



Please ask for Martin Elliott
Direct Line: 01246 345236
Email committee.services@chesterfield.gov.uk

The Chair and Members of Cabinet

7 November 2016

Dear Councillor,

Please attend a meeting of the CABINET to be held on TUESDAY, 15 NOVEMBER 2016 at 10.30 am in Committee Room 1, Town Hall, Rose Hill, Chesterfield, the agenda for which is set out below.

AGENDA

Part 1(Public Information)

1. Declarations of Members' and Officers' Interests relating to items on the Agenda
2. Apologies for Absence
3. Minutes (Pages 3 - 8)

To approve as a correct record the Minutes of the Cabinet meeting held on 1 November, 2016.

4. Forward Plan (Pages 9 - 22)

Items Recommended to Cabinet via Cabinet Members

Deputy Leader and Cabinet Member for Planning

5. General Fund Revenue and Capital Budget Monitoring Report and Updated Medium Term Financial Forecast - Second Quarter 2015/16 (Pages 23 - 44)

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Randy', written in a cursive style.

Local Government and Regulatory Law Manager and Monitoring Officer

CABINET

Tuesday, 1st November, 2016

Present:-

Councillor Burrows (Chair)

Councillors T Gilby
T Murphy
Blank

Councillors Huckle
Ludlow
A Diouf

Non Voting Members Bagley
J Innes
Brown

Hollingworth
Wall

*Matters dealt with under the Delegation Scheme

78 **DECLARATIONS OF MEMBERS' AND OFFICERS' INTERESTS
RELATING TO ITEMS ON THE AGENDA**

No declarations of interest were received.

79 **APOLOGIES FOR ABSENCE**

An apology for absence was received from Councillor Serjeant.

80 **MINUTES**

RESOLVED –

That the minutes of the meeting of Cabinet held on 4 October, 2016 be approved as a correct record and signed by the Chair.

81 **FORWARD PLAN**

The Forward Plan for the four month period 1 November, 2016 to 28 February, 2017 was reported for information.

***RESOLVED –**

That the Forward Plan be noted.

82 **DELEGATION REPORT**

Decisions taken by Cabinet Members during September and October, 2016 were reported.

***RESOLVED –**

That the Delegation Report be noted.

83 **APPROVAL OF A CORPORATE CONCESSIONS POLICY**

The Policy and Communications Manager submitted a report recommending for approval a Corporate Concessions Policy for the Council. The proposed Corporate Concessions Policy had been developed as a result of the recommendations made by an Overview and Performance Scrutiny Forum project group report which had examined how Chesterfield Borough Council offered concessions on fees and charges made on chargeable services.

The review had looked at the consistency, fairness and objectives in the provision and application of concessions across council services. On 12 January, 2016 Cabinet had approved in principle all of the recommendations of the scrutiny project group report, but with the caveat that before the implementation of any of the resolutions that could have a financial implication for the Council, further investigation on the impact should be carried out by officers and brought to Cabinet for consideration.

The scrutiny report had also recommended that a member and officer working group be established to further look at how the council offered concessions with the objective of developing a corporate policy on concessions. The working group had undertaken further research into how concessions were offered by the council and along with considerations regarding best practice, scrutiny recommendations and officer experience, a proposed corporate concessions policy has been developed.

The proposed Corporate Concessions Policy had been formulated to ensure that a consistent approach was taken to how concessions were implemented within discretionary services across the council, but while also retaining the flexibility for individual services to achieve the Council's

social and legal obligations, as well as allowing it to meet its commercial needs.

The full proposed Corporate Concessions Policy was attached as an appendix to the officer's report.

***RESOLVED –**

1. That the corporate concessions policy be approved and implemented for 2017/18.
2. That the Deputy Leader be delegated authority to approve minor concessions policy amendments between formal review periods.
3. That a full review of the corporate concessions policy takes place after two years of its implementation.

REASON FOR DECISIONS

To ensure a consistent approach to concessions within discretionary services while retaining the flexibility needed to achieve the Council's social and legal obligations, as well as its commercial needs.

84 LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF THE PUBLIC

RESOLVED –

That under Regulation 21(1)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000, the public be excluded from the meeting for the following item of business on the grounds it involved the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972.

85 INCREASING HOUSING STOCK

The Housing Manager submitted a report seeking approval for the implementation of new methods of delivering additional council properties

and other housing tenures in Chesterfield, and to seek permission to make alterations to the Housing Acquisitions Policy in order for the council to better meet housing needs in the borough.

The report noted that housing delivery in Chesterfield had been well below Local Plan targets for many years, with a range of national and local factors creating the low delivery of housing supply which had in turn affected income to the council in the form of New Homes Bonus and Council Tax. In order to address these problems the Housing Service had identified several options to help meet demand for new council and affordable housing, as well as to increase the supply of private housing in Chesterfield

The Housing Manager outlined the proposed actions to promote increased housing supply in Chesterfield, including:

- Developing a partnership with a Registered Provider in order to develop social housing on council owned land which could not be provided by the council independently.
- Making amendments to the Strategic Acquisitions Policy to allow for more properties to be purchased and put back into use to meet the needs of larger families,
- That in areas with a high supply of social and affordable properties instead of requiring private developers to have a percentage of affordable housing to instead request a sum of money is commuted to allow small infill plots and under used garage sites in these areas to be developed.
- Conducting a review the council's garage plot sites across the borough which were under used and in poor condition, in order to look at their potential for housing development.

The report also contained details on the legal, financial and equalities implications of the proposals.

***RESOLVED –**

1. That Housing Revenue Account land, Right-to-Buy receipts and Section 106 monies for affordable housing be used to deliver a larger development programme of new Council Housing in

partnership with Registered Providers, commencing with the redevelopment of the former Brockwell Court site with Great Places Housing Group.

2. That the purchase and refurbishment cost limit on former Right-to-Buy properties and property acquisitions be increased from £90,000 to £150,000.
3. That Commuted Sums, generated from development on sites where additional onsite delivery is not required, be utilised to fund the development of small infill sites on Council estates to deliver new Council Housing units.
4. That a further report be brought to Cabinet with a proposed programme of disposal, development and refurbishment of Housing Revenue Account plot garage sites across the Borough to deliver new affordable and market houses.

REASONS FOR DECISIONS

To manage the Council's Housing assets effectively and to support the Housing Capital Investment Programme.

To contribute to the Council's Priorities - 'to improve the quality of life for local people' and 'to provide value for money services'.

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CHESTERFIELD BOROUGH COUNCIL FORWARD PLAN
FOR THE FOUR MONTH PERIOD 1 DECEMBER 2016 TO 31 MARCH 2017

What is the Forward Plan?

