

**MINUTES OF COUNCIL MEETING HELD ON 15 FEBRUARY 2016**

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# **NORTH EAST DERBYSHIRE DISTRICT COUNCIL**

## **MINUTES OF THE MEETING OF THE COUNCIL**

**HELD ON 15 FEBRUARY 2016**

### **Present:**

Councillor Mrs P A Holmes ..... Chair

Councillor S Peters ..... Vice Chair

Councillor Mrs P Antcliff

“ W Armitage  
“ Mrs J Austen  
“ N Barker  
“ B Barnes  
“ Mrs J Barry  
“ G Baxter MBE  
“ Mrs L Blanshard  
“ S Boyle  
“ G Butler  
“ A Cooper  
“ Mrs S Cornwell  
“ Miss C Cupit  
“ A Dale  
“ S Ellis  
“ Mrs A Foster  
“ M Foster  
“ A D Garrett  
“ M Gordon  
“ Mrs E A Hill  
“ Mrs J Hill  
“ G Hopkinson

Councillor C Hunt

“ P R Kerry  
“ H Laws  
“ B Lewis  
“ J Lilley  
“ W Lilleyman  
“ T Mansbridge  
“ G Morley  
“ A Powell  
“ Mrs T Reader  
“ B Rice  
“ B Ridgway  
“ Mrs L Robinson  
“ Mrs K Rouse  
“ Mrs C A Smith  
“ Miss R Smith  
“ L Stone  
“ K Tait  
“ M E Thacker  
“ Ms C Tite  
“ R Welton  
“ J Windle

### **611 Apologies for Absence**

Apologies for absence had been submitted on behalf of Councillors P Elliott, Miss M Emmens, R Hall, Mrs C D Huckerby, Mrs J Ridgway, D Skinner and B Wright.

### **612 Declarations of Interest**

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

Councillors N Barker, G Butler, S Ellis and Mrs E A Hill all declared significant other interests in item 9(a), Treasury Management Strategy 2016/17 to 2018/19 and item 9(b), Medium Term Financial Plan 2016/17 to 2018/19, arising from their membership of the Rykneld Homes Board. They would leave the meeting for the consideration of both items.

**613 Minutes of the Council Meeting held on 4 January 2016**

RESOLVED – That the minutes of the meeting of the Council held on 4 January 2016 be approved as a correct record and signed by the Chair.

**614 Chair's Announcements**

The Chair advised that she was undertaking a sponsored slim in an attempt to shed the pounds and raise some funds for her appeal charity. The Chair's aim was to lose two stone between the date of this meeting and the end of her term of office. She would be assisted by her consort, Mrs Dorothy Ward, who also wished to lose half a stone. The exercise would involve healthy eating as well as regular exercise and weigh-ins at Sharley Park Leisure Centre. Members could sponsor the Chair in her efforts at [www.justgiving.com/north-east-derbyshire-district-council-chairs-sponsored-slim](http://www.justgiving.com/north-east-derbyshire-district-council-chairs-sponsored-slim).

A further leisure-related fundraising activity was being undertaken on 14 April 2016 when the District's three leisure centres and the Council's Mill Lane offices would host a sponsored cycleathon. This would involve continual cycling from opening to closing hours in the reception areas at all four buildings. Sponsorship forms and details of slots available for the cycleathon were available in reception.

For those of a less active disposition, the Chair would also be hosting a bucket collection at Tesco Extra on Lockoford Lane in Chesterfield from 12noon on 4 March 2016.

Finally, the Chair reminded members of the briefing on the Devolution Deals for the North Midlands and Sheffield City Region which would take place after the Council meeting.

**615 Change of Order of Agenda**

RESOLVED – that item 9(b) on the agenda, Medium Term Financial Plan 2016/17 to 2018/19, be taken before item 9(a), Treasury Management Strategy 2016/17 to 2018/19.

**616 Public Participation**

In accordance with Council Procedure Rule No 8 members of the public were allowed to ask questions about the Council's activities for a period of up to 15 minutes.

No questions had been submitted under Procedure Rule No 8 for this meeting.

**617 Questions from Members under Procedure Rule No 9.2**

In accordance with Council Procedure Rule No 9.2 members were permitted to ask the Chair of the Council or relevant Committee or the appropriate Cabinet member questions about Council activities.

No questions had been submitted under Procedure Rule No 9.2 for this meeting.

**618 Motions from Members under Procedure Rule No 10**

No motions had been submitted under Procedure Rule No 10 for this meeting.

**619 HS2 Update**

Council received a presentation from Freda Jesudason and Rachel Blake from the HS2 Project Team which provided an update on the progress of the high speed rail link.

