

POLICY & RESOURCES COMMITTEE

Date: 8 December 2014

Venue: East Northamptonshire House, Cedar Drive, Thrapston

Time: 7.30 pm

Present: Councillors:-

Richard Lewis	(Chairman)
Glenvil Greenwood-Smith	(Vice-Chairman)
Glenn Harwood	(Deputy Leader of the Council)

Peter Baden	Marika Hillson
David Brackenbury	Andy Mercer
Wendy Brackenbury	Rupert Reichhold
Roger Glithero JP	Jeremy Taylor

275. MINUTES OF PREVIOUS MEETING

The minutes of the Policy and Resources Committee meeting held on 10 November 2014 were approved and signed by the Chairman.

276. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors John Farrar, Sue Homer, Dudley Hughes and Steven North.

277. DECLARATIONS OF INTEREST

The following interests were declared in the Agenda items specified below:

Councillor	Agenda item	Nature of Interest	DPI	Other Interest
Andy Mercer	Minutes of Welfare Reform Sub-Committee	Employee and owner of business affected by welfare reform changes		Yes

278. QUESTIONS BY MEMBERS UNDER COUNCIL PROCEDURE RULE 10.3

No questions had been received.

279. MINUTES OF SUB-COMMITTEES AND WORKING PARTIES

(a) Welfare Reform Sub-Committee – 6 October 2014

The minutes of the meeting held on 6 October 2014 were received (pages 287 to 290). The following item was approved for recommendation to Council:

R.14 RESOLVED TO RECOMMEND TO COUNCIL:

That the local Council Tax Support Scheme for East Northamptonshire remain unchanged in 2015/16.

(Reason – to deliver a Council Tax Support scheme for 2014/15 that meets all statutory requirements)

(b) Finance Sub-Committee – 1 December 2014

The minutes of the meeting held on 1 December 2014 were received (pages 291 to 296)

280. FINANCIAL CONTRIBUTIONS TO EXTERNAL ORGANISATIONS AND PARTNERSHIP BODIES

The Community Partnerships Manager presented a report seeking approval for the financial contributions the Council provided to external organisations and partnership bodies.

The financial contributions made to three organisations and partnership bodies for 2014/15 were outlined together with the background to each and the contributions for the remaining financial years relevant to their current Service Level Agreements. A new Service Level Agreement was expected to be in place for the Northamptonshire Children & Young People's Partnership by 2016/17 and, accordingly, funding anticipated for that organisation was shown as "nil" at this stage as the requirement had not yet been established.

In response to Members' questions, the Community Partnerships Manager undertook to establish the percentage of Rockingham Forest Trust's costs being met by ENC and inform Members after the meeting.

RESOLVED: That

- i) the Equalities Impact Assessment has been considered and noted.
- ii) the financial contributions for 2014/15 set out below be approved, and the indicative allocations for 2015/16 and 2016/17 which will be subject to approval by Council through the budget process each year, be noted.

(Reason: To decide on future financial support to external organisations and partnership bodies).

Organisation	Agreement status	2014/15 £	2015/16 £	2016/17 £
Northamptonshire Sport (NSport)	Service Level Agreement covers the period 1 April 2013 to 31 March 2017.	7,500	7,500	7,500
Northamptonshire Children & Young People's Partnership	Section 10 Agreement covers the period 1 April 2013 to 31 March 2016	6,920	6,920	-
Rockingham Forest Trust	Management Fee: Twywell Hills and Dales and Stanwick Lakes.	10,000	10,000	10,000

281. HOMELESSNESS PREVENTION GRANT 2014 – 15

The Housing Strategy and Delivery Manager presented a report seeking approval of the recommendations of the Voluntary Sector (Homelessness Prevention) Grants Member Panel on the award of Homelessness Prevention Grants for 2014-15.

The Panel had met on 17 November 2014 and an outline of the evaluation process and the Panel's key findings and conclusions were reported.

Applicants for grant funding had been asked to indicate what their bids for funding were likely to be for 2015/16 and 2016/17 to enable the Committee to estimate the future requirements for Homelessness Prevention Grant. It was confirmed that grant applicants were not asked what level of future funding would be acceptable to them, but applicants would be challenged on this in future.

However, the Panel felt unable to recommend a level of funding to be set for the grant for future years for several reasons which were noted in the report.