This is formal notice under The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 of key decisions to be made on behalf of the Council. This Forward Plan sets out the details of the 'key' and other major decisions which the Council expects to take during the next four month period. The Plan is available to the public 28 days before the beginning of each month.

What is a Key Decision?

Any executive decision which is likely to result in the Council incurring significant expenditure or the making of savings where there is:

- a decision to spend £100,000 or more from an approved budget, or
- a decision to vire more than £50,000 from one budget to another, or
- a decision which would result in a saving of £50,000 or more to any budget head, or
- a decision to dispose or acquire any interest in land or buildings with a value of £50,000 or more, or
- a decision to propose the closure of, or reduction by more than ten (10) percent in the level of service (for example in terms of funding, staffing or hours of operation) provided from any facility from which Council services are supplied.

Any executive decision which will have a significant impact in environmental, physical, social or economic terms on communities living or working in one or more electoral wards. This includes any plans or strategies which are not within the Council's Policy Framework set out in Article 4 of the Council's Constitution.

Are any other decisions included on the plan?

The Forward Plan also includes details of any significant issues to be considered by the Executive Cabinet, full Council and Overview and Scrutiny Committee. They are called "non-key decisions". Non-key decisions that will be made in private are also listed.

How much notice is given of forthcoming decisions?

As far as possible and in the interests of transparency, the Council will seek to provide at least 28 clear days' notice of new key decisions (and many new non-key decisions) that are listed on this document. Where this is not practicable, such key decisions will be taken under urgency procedures (in accordance with Rule 15 (General Exception) and Rule 16 (Special Urgency) of the Access to information Procedure Rules). This will be indicated in the final column and a separate notice is also published with additional details.

What information is included in the plan?

The plan will provide a description of the decision to be taken, who will make the decision and when the decision is to be made. The relevant Cabinet Member for each decision is listed. If you wish to make representations about the decision to be made, the contact details of the appropriate officer are also provided. Decisions which are expected to be taken in private (at a meeting of the Cabinet or by an individual Cabinet Member) are marked "private" and the reasons privacy is required will also be stated. Each issue is also listed separately on the website which will show more details including any Urgency Notices if issued.

How is consultation and Community Engagement carried out?

We want all our communities to be given the opportunity to be involved in the decisions that affect them so before a decision is taken, where appropriate, community engagement activities are carried out. The Council's Community Engagement Strategy sets out a framework for how the Council engages with its customers and communities. Details of engagement activities may be found in reports when published. Alternatively you can contact the officer to whom representations may be made.

Notice of Intention to Conduct Business in Private

Whilst the majority of the business at Cabinet meetings will be open to the public and media to attend, there will inevitably be some business to be considered that contains, for example, confidential, commercially sensitive or personal information. This is formal notice under The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 that the Cabinet meetings shown on this Forward Plan will be held partly in private because some of the reports for the meeting will contain either confidential information or exempt information under Part 1 of Schedule 12A to the Local Government (Access to Information) Act 1985 (as amended) and that the public interest in withholding the information outweighs the public interest in disclosing it.

A list of the reports which are expected to be considered at this meeting in private are set out in a list on this Forward Plan. They are marked "private", including a number indicating the reason why the decision will be taken in private under the categories set out below:

- (1) information relating to any individual
- (2) information which is likely to reveal the identity of an individual
- (3) information relating the financial or business affairs of any particular person (including the authority holding that information)
- (4) information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
- (5) Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
- (6) Information which reveals that the authority proposes (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or (b) to make an order or direction under any enactment.
- (7) Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

If you would like to make representations about any particular decision to be conducted in private at this meeting then please email: democratic.services@chesterfield.gov.uk. Such representations must be received in advance of 5 clear working days before the date Cabinet meeting itself, normally by the preceding Monday. The Council is required to consider any representations received as to why an item should not be taken in private and to publish its decision.

It is possible that other private reports may be added at shorter notice to the agenda for the Cabinet meeting or for a Cabinet Member decision.

Huw Bowen
Chief Executive

Copies of the Council's Constitution and agenda and minutes for all meetings of the Council may be accessed on the Council's website: www.chesterfield.gov.uk



CHESTERFIELD
BOROUGH COUNCIL

Meeting Dates 2016/17

<u>Cabinet</u>	<u>Council</u>
5 April 2016* 3 May 2016* 17 May 2016 31 May 2016	27 April 2016 11 May 2016
14 June 2016* 28 June 2016	
12 July 2016* 26 July 2016	27 July 2016
6 September 2016* 20 September 2016	
4 October 2016* 18 October 2016	12 October 2016
1 November 2016* 15 November 2016 29 November 2016	
13 December 2016*	14 December 2016
10 January 2017* 24 January 2017	
7 February 2017* 21 February 2017	23 February 2017
7 March 2017* 21 March 2017	
4 April 2017* 18 April 2017	26 April 2017
2 May 2017* 16 May 2017 30 May 2017	10 May 2017

*Joint Cabinet and Employment and General Committee meet immediately prior to the first meeting of Cabinet each month

Cabinet members and their portfolios are as follows:

Leader and Cabinet Member for Regeneration	Councillor John Burrows	
Deputy Leader and Cabinet Member for Planning	Councillor Terry Gilby	
Cabinet Member for Business Transformation	Councillor Ken Huckle	Assistant Member Councillor Keith Brown
Cabinet Member for Governance	Councillor Sharon Blank	Assistant Member Councillor Mick Wall
Cabinet Member for Health and Wellbeing	Councillor Chris Ludlow	Assistant Member Councillor Helen Bagley
Cabinet Member for Housing	Councillor Tom Murphy	Assistant Member Councillor Sarah Hollingworth
Cabinet Member for Town Centre and Visitor Economy	Councillor Amanda Serjeant	Assistant Member Councillor Jean Innes

In addition to the Cabinet Members above, the following Councillors are voting Members for Joint Cabinet and Employment and General Committee

Councillor Helen Elliott
Councillor Gordon Simmons
Councillor John Dickinson
Councillor Jean Innes
Councillor Maureen Davenport

(To view the dates for other meetings please click [here](#).)