The presentation gave details of steps taken since the last presentation to members, together with the consultation exercise that had been held in 2013/14. Information events at Killamarsh and Staveley had identified community concerns and compensation issues, together with environmental impacts on the Chesterfield Canal and flooding concerns.

Ministers had made an announcement in Autumn 2015 that Toton would be the preferred location for the East Midlands Hub Station and that no further options were being considered. Growth funding had been provided for East Midlands local authorities to enable them to develop plans for maximising the opportunities that HS2 would bring. A decision on the full phase 2 route would be made in Autumn 2016.

In respect of the South Yorkshire Hub Station, the Government's preferred option was for a station at Sheffield Meadowhall which it was felt was the best way of serving the wider South Yorkshire region, although it was acknowledged that there were arguments in favour of a city centre location and this continued to be examined. A decision was expected in Autumn 2016.

Details of next steps were given which included details of the Hybrid Bill for phase 2A which would be deposited in 2017. It was intended that phase 1 would open in 2026 and phase 2 in 2033.

Details of the HS2 education programme were given in the presentation, together with information regarding the National College for High Speed Rail which would be opened in September 2017 in Birmingham and Doncaster. The purpose of the college was to attract new entrants to the industry and to train and develop employees.

In addition, HS2 would be buying a number of stocks and services with 60% of contract opportunities expected to be awarded to SMEs (small to medium sized enterprises).

Following the presentation, members asked questions on a number of issues relating to the tendering of the contracts, community impact concerns and cost.

Members were advised that as the route would come through the District it was necessary to assist residents and maximise the opportunities from the planned depot in Staveley. The Chief Executive advised that East Midlands Councils had recently launched a HS2 sub-board on which he had requested that the Council have representation.

**RESOLVED** – That the presentation from the HS2 project team be noted.

*Councillors N Barker, G Butler, S Ellis and Mrs E A Hill all left the meeting at this point in the proceedings, having declared a significant other interest in the following two items.*

## **620 Medium Term Financial Plan 2015/17 to 2018/19**

Council considered Report No PRK/26/15-16/BM of Councillor P R Kerry, Portfolio Holder with Responsibility for Economy, Finance and Regeneration, which set out recommendations from Cabinet for the proposed budget for 2016/17 as part of the consideration of the Council's Medium Term Financial Plan for the years 2016/17 to 2018/19.

The Medium Term Financial Plan covered the following three areas:-

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

Cabinet's recommendations would be reported to Council at its meeting on 15 February 2016 to secure approval of the Council's budget for the financial year 2016/17. The report had been considered by the Audit and Corporate Governance Scrutiny Committee at its meeting on 4 February 2016.

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 were adequate to cover the issues and potential risks which faced the Council.

### **General Fund Revenue Account**

The Council had set its original budget for 2015/16 on the basis that it was necessary to secure savings of £0.500m. On the basis of the current estimates the Council would achieve these savings and secure a surplus of £0.414m. This provided a firm basis to address the Council's financial position over the period of the Medium Term Financial Plan.

In terms of the 2016/17 budget this indicated a shortfall of £0.395m. Given the Council's previous performance in achieving savings targets, whilst challenging, this should be achievable. The Council needed to maintain its work on the growth and transformation agenda to secure the projected financial savings of £1.945m anticipated to be required by 2018/19.

#### Housing Revenue Account (HRA)

With regard to the HRA, the estimated outturn figures showed an overall surplus of £19,000 for 2015/16.

The key issues for the Housing Revenue Account was the Government's announcement that rent levels would be reduced by 1% per annum for a period of four years starting April 2016. This represented an estimated loss of rental income for North East Derbyshire District Council of £0.6m in 2016/17. Cumulatively, this would amount to a loss of income of £6m by April 2020.

In order to maintain the level of services and to maintain stock at the Decent Homes Standard, significant efficiency savings would need to be secured and the HRA Capital Programme would have to be carefully managed.

The impact of the 1% rent reduction would reduce the average rent for a council house from £85.62 per week on a four week basis to £84.76 per week.

#### Capital Programme

With regard to the Capital Programme the majority of the expenditure would continue to be in respect of the Housing Revenue Account Programme which was funded by Capital Resources ring fenced to the Council's Housing Revenue Account. The financial position to fund the ongoing programme of housing refurbishment work was planned to continue at a level of £9m to £10m per annum over the period 2016/17 to 2018/19. It was also proposed that funding for a scheme to build new homes in North Wingfield be included in the Capital Programme for future years.

In terms of the General Fund Capital Programme, the main item of expenditure would continue to be on vehicle replacement funded by Prudential Borrowing. The Programme required investment of £1.014m to secure replacement of the Council's Streetscene vehicles.

There was also the ongoing requirement for work in respect of private sector housing, together with asset refurbishment across the range of the Council's assets.

