

COUNCIL MEETING – 27 NOVEMBER 2018
REPORT OF THE RESOURCES COMMITTEE

31 October 2018

Present: Councillors Griffiths (Chairman), Partridge-Underwood (Vice-Chairman) and Councillors Allebone, Emerson, Francis, Graves, Harrington, L Lawman, Morrall, Scarborough and Simmons.

Also present: Mrs L Elliott (Managing Director), Miss J Thomas (Director/Monitoring Officer), Mrs V Jessop and Mr A Piper (Assistant Director), Mr T Furber (Temporary Deputy Section 151 Officer), Mr R Watson (Senior Revenue Officer) and Mrs C A Mundy (Democratic Services Officer).

(Councillor G Lawman attended as an observer.)

1. APOLOGIES

An apology was received from Councillors Bell, Carr, Henley and M Waters.

2. DECLARATIONS OF INTEREST

RESOLVED to note that in accordance with the Localism Act 2011, the council's code of conduct and the council's constitution, no declarations were made.

3. CONFIRMATION OF THE MINUTES OF THE RESOURCES COMMITTEE MEETING HELD ON 19 SEPTEMBER 2018

The minutes of the resources committee, held on 19 September 2018, were received.

RESOLVED that the minutes of the resources committee held on 19 September 2018, be confirmed and signed.

4. FINANCIAL MONITORING AND POSITION STATEMENT FOR 2018-19

The annexed circulated report of the section 151 officer was received in respect of the monitoring position for revenue expenditure along with the revenue forecast outturn, estimated at 30 September 2018, as appended to the report.

Further analysis of the spending position and re-profiling had resulted in a revised monitoring position forecast of an increase in the need to use reserves of £203k, giving a revised use of general reserves of £0.659m. This was an increase of £186k since the last report to committee, with the main causes being an increase in the cost of recycling of £133k, a £40k overspend on homelessness and an increase of £50k in the cost of legal services. This was further detailed in the appendix to the report.

Such increases had been partially offset by increased investment income of £33k and additional rental income from investment properties of £20k.

Members understood the reason for the overspend on homelessness but asked for clarity on the increase in legal costs and recycling.

The managing director explained that when the recycling contract had been negotiated the council had achieved a very good price. The current contractor was no longer able to provide this service and new contract costs were considerably higher and in line with market averages following the changes in the Asian market with regard to plastics. These pressures were being felt by all councils and were likely to become worse in the coming year and could potentially create severe financial pressures. Wellingborough Norse was undertaking an education programme with regard to recycling to ensure that the correct items were recycled to prevent contamination. Bins would be checked and residents would have stickers placed on their bins to inform them of any errors with cross-contamination. This would be well publicised locally.

With regard to legal provision, there had been considerable staff changes at District Law and it had become clear that the previous incumbents had worked considerably more hours than they were contracted to do; with the increased pressure of the unitary and other project work additional contract staff had been employed to manage the increased workload and this had increased costs.

RESOLVED that the position on the revenue monitoring and reasons for the variances reported, as detailed in the appendix to the report, be noted.

5. CAPITAL PROGRAMME MONITORING

The annexed circulated report of the section 151 officer was received in relation to the capital programme monitoring information as at 30 September 2018.

The total capital budget for 2018-19 of £6.987m had been reported to the last resources committee in June. Following updates and amendments to the budget, which were detailed in the report, the capital budget for 2018-19 had been revised to £6.746m.

Appended to the report were the following:

- Capital outturn report to 30 September 2016;
- Capital programme funding position;
- Urgent action report – disabled facilities grant.

The current position with the previously approved schemes was also detailed within the report, with comments being provided by the responsible officer. It was expected that further requests for re-profiling would be received in the coming weeks.

The revised total budget included the additional allocation of £94k, for Wellingborough Road adoptions and £725k for the temporary accommodation mitigation fund.

In June 2018 the resources committee had agreed that the disabled facilities grant service would be brought back in house from April 2019. The current provider had advised that it would be unable to accept further referrals for large scale schemes from 30 September 2018 and all other schemes from 31 December 2018, due to the fact that they were paid upon the completion of each adaption and that new referrals would not be completed within those timescales.

To ensure continuous service, urgent action had been taken by the chairman of services committee and the chairman of resources committee, which enabled officers to agree with the provider to pay a fixed monthly payment on completed adaptations for the period from 1 October 2018 until 31 March 2019.

The managing director referred to the recent member briefing notes that had been issued ahead of the meeting detailing the current position with projects and hoped that members had found these to be useful. Members confirmed that they had and appreciated this proactive approach and welcomed the information provided.

Particular concern over budget reference J193, IT Strategy Implementation of £352k was raised with a query over why such a large sum of money was being put into IT at this current time and whether this could be better utilised in other places.

The managing director clarified that this was a necessary expenditure and that it was mostly for infrastructure. There was frequent 'downtime' due to IT issues and this ongoing work would ensure that there was a good foundation which could be further built on, should we moved toward a new unitary authority, and this would put the council in a good place. An ICT Business Support Manager had recently been appointed and the managing director planned to hold a member briefing session for all members about the IT project to also include a question and answer session.