Decision No	Details of the Decision to be Taken	Decision to be taken by	Relevant Portfolio Holder	Earliest Date Decision can be Taken	Representations may be made to the following officer by the date stated	Public or Private	Decision Under Urgency Provisions
Key Decisions							
Key Decision 398	Sale of CBC Land/Property	Deputy Leader & Cabinet Member for Planning	Deputy Leader & Cabinet Member for Planning	Not before 30th Dec 2016	Matthew Sorby Tel: 01246 345800 matthew.sorby@chesterfield.gov.uk	Exempt 3 Contains financial information	No
Key Decision 584	Purchase of Property under Strategic Acquisitions Policy	Housing Manager	Cabinet Member - Housing	Not before 30th Dec 2016	Alison Craig Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Exempt 3	No
Key Decision 627	Policy and Communications restructure and the Democratic Services and Elections section within the Directorate of Resources - Phase 1 Elections Section	Joint Cabinet and Employment & General Committee	Cabinet Member - Governance	1 Nov 2016	Donna Reddish Tel: 01246 345307 donna.reddish@chesterfield.gov.uk	Exempt 1	No
Key Decision 648	Apprentice Town	Cabinet	Leader & Cabinet Member for Regeneration	13 Dec 2016	Neil Johnson Tel: 01246 345241 neil.johnson@chesterfield.gov.uk	Public	No
Key Decision 657	Pay and Reward Review Progress Update	Joint Cabinet and Employment & General Committee	Cabinet Member - Business Transformation	29 Nov 2016	Kate Harley Kate.Harley@Chesterfield.gov.uk	Exempt 3, 4	No

Decision No	Details of the Decision to be Taken	Decision to be taken by	Relevant Portfolio Holder	Earliest Date Decision can be Taken	Representations may be made to the following officer by the date stated	Public or Private	Decision Under Urgency Provisions
Key Decision 659	Proposed Restructure of Accountancy Services	Joint Cabinet and Employment & General Committee	Leader & Cabinet Member for Regeneration	10 Jan 2017	Helen Fox Tel: 01246 345452 helen.fox@chesterfield.gov.uk	Exempt 1	No
Key Decision 660	General Fund Revenue and Capital Budget Monitoring Report and Updated Medium Term Financial Forecast - Second Quarter 2015/16	Cabinet Council	Deputy Leader & Cabinet Member for Planning	15 Nov 2016 14 Dec 2016	Helen Fox Tel: 01246 345452 helen.fox@chesterfield.gov.uk	Public	No
Key Decision 663	Approval of a Corporate Concessions Policy	Cabinet	Deputy Leader & Cabinet Member for Planning	1 Nov 2016	Donna Reddish Tel: 01246 345307 donna.reddish@chesterfield.gov.uk	Public	No
Key Decision 665	Sheltered Housing Strategy - to agree future changes to sheltered housing	Cabinet	Cabinet Member - Housing	29 Nov 2016	Alison Craig Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Exempt 3	No
Key Decision 666	Allocations Policy Review 6 month review of Allocations Policy	Cabinet	Cabinet Member - Housing	29 Nov 2016	Alison Craig Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Public	No

Decision No	Details of the Decision to be Taken	Decision to be taken by	Relevant Portfolio Holder	Earliest Date Decision can be Taken	Representations may be made to the following officer by the date stated	Public or Private	Decision Under Urgency Provisions
Key Decision 667	Tenancy Strategy & Policy To agree a revised Tenancy Strategy & Policy.	Cabinet	Cabinet Member - Housing	7 Mar 2017	Alison Craig Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Public	No
Key Decision 668	Leaseholder Charges To agree methodology for calculating leaseholder service charges.	Cabinet	Cabinet Member - Housing	13 Dec 2016	Alison Craig Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Public	No
Key Decision 669	Increasing Housing Stock Authorisation of option to increase council housing stock.	Cabinet	Cabinet Member - Housing	1 Nov 2016	Alison Craig Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Exempt 3	No
Key Decision 670	Barrow Hill Contractor Appointment Approval to appoint contractor.	Cabinet	Cabinet Member - Housing	24 Jan 2017	Alison Craig Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Exempt 3	No
Key Decision 671	Future use of the former Queens Park Sports Centre To look at the case for the preferred option and take into account the public consultation.	Cabinet	Cabinet Member - Town Centre and Visitor Economy	13 Dec 2016	Michael Rich michael.rich@chesterfield.gov.uk	Public	No
Key Decision 672	Environmental Services Restructure - Phase 2 A review of the operating structure to ensure value for money service delivery.	Joint Cabinet and Employment & General Committee	Cabinet Member - Health and Wellbeing	1 Nov 2016	Mike Brymer michael.brymer@chesterfield.gov.uk	Exempt 4	No

Decision No	Details of the Decision to be Taken	Decision to be taken by	Relevant Portfolio Holder	Earliest Date Decision can be Taken	Representations may be made to the following officer by the date stated	Public or Private	Decision Under Urgency Provisions
Key Decision 673	Crematorium Delivery Options - Final Report A final decision on the future operating model of the Joint Crematorium.	Cabinet	Cabinet Member - Health and Wellbeing	13 Dec 2016	Angela Dunn Bereavement Services Manager Tel: 01246 345881 angela.dunn@chesterfield.gov.uk	Exempt 3	No
Key Decision 674	Chesterfield Borough Local Plan Publication of a draft plan for consultation.	Cabinet	Deputy Leader & Cabinet Member for Planning	29 Nov 2016	Alan Morey Tel: 01246 345371 alan.morey@chesterfield.gov.uk	Public	No
Key Decision 675	Venues Fees and Charges 2017-18 To review the scale of charges for lettings at the Pomegranate Theatre, the Winding Wheel, the Assembly Rooms in the Market Hall and Hasland Village Hall for 2017-18.	Cabinet	Cabinet Member - Town Centre and Visitor Economy	29 Nov 2016	Anthony Radford Tel: 01246 345339 anthony.radford@chesterfield.gov.uk	Public	No
Key Decision 676	Sale of Former Fire Station Site, Sheffield Road	Deputy Leader and Cabinet Member for Planning	Deputy Leader & Cabinet Member for Planning	2 Nov 2016	Linda Martin Tel: 01246 345445 linda.martin@chesterfield.gov.uk	Exempt 3	Yes So as not to cause unnecessary delay in progressing the contract for sale.