It was moved and seconded that Council approve the recommendations from Cabinet on 10 February 2016, with revisions to recommendations (14) and (16). An amendment was moved by Councillor G Hopkinson and seconded by Councillor M E Thacker which sought a 0% Council Tax increase.

A recorded vote was taken on the amendment in line with the requirements of the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 when the result of the vote was as follows:-

For the amendment – 13

(Councillors Mrs P Antcliff, W Armitage, Mrs L Blanshard, Miss C Cupit, A Dale, Mrs A Foster, M Foster, G Hopkinson, B Lewis, A Powell, K Tait, M E Thacker and R Welton).

Against the amendment – 24

(Councillors Mrs J Austen, B Barnes, G Baxter MBE, S Boyle, A Cooper, Mrs S Cornwell, A Garrett, M Gordon, Mrs A Holmes, P R Kerry, H Laws, J Lilley, W Lilleyman, T Mansbridge, S Peters, Mrs T Reader, B Rice, B Ridgway, Mrs L Robinson, Mrs K Rouse, Mrs C A Smith, Miss R Smith, L Stone and J Windle).

Abstentions – 0

The amendment was lost.

*Councillor Mrs J Hill joined the meeting at this stage in proceedings.*

Upon being put to the meeting the result of the recorded vote on the original motion was as follows:-

For the motion – 25

(Councillors Mrs J Austen, B Barnes, G Baxter MBE, S Boyle, A Cooper, Mrs S Cornwell, A Garrett, M Gordon, Mrs J Hill, Mrs A Holmes, P R Kerry, H Laws, J Lilley, W Lilleyman, T Mansbridge, S Peters, Mrs T Reader, B Rice, B Ridgway, Mrs L Robinson, Mrs K Rouse, Mrs C A Smith, Miss R Smith, L Stone and J Windle).

Against the motion – 13

(Councillors Mrs P Antcliff, W Armitage, Mrs L Blanshard, Miss C Cupit, A Dale, Mrs A Foster, M Foster, G Hopkinson, B Lewis, A Powell, K Tait, M E Thacker and R Welton).

Abstentions – 0

**RESOLVED:-**

- (1) That the view of the Chief Financial Officer that the estimates included in the Medium Term Financial Plan 2015/16 to 2018/19 are robust and that the level of financial reserves, whilst at minimum levels are adequate, be accepted.
- (2) That officers be required to report back to Cabinet and to the Audit and Corporate Governance Scrutiny Committee on a quarterly basis

regarding the overall position in respect of the Council's budgets. These reports to include updates on progress in achieving the agreed range of savings and efficiencies necessary to secure a balanced budget for the 2016/17 financial year, together with the progress on actions to ensure the longer term financial sustainability of the Council.

**In relation to the General Fund**

- (3) That a Council Tax increase of 1.95% be levied as part of a range of measures necessary to offset the continued reduction in the level of Central Government funding.
- (4) That in light of the Government's financial settlement, the grant subsidy given to Town and Parish Councils in respect of the Local Council Tax Scheme be phased out by March 2020.
- (5) That the Medium Term Financial Plan in respect of the General Fund as set out in Appendix 1 Table 1 to the report be approved as the Estimated Outturn Budget in respect of 2015/16, as the Original Budget in respect of 2016/17, and the financial projection in respect of 2017/18 and 2018/19.
- (6) That officers be requested to continue to progress the implementation of measures designed to secure the forecast surplus in respect of 2015/16 and the agreed savings targets in respect of 2016/17 with progress to be reported back to Cabinet and the Audit and Corporate Governance Scrutiny Committee on a quarterly basis.
- (7) That any underspend in 2015/16 – above that necessary to increase General Fund balances to £2m – be transferred to the Invest to Save/Planning Reserve, with capital receipts being used at the year end to minimise the use of Invest to Save balances to fund capital expenditure.
- (8) That delegated powers be granted to the Assistant Director – Planning and Environmental Health in consultation with the Leader of the Council to agree the Council's response to the Government Consultation Paper "New Homes Bonus – Sharpening the Incentives".
- (9) That delegated powers be granted to the Executive Director – Operations, in consultation with the Portfolio Member, to agree whether or not the Council should accept the offer of a four year financial settlement from Central Government.

**In relation to the Housing Revenue Account**

- (10) That Council sets its rent levels in line with Government regulations, including a general reduction in rent levels by an amount of 1% to apply from 1 April 2016.



- (11) That the rent in respect of Homeless Units be reduced by 1% in line with Government regulations, while charges for garages and related services are increased by 5% from 1 April 2016.
- (12) That the Medium Term Financial Plan in respect of the Housing Revenue Account as set out in Appendix 2 Table 1 to the report be approved as the Estimated Outturn Budget in respect of 2015/16, as the Original Budget in respect of 2016/17, and the financial projection in respect of 2017/18 and 2018/19.