RESOLVED: That

- i) the evaluation process undertaken by the Member Panel be endorsed.
- ii) the awards of the Homelessness Prevention Grants 2014 to 2015 be approved as set out below.
- iii) any underspend from 2014/15 be carried over to 2015/16 to assist with additional demands on the fund as a result of the ending of Supporting People funding.
- iv) the decision on grant funding required for subsequent years be deferred for the reasons set out in paragraph 4.3 of the report

(Reason – to enable the efficient and effective administration of the Council's budget to prevent and reduce homelessness).

Financial Contributions for 2014/15	
Internal requirements (including £2000 to East Northamptonshire Community Service (ENCS) to operate the Severe Weather Emergency Protocol	£ 6,500
Citizens' Advice Bureau	Nil grant but free use of room at Rushden Centre for 2 hours per week until 31.3.15
ENCS – Night Shelter	£ 5,000
ENCS – Recovery House	£ 5,000
ENCS - Support and Advice	£ 5,000
Midland Heart – High St South	£ 5,650
Midland Heart – Shoemaker Court	£ 5,650
Women's Aid	£ 4,000
Total	£ 36,800

Chairman

Welfare Reform Sub-Committee

Minutes of a meeting held on Monday 6 October 2014 at 4.00pm, The Kasen Room, East Northamptonshire House, Thrapston

Present:

- Councillors: Andy Mercer (Chairman)
Glenvil Greenwood-Smith (Vice-Chairman)
Richard Lewis
- Officers: Glenn Hammons – Chief Finance Officer
Lisa Hyde – Head of Customer and Community Services
Richard Hadden – Revenue Manager
Lucy Hogston – Benefit Manager
Kelly Watson – Finance Manager

1.0 APPOINTMENT OF CHAIRMAN AND VICE-CHAIRMAN

RESOLVED:

That Councillor Andy Mercer be appointed Chairman and Councillor Glenvil Greenwood-Smith be appointed Vice-Chairman of the Sub-Committee for the year 2014-15.

2.0 MINUTES

- 2.1 The minutes of the meeting held on 27 November 2013 were approved as a correct record.

3.0 APOLOGIES FOR ABSENCE

- 3.1 Apologies for absence were received from Councillors John Farrar, Steven North and Jeremy Taylor.

4.0 DECLARATIONS OF INTEREST

- 4.1 The following declarations of interest were made:

Councillor	Item	Nature of Interest	DPI	Other Interest
Andy Mercer	6 (Impact of Welfare Reform Changes	Employee of business effected by welfare reform changes		Yes

5.0 IMPACT OF WELFARE REFORM CHANGES

- 5.1 The Sub Committee considered a report outlining the impacts associated with changes made to the benefits scheme from 1 April 2013, arising from the Welfare Reform Act 2012.
- 5.2 The national phased roll-out of the Benefit Cap started on 15 July 2013 with the implication that workless households would no longer receive more in benefits than the average earnings of a working household. During 2013/14 there were 19 families affected by the cap and to date in 2014/15 there 15 'capped' cases in the district.
- 5.3 Following the abolition of Community Care Grants and Crisis Loans, Northamptonshire County Council had developed a scheme for Emergency Help and Sustaining Independent Living (SIL). The SIL scheme was intended to help people who could not receive help from any other source and at the time of writing the report, there had been 27 approved applications from East Northamptonshire since 1 April 2014.
- 5.4 From 1 April 2013, changes were made to the way that housing benefit was calculated for working age individuals living in accommodation let to them by a local authority, registered housing association or other registered provider of social housing. The effect of the change, known as the 'Spare Room Subsidy', was to restrict the size of property that housing benefit would pay for, based on who live in the property. On 1 April 2013, there were 585 individuals under-occupying and that figure had reduced to 457 at the time of the meeting.
- 5.5 It was noted that there had been a significant increase in the number of customers applying for Discretionary Housing Payments compared to the 33 applications made in 2012/13. In 2013/14, 178 applications were received, with 134 being successful. As of 1 August in the current financial year, 55 applications out of 79 had been successful. The majority of those applications had been received from customers affected by the Removal of Spare Room Subsidy Regulations that became effective on 1 April 2013. Members noted that 68% of the grant from the Department of Work and Pensions (DWP) had been spent in 2013/14 and the amount spent or committed for 2014/15, as at 1 August, was £37,533, which represented 37% of the overall grant figure.
- 5.6 The sub-committee noted that Disability Living Allowance had been fully replaced by Personal Independence Payments (PIP) for people aged 16 to 24 from 10 June 2013 for new claims. 79 individuals in East Northamptonshire were reported as being in receipt of PIP and a further 1306 currently in receipt of DLA would be reassessed for PIP from October 2015.
- 5.7 It was reported that the number of homelessness applications had not increased as a result of welfare reform. However, it was noted that there had been an increase in the number of individuals asking for housing advice and registering on the housing list with a view to finding alternative accommodation. The number of individuals requiring Housing Benefit and Council Tax Support assistance from the council had reduced from 5,609 on 1 April 2013 to 5,113 on 1 August 2014. This reduction was attributable to more changes in circumstances with individuals finding employment.
- 5.8 Reference was made to the introduction of Universal Credit, which will replace:
 - Income-based Jobseeker's Allowance
 - Income –related Employments and Support Allowance
 - Income Support