Decision No	Details of the Decision to be Taken	Decision to be taken by	Relevant Portfolio Holder	Earliest Date Decision can be Taken	Representations may be made to the following officer by the date stated	Public or Private	Decision Under Urgency Provisions
Key Decision 677	Policy and Communications restructure and the Democratic Services and Elections section within the Directorate of Resources - Phase 2 - Policy, Communications and Democratic Services	Joint Cabinet and Employment & General Committee	Leader and Cabinet Member for Regeneration, Deputy Leader and Cabinet Member for Planning, Cabinet Member - Governance	29 Nov 2016	Donna Reddish Tel: 01246 345307 donna.reddish@chesterfield.gov.uk	Exempt 1	No
Key Decision 678	Environmental Health Fees and Charges 2017-18 To decide fees and charges for Environmental Health services for 2017-18.	Cabinet	Cabinet Member - Health and Wellbeing	29 Nov 2016	Esther Thelwell Senior Environmental Health Officer esther.thelwell@moderngov.co.uk	Public	No
Key Decision 679	Leader and Cabinet Member for Regeneration Revenue Budget 2016/17 - 2019/20	Cabinet	Leader & Cabinet Member for Regeneration	13 Dec 2016	Kevin Hanlon Director of Resources kevin.hanlon@chesterfield.gov.uk	Public	No
Key Decision 680	Deputy Leader and Cabinet Member for Regeneration Revenue Budget 2016/17 - 2019/20	Cabinet	Deputy Leader & Cabinet Member for Planning	13 Dec 2016	Kevin Hanlon Director of Resources kevin.hanlon@chesterfield.gov.uk	Public	No
Key Decision 681	Cabinet Member for Town Centre and Visitor Economy Revenue Budget 2016/17 - 2019/20	Cabinet	Cabinet Member - Town Centre and Visitor Economy	13 Dec 2016	Kevin Hanlon Director of Resources kevin.hanlon@chesterfield.gov.uk	Public	No

Decision No	Details of the Decision to be Taken	Decision to be taken by	Relevant Portfolio Holder	Earliest Date Decision can be Taken	Representations may be made to the following officer by the date stated	Public or Private	Decision Under Urgency Provisions
Key Decision 682	Cabinet Member for Housing Housing General Fund Revenue Budget 2016/17 - 2019/20	Cabinet	Cabinet Member - Housing	13 Dec 2016	Kevin Hanlon Director or Resources kevin.hanlon@chesterfield.gov.uk	Public	No
Key Decision 683	Cabinet Member for Health and Wellbeing Revenue Budget 2016/17 - 2019/20	Cabinet	Cabinet Member - Health and Wellbeing	13 Dec 2016	Kevin Hanlon Director or Resources kevin.hanlon@chesterfield.gov.uk	Public	No
Key Decision 684	Cabinet Member for Governance Revenue Budget 2016/17 - 2019/20	Cabinet	Cabinet Member - Governance	13 Dec 2016	Kevin Hanlon Director or Resources kevin.hanlon@chesterfield.gov.uk	Public	No
Key Decision 685	Cabinet Member for Business Transformation Revenue Budget 2016/17 - 2019/20	Cabinet	Cabinet Member - Business Transformation	13 Dec 2016	Kevin Hanlon Director or Resources kevin.hanlon@chesterfield.gov.uk	Public	No
Key Decision 686	General Fund Revenue Budget Summary	Cabinet	Deputy Leader & Cabinet Member for Planning	13 Dec 2016	Kevin Hanlon Director or Resources kevin.hanlon@chesterfield.gov.uk	Public	No
Key Decision 687	Local Council Tax Support Scheme 2017/18	Cabinet Council	Cabinet Member - Business Transformation	13 Dec 2016 14 Dec 2016	Kevin Hanlon Director or Resources kevin.hanlon@chesterfield.gov.uk	Public	No

Decision No	Details of the Decision to be Taken	Decision to be taken by	Relevant Portfolio Holder	Earliest Date Decision can be Taken	Representations may be made to the following officer by the date stated	Public or Private	Decision Under Urgency Provisions
Key Decision 688	Collection Fund Revised Estimates 2016/17	Cabinet	Deputy Leader & Cabinet Member for Planning	24 Jan 2017	Kevin Hanlon Director or Resources kevin.hanlon@chesterfield.gov.uk	Public	No
Key Decision 689	Annual Housing Revenue Account Rent and Service Charge Increase	Cabinet	Cabinet Member - Housing	24 Jan 2017	Kevin Hanlon, Alison Craig Director or Resources kevin.hanlon@chesterfield.gov.uk, Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Public	No
Key Decision 690	Treasury Management Strategy	Cabinet Council	Deputy Leader & Cabinet Member for Planning	7 Feb 2017 23 Feb 2017	Kevin Hanlon Director or Resources kevin.hanlon@chesterfield.gov.uk	Public	No
Key Decision 691	Housing Revenue Account Budget 2017/18	Cabinet	Cabinet Member - Housing	21 Feb 2017	Kevin Hanlon, Alison Craig Director or Resources kevin.hanlon@chesterfield.gov.uk, Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Public	No
Key Decision 692	Capital Strategy and General Fund Capital Programme	Cabinet Council	Leader & Cabinet Member for Regeneration	7 Feb 2017 23 Feb 2017	Kevin Hanlon Director or Resources kevin.hanlon@chesterfield.gov.uk	Public	No
Key Decision 693	2017/18 Budget and Medium Term Financial Plan	Cabinet Council	Leader & Cabinet Member for Regeneration	21 Feb 2017 23 Feb 2017	Kevin Hanlon Director or Resources kevin.hanlon@chesterfield.gov.uk	Public	No

Decision No	Details of the Decision to be Taken	Decision to be taken by	Relevant Portfolio Holder	Earliest Date Decision can be Taken	Representations may be made to the following officer by the date stated	Public or Private	Decision Under Urgency Provisions
Key Decision 694	Council Tax for 2017/18	Council	Leader & Cabinet Member for Regeneration	23 Feb 2017	Kevin Hanlon Director of Resources kevin.hanlon@chesterfield.gov.uk	Public	No
Key Decision 695	Town Hall Refurbishment	Cabinet Council	Cabinet Member - Business Transformation	13 Dec 2016 14 Dec 2016	Rachel O'Neil Customers, Commissioning and Change Manager rachel.oneil@chesterfield.gov.uk	Public	No
Key Decision 696	Sheffield City Region Social Housing Compact To seek approval to sign up to	Cabinet	Cabinet Member - Housing	29 Nov 2016	Alison Craig Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Public	No
Key Decision 697	Home & Communities Agency (HCA) Annual Report to Tenants	Cabinet	Cabinet Member - Housing	13 Dec 2016	Alison Craig Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Public	No
Private Items (Non Key Decisions)							
Non-Key 363	Application for Home Repairs Assistance	Cabinet Member - Housing	Cabinet Member - Housing	Not before 30th Dec 2016	Jane Thomas jane.thomas@chesterfield.gov.uk	Exempt 1, 3 Information relating to an individual Information relating to financial affairs	No

Decision No	Details of the Decision to be Taken	Decision to be taken by	Relevant Portfolio Holder	Earliest Date Decision can be Taken	Representations may be made to the following officer by the date stated	Public or Private	Decision Under Urgency Provisions
Non-Key 367	Lease of Commercial and Industrial Properties	Deputy Leader & Cabinet Member for Planning	Deputy Leader & Cabinet Member for Planning	Not before 30th Dec 2016	Christopher Oakes Tel: 01246 345346 christopher.oakes@chesterfield.gov.uk	Exempt 3 Information relating to financial or business affairs	No
Non-Key 368	Application for Discretionary Rate Relief	Cabinet Member for Business Transformation	Cabinet Member - Business Transformation	Not before 30th Dec 2016		Exempt	No