**In relation to the Capital Programme**

- (13) That the Medium Term Financial Plan in respect of the Capital Programme as set out in Appendix 3 Table 1 to the report be approved as the Estimated Outturn in respect of 2015/16, and as the Original Programme in respect of 2016/17 to 2018/19.
- (14) That Council approve the financial provision for the proposed regeneration scheme at North Wingfield including the associated prudential borrowing of £5.321m, on the basis that a further report setting out the final details of the proposals be agreed by Cabinet.
- (15) That the Asset Management Group be requested to continue with its work of identifying suitable assets for disposal or redevelopment in order to fund the Council's Capital Programme, reduce revenue costs and support the wider regeneration of the District.
- (16) That Council reaffirms its previous decision to utilise the £1.1m of capital receipts arising from the sale of Saltergate to repay a corresponding amount of the £3m of Prudential Borrowing raised to fund the asset rationalisation scheme, with a further £0.4m of receipts used to fund work on Mill Lane reclamation rather than utilising Invest to Save funding.

(Section 151 Officer)

**621 Treasury Management Strategy 2016/17 to 2018/19**

Council considered Report No PRK/25/16-16/BM of Councillor P R Kerry, Portfolio Holder with Responsibility for Economy, Finance and Regeneration, which sought approval of the Council's Treasury Management Strategy 2016/17 to 2018/19.

The report outlined the Council's proposed Treasury Management Strategy which fulfilled four requirements:

- How the function would support the capital decisions approved within the Medium Term Financial Plan and the parameters for all borrowing and lending associated with the day to day treasury management of the Council's cash flow requirements.

- The prudential indicators covering the next three financial years which show the impact of changes in the level of the Council's debt on its revenue accounts.
- The policy on the repayment of its debt each year through the Minimum Revenue Provision (MRP). The provision is the amount of debt being repaid and is a charge on the revenue accounts for the Council.
- An investment strategy was also included within the report which set out the Council's criteria for choosing investment counterparties and limiting exposure to the risk of loss.

**RESOLVED** – That:-

- (1) The Capital Financing Requirement as summarised in Section 1.13 of the report be approved.
- (2) The Borrowing Strategy as summarised in Section 1.29 of the report be approved.
- (3) The Minimum Revenue Provision Policy for 2016/17 as set out in Section 1.30 be approved.
- (4) The Investment Strategy as set out in section 1.38 for Specified Investments and section 1.47 for Non Specified Investments be approved.
- (5) The use of external treasury management advisors Counterparty Weekly List, or similar, to determine the latest assessment of the counterparties that meet the Council's criteria under section 1.45 and 1.46 before any investment is undertaken be approved.
- (6) Prudential Indicators for 2016/17 as detailed in section 1.49 to 1.60 of the report be approved, and in particular:-

Authorised Borrowing Limit	£179,633,000
Operational Boundary	£174,633,000
Capital Financing Requirement	£169,633,000
Temporary Borrowing Limit	£5,000,000

- (7) The contract position of the Council with Lloyds Bank outlined in section 1.64 of the report be noted.
- (8) The potential change in the Public Works Loans Board system outlined in section 1.23 of the report be noted.
- (9) The business continuity arrangements in respect of banking facilities currently in place as outlined in section 1.65 be noted.

(Section 151 Officer)

*Councillors N Barker, G Butler, S Ellis and Mrs E A Hill rejoined the meeting at this point in proceedings.*

**622 To Approve the Council's Draft Revised Statement of Principles made under the Gambling Act 2005 following Consultation**

Council considered Report No MG/11/15-16/JC of Councillor M Gordon, Portfolio Holder with Responsibility for Environment, which sought approval of the release of the revised Statement of Principles made under Section 349 of the Gambling Act 2005 following a consultation exercise.

The Council had a legal duty to review its Statement of Licensing Policy every three years. Before determining the revised Policy it must consult with the various parties as defined in Section 349(3) of the Act. These included the Chief Officer of Police, persons who appeared to the Authority to represent the interests of persons carrying on gambling businesses in the Authority's area and persons who appeared to the Authority to represent the interests of persons who were likely to be affected by the exercise of the Authority's functions under the Gambling Act 2005.

The Licensing Committee had met on 4 September 2015 to approve a revised draft Statement of Principles which was subsequently forwarded for consultation. Comments were received, which were attached as Appendix 2 to the report.

The Gambling Commission had issued revised guidance to licensing authorities and amendments had been made in the document to reflect the changes in the guidance.

The Licensing Committee had met on 5 January 2016 to consider the comments made and resolved to recommend to Council the revised Statement of Principles.

**RESOLVED** – That the Council adopts the revised Statement of Principles made under the Gambling Act 2005.

(Licensing Coordinator)

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