- Working Tax Credit
- Child Tax Credit
- Housing Benefit

It was reported that the Government has confirmed its intention to deliver Universal Credit safely and securely by 2017. There was agreement that members would monitor the planned implementation vigilantly to manage the local impact.

5.9 It was noted that it was likely that three ENC officers who form the fraud team would be “in scope” to transfer to the DWP on 1 December 2014 as part of the establishment of a Single Fraud Investigation Service. However, it was further noted that fraud investigation work in respect of the Local Council Tax Support Scheme would be retained as a function of the council.

RESOLVED:

1. That the report be received and noted.
2. That the thanks of the Sub-Committee be passed to officers within Customer and Community Services for effectively administering welfare reform locally.

6.0 COUNCIL TAX SUPPORT SCHEME 2015/16

6.1 The Sub-Committee considered an update on council tax collection, which also provided an analysis of amending the local Council Tax Support (CTS) scheme and the continued impact of council tax technical reforms on workload.

6.2 It was noted that collection of council tax from CTS payers in the first quarter was 2.5% down compared to first quarter performance in 2013/14. However, overall Council Tax collection was 0.33% up on the same period from the previous year. Debt recovery offices had worked closely with CTS customers who had experienced financial difficulty and special payment arrangements had been made in many cases. It was reported that 91 customers had not engaged and owed a total of £23,000 and it was considered appropriate to refer these cases to the council’s Enforcement Agent for collection.

6.3 Members noted that the change to council tax exemptions for empty properties in April 2013 had led to a sustained increase in the number of enquiries received from owners and tenants of rented properties, regarding disputed tenancy end dates, which had require considerable additional officer time to resolve. Although, it was reported that the level of queries was expected to abate as tenants and owners became more familiar with the new arrangements.

6.4 Reference was made to the 10% reduction in government funding for CTS in 2014/15 which had been offset, in part, by changes in the level of support for working age customers. The Government had indicated that reductions in the region of a further 13% to the formula funding received by the council could be expected in 2015/16. The report indicated that it was assumed that CTS would reduce in line with the reduction expected in the general government grant.

6.5 Consideration was given to the financial modelling and options available for a CTS scheme in 2015/16, which included forecasts at 12.5%, 15%, 20% and 25% and the estimated financial effects. The modelling indicated that the current CTS scheme would

be self-financing in 2015/16, however further modelling would be required during 2015/16 to ensure that continuing financial sustainability of the scheme in future years.

- 6.6 Members acknowledged that the impact of the CTS scheme in 2013/14 and 2014/15 and changes to council tax discounts and exemptions would be key considerations in determining the scheme for 2015/16. It was also noted that although the council had introduced various strategies to ensure that affected customers were given appropriate advice and support to encourage payment, there were still a number of individuals who would not engage and that had been reflected in the drop in collection rate for that group of customers when the minimum amount of liability they were due to pay increased from 8.5% to 12.5%.
- 6.7 It was noted that public consultation would be required if members proposed a change to the scheme. It was reported that a provisional timetable was in place in the event of any change being proposed and consultation would take place during October and November 2014, with all current claimants being contacted in writing. It was anticipated that the chosen scheme would be recommended for approval by full Council on 15 December 2014.

RESOLVED:

1. That Council Tax Support Scheme cases be passed to the council's Enforcement Agent for collection.
2. That the Council Tax Support Scheme be reviewed during 2015/16 to ensure that a financially sustainable scheme is in place for 2016/17.