Non Key Decisions

Non-Key Page 20	Hackney Carriage Licence Limit Survey The commissioning of the latest 'unmet demand' survey will use the council's procurement procedures and a report will be submitted for decision by the Appeals and Regulatory committee. The findings and report are included on the forward plan as a non-key decision.	Appeals and Regulatory Committee	Cabinet Member - Health and Wellbeing	Not before 7th Dec 2016	Trevor Durham Tel: 01246 345203 trevor.durham@chesterfield.gov.uk	Public	No
Non-Key Non-key 61	Review of Licence and Registration Fees 2017/18	Appeals and Regulatory Committee	Cabinet Member - Health and Wellbeing	Not before 23rd Nov 2016	Trevor Durham Tel: 01246 345203 trevor.durham@chesterfield.gov.uk	Public	No

Decision No	Details of the Decision to be Taken	Decision to be taken by	Relevant Portfolio Holder	Earliest Date Decision can be Taken	Representations may be made to the following officer by the date stated	Public or Private	Decision Under Urgency Provisions
Non-Key Non-key 62	Review of Licence and Registration Fees 2017/18	Licensing Committee	Cabinet Member - Health and Wellbeing	Not before 23rd Nov 2016	Trevor Durham Tel: 01246 345203 trevor.durham@chesterfield.gov.uk	Public	No

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For publication

Budget Monitoring for 2016/17 & Updated Medium Term Financial Plan

Meeting:	Council Cabinet
Date:	14 December 2016 15 November 2016
Cabinet Portfolio	Deputy Leader and Cabinet Member for Planning
Report by:	Acting Chief Finance Officer

For publication

1.0 Purpose of report

1.1 To provide the Council with an update on the budget position at the end of the second quarter, covering:

- General Fund Revenue
- General Fund Capital
- Housing Revenue Account
- Housing Capital Programme

1.1 To meet the requirement in the Financial Procedure Rules to provide the Council with regular updates on the Council's financial position.

2.0 Recommendations

That it be recommended to full Council:

2.1 To note the financial performance in the first half of the financial year and the new medium term forecast (Sections 4 and 7).

- 2.2 To note the Efficiency Plan submitted to DCLG (para 3.2).
- 2.3 That the proposed use of reserves as set out in Section 6 of the report be reviewed and confirmed.
- 2.4 To note the changes to the HRA budgets (Section 8).
- 2.5 That the budget preparation guidelines in para. 9.1 be approved.
- 2.6 That the approach to budget consultation be considered (para. 9.3).

3.0 **Background**

- 3.1 The Council approved the original budget for 2016/17 on 25th February 2016. The Band 'D' Council Tax was set at £149.89. After allowing for planned savings of £1,029k, there was a forecast net budget deficit of £236k. Importantly, this position was only achieved after assuming that all the New Homes Bonus allocation (£902k) and the whole of the estimated gain from Business Rates Pooling (£412k) are used to support the budget.
- 3.2 All of the indications are that the medium term outlook will continue to be challenging. The publication of indicative grant figures for three further years in the 2016/17 settlement has helped to make future forecasts more robust. However, to obtain certainty and stability, the Council applied to take up the offer from the Department for Communities and Local Government of a four year funding settlement and provided them with an Efficiency Plan on 14th October 2016. A copy of the Efficiency Plan is included in Appendix A.
- 3.3 Any announcement for 2017/18 and future years will follow the release of the 2016 Spending Review on 23rd November 2016. The Medium Term forecast approved by the Full Council on 25th February 2016 showed deficits, before the savings targets are taken into account, of £1.3m in 2016/17 rising to £2.7m by 2020/21.

4.0 **Current Year's Budget**

4.1 We started the year with a forecast deficit of £236k after allowing for £1,029k of savings. At the end of the second quarter adjustments to the savings target and other variances have produced a revised deficit forecast of **£326k**. A summary of the key variances is provided in the table below:

2016/17 UPDATED BUDGET DEFICIT FORECAST – TO QUARTER 2		
Deficit Forecast at the start of the year		236
<u>Budget Saving - increased income:</u>		
Queens Park Sports Centres	(206)	
Industrial/Commercial/Retail rental income	(209)	
Renewal of leases	(126)	(541)
<u>Budget Saving - reduced expenditure:</u>		
Energy budgets	(70)	
Vacancy savings above profiled allowance	(130)	
Grants to Voluntary Organisations	(27)	(227)
<u>Budget Increase - reduced income:</u>		
Commission from collection of fees	30	
Community Infrastructure Levy	25	
Car Parking	140	
Market Rents	48	243
<u>Budget Increase - increased expenditure:</u>		
Housing benefits	261	
Old QPSC	85	
Pension costs	23	369
<u>Adjustments to savings Targets:</u>		
Reversal of original budget	1,029	
Budget challenge	(173)	
Action Plan – Savings achieved	(507)	
Cease & Reduce	(116)	233
Net of all other variances		13
Updated Deficit Forecast		326

4.2 The updated deficit forecast must be reduced in the remaining months of the financial year to avoid or minimise any call on reserves to make up any residual shortfall. Failure to deliver the required savings in the current financial year will put even greater

pressure on future years when the savings targets are already challenging and far greater than those for 2016/17. The actions being taken to reduce the forecast deficit include a voluntary redundancy initiative and strict vacancy control measures. Further work on identifying savings is ongoing.

- 4.3 The first draft budget report for 2017/18, including revised estimates for 2016/17, will be presented to the Cabinet in December. The draft budget report will provide a more up-to-date and comprehensive budget forecast.

5.0 **General Fund Capital Programme**

- 5.1 Capital Receipts - To date, capital receipts of £166k have been received. The original forecast for the year was £1.8m but was revised down in the recent budget monitoring report to just £1,029k. This does not include the repayment of the loan by Chesterfield Football Club. The £1,029k has now been revised to £2.6m to reflect repayment of the football club loan and rephrasing of capital receipts for the former fire station and 87 New Square.

- 5.2 General Fund Capital Spend –the original capital budget for 2016/17 was £2.3m. The revised forecast is £6.2m, the £3.9m increase is due to:

- Inclusion of the Waterside infrastructure scheme, the cost of which will be recovered from the landowner - £2.4m;
- An increased allocation for Disabled Facilities Grants from the Better Care Fund - £0.3m;
- Re-profiling of expenditure on the old Queen’s Park Sports Centre plus additional spend to deal with unforeseen costs £0.2m;
- Town Hall Alterations moving into 2016/17 plus additional costs for asbestos removal, £0.4m;
- Inclusion of new schemes for Northern Gateway £0.1m, refurbishment of the Winding Wheel lifts £0.1m, Museum Store £0.2m and the Market Hall café £0.1m

- 5.3 Net Capital Financing – The original budget assumed a break even position. The revised capital programme was approved by Council on 14th October 2016. A break even position was

achieved by approving additional prudential borrowing of £383k and deferring repayment on prudential borrowing of £994k by one year. An updated capital programme will be reported to members in February 2017.