Members also asked officers' if they could give an estimate of how much of the capital budget would actually be spent in year.

The officer considered that it was expected that between £2m and £4.5m would be spent. Some items needed to remain on the list in case action needed to be taken, for example funding for compulsory purchases.

The managing director informed the committee that the Football Foundation had recently confirmed funding of £438k towards the 3G pitch scheme – reference J194 – which would mean that the capital funding for that project would start to be used. Other schemes would also be progressing in the coming weeks

RESOLVED that:

- (i) the projected outturn and anticipated variances as at 30 September 2018 be noted;
- (ii) the external funding, as detailed in appendix 2, be noted;
- (iii) approval be given to the inclusion of the supplementary budget requests, as detailed in section 9 of the report, in the agreed capital programme;
- (iv) the updates and amendments to the 2018-19 capital programme as detailed in section 6 of the report be noted;
- (v) the urgent action request, approved under delegated powers, as detailed in section 7 of the report be noted.

6. 2018-19 MID-YEAR REPORT ON TREASURY MANAGEMENT

The annexed circulated report of the section 151 officer was received in relation to the treasury management activity to 30 September 2018.

Appended to the report were the following:

- A summary of investment transactions at 30 September 2018;
- A summary of economic background and interest forecast at 30 September 2018.

The report detailed the annual investment strategy, the 2018-19 performance to date showing the type of investment and the timing of investment. Officers clarified that there had been an increase in interest rates.

RESOLVED that the mid-year report on treasury management be noted.

7. HOUSING OPTIONS UPDATE

The annexed circulated report of the managing director was received in relation to the housing options service.

The budget pressures of the increasing temporary accommodation placements, service costs and staffing concerns had previously been reported to the resources committee with officers being instructed to explore a joint procurement option and other joint working options.

Members had agreed to retain the housing option service providing additional temporary officer capacity to reduce the cost of temporary accommodation placements and to find alternative housing solutions, including enabling new homes. Members were advised that there would be a requirement for a further three temporary/permanent officers. These roles have been filled with temporary specialist officers as shown at appendix 2 – structure chart.

Homelessness numbers were continuing to rise. Since April 2018 433 homeless reduction act cases have been received which equates to 72 per

month, more than double the amount in the previous year. Each case also takes significantly longer to process. The number of active cases on the housing register is current 528 along with 313 housing register applications being outstanding awaiting further information from customers to enable them to be processed.

Appended to the report were the following:

- Operational service demands and costs/levels of staffing;
- Housing options structure chart;
- Performance management information;
- Mitigating homelessness – acquisition of properties.

The report detailed the ongoing work being undertaken to mitigate the costs of temporary accommodation with the council due to complete on the purchase of three properties acquired from the open market with a further two going through the legal process. There was also an opportunity to purchase a further five units through additional capital investment. Such properties will be made available to people who would otherwise be using bed and breakfast or nightly paid accommodation. Council owned properties will be considered for this purpose when they become vacant.

A full review of the service is to be undertaken to ensure that the additional capacity is directed to the higher risk areas, such as reducing the costs to the council or using emergency and temporary accommodation and delivering the council's mitigating homelessness capital fund. Advice was being sought from the Local Government Association and qualified consultants in relation to a housing peer review.

Members considered the report before them and appreciated the information contained therein; they expressed their concern over the scale of the crisis and the impact it was having. They commented that the ongoing work to bring forward homes for families was excellent and that the policy was working well.

Councillor Griffiths proposed an amendment to the recommendation at 4.2 as follows:

“Members consider further capital investment of £1m for additional homes to be used for temporary accommodation.”

This was seconded by Councillor Emerson and fully supported.

The amendment was put to the vote and declared carried. The amendment along with recommendation 4.1 became the substantive motion, which on being put to the vote, was declared carried unanimously.

RESOLVED to:

- (i) note the continuing temporary arrangements for three staff to deliver housing options services; and approve the recruitment of up to three officers, funded from reserves, with the decision on the financing of these posts being delegated to the leader of the council and the managing director, following a full service review;
- (ii) approve the further capital investment of £1m for additional homes to be used for temporary accommodation.

8. IRRECOVERABLE COUNCIL TAX, HOUSING BENEFIT OVERPAYMENTS, NON-DOMESTIC RATES AND SUNDRY DEBTS

The annexed circulated report of the section 151 officer was received to seek approval for the write off of irrecoverable debts.

The report detailed the amounts as follows:

• Non-domestic rate	£11,375.83
• Council tax cases	£2,598.28
• Housing benefit overpayment	£9,989.12

The report also detailed the training session, requested at the committee in September, which is to take place on 3 December 2018. The commencement time of the training session was confirmed as 6pm.

RESOLVED that:

- (i) approval be given to the write-off of £23,963.23 of irrecoverable council tax, non-domestic rate and housing benefit overpayment balances;
- (ii) It be noted that the amount of £33,217.38 had been written off under the delegated powers of the section 151 officer.

Chairman

The meeting concluded at 8.50pm.