RESOLVED TO RECOMMEND TO COUNCIL:

1. That the local Council Tax Support Scheme for East Northamptonshire remain unchanged in 2015/16.

(Reason – to deliver a Council Tax Support scheme for 2014/15 that meets all statutory requirements)

Chairman



Finance Sub-Committee

Minutes of a meeting held on Monday 1 December 2014 at 7.30pm, Kasen Room, East Northamptonshire House, Thrapston

Present: Councillors: Steven North - Chairman
Richard Lewis – Vice-Chairman
Peter Baden
Roger Glithero JP
Glenvil Greenwood-Smith
Glenn Harwood MBE

Officers: David Oliver (Chief Executive)
Glenn Hammons (Chief Finance Officer)
Iain Jenkins (Interim Finance Manager)

1.0 MINUTES

- 1.1 The minutes of the meeting of the Finance Sub-Committee held on 22 October 2014 were approved and signed by the Chairman
- 1.2 It was noted that the update reports referred to in Paragraph 5.5 and resolutions 5 (iii) and (iv) would be submitted to a future meeting.

2.0 APOLOGIES FOR ABSENCE

- 2.1 An apology for absence was received from Councillor David Brackenbury.

3.0 DECLARATIONS OF INTEREST

- 3.1 No declarations of interest were made.

4.0 QUESTIONS UNDER PROCEDURE RULE 10.3

- 4.1 There were no questions submitted under Procedure Rule 10.3.

5.0 DRAFT MEDIUM-TERM FINANCIAL STRATEGY AND PLAN

- 5.1 The Chief Finance Officer presented a report updating the Medium Term Financial Strategy 2014/15 – 2017/18, which had been approved by Council in February 2014.

5.2 Work had continued to identify proposals to deliver further savings in future years and to create capacity over and above the funding gap to allow funds to be made available to finance the future Capital Programme, corporate objectives and political priorities. This would enable the Council to move from a Medium Term Financial Strategy to a Medium Term Financial Plan.

RESOLVED: That the contents of the report be noted, specifically the:

- Draft Medium Term Financial Strategy (MTFS) & Plan (MFTP)
- Draft Revenue Budget 2015/16
- Draft Capital Programme for 2015/16-2024/25 (subject to the on-going review of schemes within that programme)

(Reason: To ensure that the Sub-Committee is aware of the forecast financial position; so that in due course the Council complies with its constitution in setting its Budget)

6.0 **BUDGET MONITORING TO OCTOBER 2014/15**

6.1 The Interim Finance Manager presented a report providing an update on the forecast Revenue and Capital positions against the approved budgets for the period ended October 2014.

6.2 The estimated services outturn for the year was an underspend of £928,000 (rounded to the nearest £1,000), which was largely due to planning fee income being significantly higher than budgeted. The forecast had not taken account of possible further savings in staff costs arising from vacant posts for the remainder of the financial year and this would be kept under review.

6.3 Preliminary calculations had indicated that the recently agreed Local Government Pay Award would have minimal financial impact in 2014/15 and the implications for future years would be incorporated into the 2015/16 budget setting process.

6.4 The Sub-Committee reviewed the capital spending position and considered a scheme for progression from the Development Pool into the approved Capital Programme.

RESOLVED: That

- i) the current budget monitoring position be noted.

(Reason – this is an information / monitoring report – no decision required)

- ii) the capital scheme set out below be moved from the Development Pool into the Approved Capital Programme, to be funded from Capital Reserves.

Scheme Name	Amount (£)	Amount in Dev. Pool	Variance	Overview
Security Systems	20,000	20,000	0	The Council's current Citrix environment requires an upgrade to meet PSN Security standards.

(Reason – to ensure the Council meets the government's PSN standards)

7.0 TREASURY MANAGEMENT REPORT

- 7.1 The Chief Finance Officer presented a report outlining the latest Treasury Management position for 2014/15.

RESOLVED: That

the Treasury Management performance be noted.