6.0 Reserves

6.1 In addition to the General Working Balance, which is maintained at £1.5m, the Council operates a number of other reserves. Many of the reserves are earmarked and committed for specific purposes, such as property repairs and vehicle & plant replacements. There are three major reserves where the Council has wider discretion on how they are used – the Budget Risk Reserve, the Invest to Save Reserve and the Service Improvement Reserve.

6.2 **Budget Risk Reserve** – the Council maintains this reserve as a supplement to the Working Balance. It is also used to finance the severance costs arising from voluntary staffing reductions and the outcomes of service restructuring exercises. The table below shows the opening balance in the reserve at the start of the financial year and the currently approved or anticipated movements on the reserve. There will be other commitments to include as decisions on new VR/VER applications are determined. There are two new applications of the fund to note:

1. Severance costs arising from the VR/VER initiative at the start of the year were £405k.
2. A carry forward request of £16k for Local Plan preparation costs was approved by Cabinet in June 2016.

Table – Budget Risk Reserve		
	Updated Forecast £'000	
Balance b/fwd 1st April	1,043	
<u>Less Approved Commitments:</u>		
Land Charges claims	(16)	
Erin Road Pumping Station	(7)	
Private sector stock survey	(26)	
15/16 carry forward – Local Plan	(16)	Cab 14/6/16
Contribution to group litigation claim for damages re incorrect VAT treatment	(7)	

Dilapidation costs Whitting Valley Road	(17)	
PSN compliance and ICT Project Days	(79)	
VR/VER severance costs	(405)	
Health & Safety Prosecution	(25)	
IDOX – reimbursement (Year 1)	30	
Uncommitted Balance	475	

- 6.3 **Invest to Save Reserve** – The table below shows the opening balance in the reserve at the start of the financial year and the currently approved or anticipated movements on the reserve. The reserve is therefore almost fully committed so any future bids will have to be funded from one of the other usable reserves.

Table - Invest-to Save Reserve		
	Updated Forecast £'000	
Balance b/fwd 1st April	274	
<u>Less Approved Commitments:</u>		
Customer Service Strategy - capital	(105)	
Local Collective Agreement	(10)	
Car park improvements	(111)	
Budget Savings Delivery	(40)	
Treasury management – Property Funds	(7)	
Uncommitted Balance c/fwd	1	

- 6.4 **Service Improvement Reserve** – The table below shows the opening balance in the reserve at the start of the financial year and the currently approved or anticipated movements on the reserve:

Table - Service Improvement Reserve		
	Updated Forecast £'000	
Balance b/fwd 1st April	989	
<u>Less Approved Commitments:</u>		
Linacre Master Planning	(39)	
Project Academy (balance)	(13)	
Car parking improvements	(15)	
Innov Centres – telephony system	(204)	
Innov Centres – telephony system - repayments	34	
Northern Gateway	(100)	
Budget Savings Delivery	(110)	
Contribution towards GPGS costs	(5)	
Market Hall café refurbishment	(72)	Cabinet 20/9/16
HLC – reconfigure admin space	(46)	Cabinet 14/6/16
Town Hall restack	(138)	Cabinet 15/11/16
Uncommitted Balance	280	

- 6.5 The uncommitted balances in these three major reserves have now reduced to £0.76m, from £2.3m at the start of the year. There will be significant demands on these reserves to fund budget deficits, investment in transformation projects and to pay for severance costs from staffing restructures. The Cabinet should, therefore, continually review the commitments against these finite financial resources to ensure that they are used in the most effective way.

7.0 Medium Term Outlook

- 7.1 The latest medium term forecast indicates significant deficits in all years. In 2016/17 the deficit has increased by £90k but savings required to achieve the original deficit target have been met in part. The table below compares the latest forecast with the original budget forecast (before savings targets) approved in February:

	Budget Deficit Forecasts			
	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Latest Forecast	326	594	680	1,310
Feb 2016 Deficit/(Surplus)				
Amount of savings required to achieve Feb 2016 Deficit/(Surplus)	236 1,029	(28) 2,026	(23) 2,236	631 2,236

8.0 Housing Revenue Account (HRA)

8.1 Housing Revenue - At the half year all major income sources, including housing rents, were on target. Expenditure was also in line with the profiled budget, except for Housing Repairs Responsive works which showed an overspend of £336k. However, this was offset by an underspend of £284k on Housing Repairs Planned works, resulting in a net overspend of £52k on repairs to housing properties during the 6 month period.

The repairs budget, and the way in which the maintenance programme for housing stock is delivered, is currently subject to an in-depth review by Savills, in consultation with officers, tenants and elected members. The financial outcomes of this review will be incorporated into the HRA budget for 2017/18 onwards.

8.2 Housing Capital Programme - The original HRA capital budget for 2016/17 was £21,975,158. This has now increased following the addition of approved carry forwards (£2,460,900) in relation to schemes not completed in 2015/16. This gives a total budget of £24,436,058 for the year. At the end of September spend was £3 million below the budget profile due to work on some contracts starting later than forecast. Therefore, it is anticipated that it may be necessary to seek approval to carry forward some of the budget into 2017/18 to enable these works to be completed.

8.3 Future Pressures on the HRA – In the July 2015 Summer Budget the Chancellor announced a number of changes that will have an impact on the delivery of housing services and the financial viability of the HRA Business Plan. The most significant change was the requirement to reduce social housing rents in England by 1% a year for 4 years from 2016/17. It is estimated that this change will result in a loss of £10 million of rental income over the 4 year period. Officers are currently modelling various options for the Business Plan and a separate report will be presented to Members shortly.

9.0 2017/18 BUDGET PREPARATION PROCESS

9.1 The budget preparation process started in September when budget working papers and guidelines were issued to budget holders. The budgets are prepared on an 'incremental' basis i.e. taking last year's budget as the base and making adjustments for the following:

- Variances that have been reported to and approved by the Cabinet.
- Pay inflation – an allowance of 1% in future years.
- Energy and property maintenance inflation as advised by the Facilities Maintenance Manager.
- Contract inflation as specified within contracts – assuming
 - RPI of 2.0% in 2017/18 and 3.0% in future years; and
 - CPI of 1.0% in 2017/18 and 2.0% in future years.
- Business rates are based on the RPI in the previous September – a rate of 2% for 2017/18 and 3% in subsequent years is assumed.
- No inflation on other general items of expenditure including grants to voluntary organisations.
- Fees and charges increases – an increase of 3% per annum for the period of the MTFP but only where it is considered that the market will bear such an increase.

