAL FUND REVENUE BUDGET 2018/19

RESOLVED that:

1. Consultation be undertaken with employees and unions on the programme of employee savings as outlined in the report.
2. All vacant posts be subject to review before a decision is taken to commence recruitment.