(Reason – in accordance with CIPFA guidance and best practice in Treasury Management)

8.0 FINANCIAL REGULATIONS

- 8.1 The Chief Finance Officer reported that a review had been carried out of the Council's current Financial Regulations which were contained within different Parts of the Council's Constitution, namely, Part 4.3 (Budget and Policy Framework Rules) Part 4.5 (Finance Procedure Rules) Part 4.6 (Procurement Rules) and Part 4.6A (Operational Financial Decision Procedures).
- 8.2 The review had identified areas where improvements could be made to ensure that the Regulations were easy to comprehend and reflected the current financial environment in which the Council operated.
- 8.3 Whilst being supportive of the changes proposed to the financial limits in paragraphs 3 and 6 of Part 4.3 of the Constitution, the Sub-Committee considered that the report to be submitted to the Policy and Resources Committee should be expanded to explain the kind of emergencies which could lead to the provisions being enacted and to provide information on the financial limits used by other councils for similar expenditure.

RESOLVED: That

- i) the changes to the Financial Regulations set out in Appendix 1 be included in the revised Financial Procedure Rules, and
- ii) the draft revised text for the consolidated Financial Procedure Rules be circulated to members of the Finance Sub-Committee for comment before being presented to the Policy and Resources Committee for recommendation to (full) Council

(Reason – to allow this committee to input into the revised procedures before wider consideration and ensure the Council's financial regulations are up to date)

9.0 EXCLUSION OF PUBLIC AND PRESS

RESOLVED:

That the public and press be excluded from the meeting during consideration of the following items of business because exempt information, as defined under paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972, may be disclosed.

10.0 ASSET MANAGEMENT – SALE OF LAND AND BUILDINGS PROGRESS UPDATE

10.1 The Chief Executive provided the Sub-Committee with a verbal update on progress made in relation to the sale of the following Council owned land and buildings.

10.2 Newton Road, Rushden

A planning application had been approved during the past week and the S106 Agreement now needed to be finalised

Cosy Nook, Thrapston

Contracts had been exchanged on 28 November and the sale was expected to be completed on 5 December 2014.

Smithfield Place, Raunds

The contract was expected to be signed within the next week, subject to a number of issues being resolved.

Wood Land, Kings Cliffe

The contract was close to being signed and, subject to receipt of satisfactory planning permission, the sale was expected to be completed by the end of 2015.

RESOLVED: That the contents of the report be noted.

(Reason: to note the progress on the sale of assets)

Chairman

Proposed Changes to Financial Regulations

- a) Removal the requirement for (full) Council to annually specify the level of virement and policy changes but (full) Council will retain the responsibility for authorising changes when needed
- b) Changes to virement authorisation limits as follows to increase flexibility within overall budget agreed by Council;

Current Arrangements (part 4.3, para 3)	Proposed Arrangements
Chief Executive and Executive Director – up to £1000	Chief Executive and Executive Director – up to £10,000
Chief Finance Officer – up to £10,000	Chief Finance Officer – up to £25,000
Policy and Resources Committee – over £10,000	Chief Finance Officer in consultation with Chairman of the Finance Sub-Committee or Chairman of the Policy and Resources Committee – up to £50,000
	Policy and Resources Committee – over £50,000

- c) Changes to urgency provisions as follows to better respond to possible emergency scenarios and reflect proposed changes to virement limits noted above

Current Arrangements (part 4.3, para 6)	Proposed Arrangements
For sums over £10,000, the Leader of the Council and Chairman of the Policy and Resources Committee (or in their absence their deputies) after written report from the Chief Executive/Executive Director countersigned by the Chief Finance Officer. To be reported to next Policy and Resources Committee meeting.	For sums between £25,000 and £100,000, the Chairman of the Finance Sub-Committee and the Chairman of the Policy and Resources Committee (or in their absence their deputies) shall be authorised to approve such urgent expenditure by the Chief Finance Officer. To be reported to the next Finance Sub Committee meeting.
	For sums over £100,000, the Leader of the Council and Chairman of the Policy and Resources Committee (or in their absence their deputies) shall be authorised to approve such urgent expenditure after written report from the Chief Executive / Executive Director countersigned by the Chief Finance Officer. To be reported to next Policy and Resources Committee meeting.

- d) Reference to the use of the Council Improvement Reserve as follows: “The Council Improvement reserve is to provide the investment the Council requires to deliver transformation projects. The use of this reserve will be on strict criteria linked to a business case and will require sign off by the Chief Finance Officer and Finance Sub Committee”
- e) Changing the interval between reviews of the Financial Rules from 2 years to 5 years in line with other key policies.