These budget assumptions will be revised on a continual basis as we move through the budget process and as more up-to-date information becomes available. Cabinet is asked to note the budget setting guidelines.

- 9.2 In terms of the Member reporting process:
- a) Quarter 2 budget monitoring and updated medium term forecast report for Cabinet (November) and full Council (December).
 - b) Approval of the Localised Council Tax Support Scheme for 2017/18 to the full Council in December.
 - c) Monthly Corporate Cabinet/Corporate Management Team budget priority setting workshops arranged from September through February;
 - d) Executive Member portfolio budget reports will be produced for consideration in early December.
 - e) The Cabinet will consider the first draft budget in mid-December and the final budget report in February.
 - f) The full Council will approve the final budget and council tax at the end of February 2017.

Updates will also be provided to the Overview and Performance Scrutiny Forum at key stages in the process.

- 9.3 Consultation with the public – a new consultation process was introduced for the 2015/16 budget setting process which involved presentations and voting exercises at the four Community Assembly meetings during November. The feedback on this new arrangement was generally positive. New arrangements for community engagement were introduced for 2016/17 and community assembly meetings were stopped. However, it is proposed that we hold a one-off community assembly in January to facilitate consultation with the public with a similar format to previous years.

10.0 Risk Management

- 10.1 Budget forecasting, particularly over the medium term, and in the current economic climate is not an exact science. Assumptions have to be made about possible changes where the final outcome could be very different e.g. government grants, pay awards, investment returns, etc. A full budget risk assessment will be included in the budget setting reports later in the process.

11.0 Legal Considerations

- 11.1 There is a legal requirement for the Council to set a balanced budget before the start of each financial year and for the Director of Resources to report on the robustness of the estimates and the adequacy of the reserves. Clearly, there is lot of work to be done over the coming months to reduce the budget deficit forecast in the current financial year and to be in a position to set a balanced budget for 2017/18 in February 2017.

12.0 Conclusions

- 12.1 We are facing a potentially significant budget deficit in the current financial year and some major financial challenges in the years ahead. It is possible that the current years' deficit could be reduced through tight budgetary control through the remainder of the year and the delivery of further savings, with any residual deficit being met from reserves. But we have to maintain our focus on the medium term where the scale of the forecast deficits is such that some significant budget savings are going to have to be implemented. At the same time there are a number of risks that could add further pressure to the forecast deficits in future years e.g. impact of 2017 revaluation on Business Rates income.
- 12.2 The sooner the savings are made the better, as any delay will add further pressure to the future. For example, the £594k deficit forecast for 2017/18 will require savings equivalent to £50k per month to be found if implemented from the 1st April 2017 but the monthly target will double to £100k if implementation is delayed by six months. Achieving savings of this magnitude will require some fundamental changes to the range and quality of the services the Council provides.
- 12.3 Delivering the required budget savings has to be the number one corporate priority.

13.0 Recommendations

That it be recommended to full Council:

- 13.1 To note the financial performance in the first half of the financial year and the new medium term forecast (Sections 4 and 7).
- 13.2 To note the Efficiency Plan submitted to DCLG (para 3.2).
- 13.3 That the proposed use of reserves as set out in Section 6 of the report be reviewed and confirmed.
- 13.3 To note the changes to the HRA budgets (Section 8).
- 13.5 That the budget preparation guidelines in para. 9.1 be approved.
- 13.6 That the approach to budget consultation be considered (para. 9.3).

14 Reasons for recommendations

- 14.1 To monitor the Council's finances.

Decision information

Key decision number	660
Wards affected	All
Links to Council Plan priorities	

Document information

Report author	Contact number/email
Helen Fox	01246 345452 helen.fox@chesterfield.gov.uk
Background documents These are unpublished works which have been relied on to a material extent when the report was prepared.	
None.	
Appendices to the report	
Appendix A	Efficiency Plan 2016/17 to 2019/20

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Efficiency Plan 2016/17 – 2019/20

1.0 Introduction

- 1.1 Our efficiency plan has been developed so that the Council can qualify for a four year funding settlement from Government for the period 2016/17 to 2019/20.
- 1.2 We believe a four year settlement is essential to the medium-term financial stability of the Council although it only relates to the Revenue Support grant, which is a decreasing proportion of the Council's total financing requirement. This settlement will support delivery of the medium-term financial strategy agreed by Council in February 2016.

2.0 The financial challenge

- 2.1 Since 2010 the Council has seen significant year on year funding reductions with the Revenue Support grant falling from £10,150,000 in 2010/11 to £1,836,000 in 2016/17. Our medium-term financial forecast assumes further reductions over the next 3 years to £434,000 by 2019/20.
- 2.2 The medium-term financial strategy and forecast approved in February 2016 showed that savings of £8.3m were required over the four year period of this efficiency plan. Of this, £7.5m have been identified and work continues to deliver these savings. The table below shows the phasing and extent of the challenges faced.

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
Estimated income from traditional sources of funding (incl. Revenue Support grant, NNDR, Council tax)	(10,491)	(10,195)	(9,912)	(9,726)
Net expenditure	11,756	12,193	12,125	12,593
Savings identified	(1,029)	(2,026)	(2,236)	(2,236)
Forecast (surplus)/deficit	236	(28)	(23)	631
Total savings required	1,265	1,998	2,213	2,867

- 2.3 The level of reserves at the start of 2016/17 was £7.2m. This is expected to fall to £3m by the end of the year due to use of earmarked reserves for

property repairs, equipment replacement and financing of an increased provision for backdated business rate appeals.

3.0 The Council's Priorities

- 3.1 Following a Local Government Association Peer Challenge in late 2013, a recommendation was made that Council sets out its strategic plans on a longer term basis. A four year Council Plan is one element of the Council's response to this, along with a revised medium-term financial strategy and plan, and strengthened transformation programme. These enable the Council to plan effectively for the financial and policy challenges it faces.
- 3.2 The Council Plan 2015 – 2019 defines the Council's vision, key priorities and aims, taking account of and responding to a wide range of evidence on the current "state of the borough". The plan provides focus and sets out a range of policy and service commitments that will require collective corporate effort from elected members and officers.
- 3.3 The Council's Vision is "Putting Our Communities First" and its key priorities:-
- To make Chesterfield a thriving borough
 - To improve the quality of life for local people
 - To provide value for money services
- 3.4 Underpinning the entire plan is the objective to become financially self-sufficient by 2020, so we can continue to deliver the facilities and services our communities need.

4.0 Responding to the challenge

- 4.1 We have a proven track record of successfully responding to the financial pressures currently facing local government while maintaining quality public facilities and services with high satisfaction levels. We are continuing on our successful transformation journey and the following paragraphs highlight the activities we have already started and/or intend to progress during the course of the period 2015-2019.

Great Place: Great Service (GP:GS) transformation programme

4.2 The GP:GS programme comprises four key strategies of Customer Service, ICT, Workforce and Asset Management and aims to transform and modernise facilities and service delivery. It is a ten year (2015 – 2025) transformation programme, which is being delivered through a range of workstreams including:

- Establishing solid foundations
- Smarter working
- Estate rationalisation
- Commercialisation
- Procurement
- Change readiness and change management

4.3 Over the ten year period, we estimate that the programme will generate £4.07 million of additional revenue income and £25 million plus of extra capital resources.

Budget Action Plan

4.4 The Council has also developed a budget action plan, which is subject to regular review, and includes a range of efficiency saving activities:

- Cease and reduce - the Council's medium-term financial strategy promotes the view that resources should be re-directed or re-allocated to the Council's stated priorities. A range of services have therefore been identified for either complete cessation or reduction using lean thinking techniques to challenge traditional systems and processes and increase efficiency, enhance service delivery and drive cost savings. Recent reviews of CCTV, building cleaning, sustainability, arts development, community engagement and democratic services have produced significant savings for the General Fund.
- Implementing annual budget challenge sessions for all services
- Significantly reducing the size of the Council's senior management structure



- Introducing a voluntary redundancy / voluntary early retirement scheme (VR/VER)
- Executing a new pay and performance agreement
- Developing and delivering a commercialisation strategy
- Establishing an Invest to Save reserve to fund initiatives which will save money with a payback period of no more than three years
- Establishing a budget risk reserve to cover budget risks and to help finance the severance costs from staffing reductions arising from implementation of the VR/VER scheme and wider transformation programme
- Accelerating the sale of surplus assets to provide capital receipts to offset the need for prudential borrowing and fund the GP:GS transformation programme
- Review of major contracts to achieve economies of scale – we are actively looking at the possibility of jointly re-procuring the Waste Collection and Recycling contract with neighbouring authorities.
- Shared services – we are currently leading on the establishment of a Derbyshire-wide building control service and exploring other shared services opportunities with Derbyshire and Sheffield City Region authorities.

Growing our economic base

- 4.5 The Council sees the economic development of the borough as a major contributory factor to balancing the books. There are a number of schemes currently being delivered, which will create hundreds of new jobs, increase housing provision and deliver new retail, commercial and leisure opportunities.
- 4.6 Major schemes include the redevelopment of an area of Chesterfield town centre to include a new hotel, restaurants and small business units (Northern Gateway), the opening of a £400 million tourism destination resort on the edge of the borough (Peak Resort), and the £340 million development of an area of derelict industrial land, which will provide

substantial numbers of new housing units, alongside retail and commercial opportunities (Waterside).

- 4.7 These economic development activities have been partly funded by Sheffield City Region, with the Council looking to achieve full constituent membership of the Sheffield City Region Mayoral Combined Authority and access to the full benefits of the devolution deal agreed with Government from May 2017. While the above activities have a clear and positive economic impact for the Borough and its communities, they also have the potential to make a significant contribution in terms of alleviating the financial pressures we face by increasing our council tax base, generating additional new homes bonus receipts and growing our share of business rates income.

Funding Certainty

- 4.8 Our plans for investment in economic development activities are medium to long term and therefore certainty around central government funding over the next four years is critical to our ability to commit and invest in such activities; activities that do not deliver immediate savings but which will help us to achieve our target of financial self-sufficiency by 2020.

Use of Reserves

- 4.9 We have recently reviewed our levels of reserves and are predicting that they will be close to £4 million by 2019/20. This is considered adequate given the Council's known investment needs and the risks we face, but reserves can only be used once. The focus must therefore continue to be on managing the Council's base budget by reducing expenditure and increasing income.
- 4.10 Our policy on the use of reserves is to use earmarked reserves for their intended purpose with surplus reserves used for investment in the Council's priorities and/or the GP:GS transformation programme.

5.0 **Risks & Uncertainties**

- 5.1 The Council's Annual Governance Statement and Risk Management Strategy both highlight our ability to deliver the savings and income required to achieve a balanced year on year budget as a key risk for the authority.
- 5.2 This risk is compounded by a number of external factors that are beyond our influence, but which will potentially have a significant impact on our traditional sources of funding:

Risk	Issues
Volatility of business rates	<ul style="list-style-type: none"> • Resetting of Business Rates baseline • Uncertainty of outcomes of Business Rates appeals and impact on revenue
New Homes Bonus	<ul style="list-style-type: none"> • 100% currently utilised to fund services • Government have indicated that scheme will be subject to change but have given no indication of scale or timing
Leaving European Union	<ul style="list-style-type: none"> • Uncertainty around economic growth with consequent impact on major income streams for authority such as planning fees/commercial rents etc. • Impact on investment returns

6.0 **Governance & Monitoring**

- 6.1 This Efficiency Plan will be monitored and reviewed throughout the financial year as part of our financial reporting arrangements. These arrangements include budget challenge sessions at monthly meetings of the Council's Cabinet and Corporate Management Team, quarterly reporting of the Council's latest budget position to meetings of the Cabinet and Overview and Performance Scrutiny Forum, and the annual cycle of Council meetings to set the council tax and approve the budget estimates for future financial years.
- 6.2 The GP:GS executive board, which is made up of elected members, senior officers, trade union representatives and senior staff from our public/private partnership delivery partners, also meets monthly to monitor progress against the key transformation programme objectives and to ensure that

any actions required to keep projects on track are properly resourced and undertaken.

7.0 Conclusion

7.1 Chesterfield Borough Council already operates on a four year strategic planning horizon. The Council Plan 2015-19 sets out the Council's vision, strategic priorities and key policy and service commitments. Plan delivery is, however, contingent on the quality of construct of the Council's medium-term financial strategy and plan and our ability to align sustainable budgetary provision to the commitments made. As is referenced above, the Council is well placed through the GP:GS transformation programme and other agreed measures to deliver the savings required to achieve a balanced budget over the period 2015-19 and beyond; and from 2020 to move to a position of financial self-sufficiency. Nonetheless having surety of Revenue Support grant allocations for the period 2016/17 to 2019/20 would be a welcome constant at this point in time and we therefore respectfully ask that the Government affords Chesterfield Borough Council a four year funding settlement in response to our submission of this Efficiency Plan.

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