



MINUTES

Finance and Democracy Committee

Date:	Monday, 19 June 2017
Venue:	Town Hall, St Annes.
Committee Members Present:	Councillor Karen Buckley (Chairman) Councillors David Donaldson, Sue Fazackerley, Neil Harvey, Linda Nulty, Liz Oades, Richard Redcliffe, Vince Settle, Elaine Silverwood.
Officers Present:	Allan Oldfield, Paul Walker, Paul O'Donoghue, Katharine McDonnell
Other Attendees:	Shaun Ward, Costs and Contracts Manager, Blackpool Council and one member of the public

Public Platform

There were no speakers on this occasion

1. Declarations of Interest

Members were reminded that any disclosable pecuniary interests should be declared as required by the Localism Act 2011 and any personal or prejudicial interests should be declared as required by the Council's Code of Conduct for Members.

2. Confirmation of Minutes

RESOLVED: To approve the minutes of the Finance and Democracy Committee meeting held on 20 March 2017 as a correct record for signature by the Chairman.

3. Substitute Members

The following substitutions were reported under Council procedure rule 24(c):

Councillor Sue Fazackerley for Councillor Roger Small

Decision Items

4. Medium Term Financial Strategy (MTFS) – General Fund Revenue, Capital Programme & Treasury Management Outturn Position for 2016/17

Paul O'Donoghue, Chief Financial Officer, presented the MTFS Outturn report for financial year 2016/17. He outlined the major variations between the latest approved budget and the actual outturn position drawing the committee's attention to the relevant appendices in the report. He advised on the impact these variations had on the Council's reserves and explained to the committee each of the recommendations set out in the report relating in turn to the Revenue, Capital, and Treasury Management outturn position.

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In regards to the General Fund Revenue outturn position, Mr O'Donoghue explained that the position was summarised in Table 1 and on page 4 of the report. The Revenue Outturn was a favourable position of £446k when compared with the revised estimate for the year. Appendix B detailed the variances which comprised £260k and a further £186k was a favourable variance in budgeted financing. £67k of the underspend was recommended for slippage, £379k was recommended to be transferred into reserves; made up of £135k recommended to be transferred to the Accommodation Project Reserve; and £244k recommended to be transferred into the M55 Link Road Reserve, both of which were corporate priorities as set out in the Corporate Plan.

Mr O'Donoghue advised that the number of Business Rate appeals in the system had reduced and that a number of big value appeals had been dismissed. This has resulted in increased business rate income which was reflected in the outturn report.

He then turned to the Capital Outturn position, outlining the detail in Table 4 of the report; the Capital Financing Position outlined in Table 5; and the Treasury Management position, with indicators all in line with the limits set at budget council. He concluded advising that it was a favourable outturn position.

The Chairman commented that it was a good report and good position to be, and on behalf of the committee extended thanks to the Finance Team and all budget holders.

Mr O'Donoghue responded to questions regarding the Council's underlying need for borrowing was around £6m, with actual borrowing of £1m, the difference being funded through the cash balances or internal borrowing of £5m.

He also clarified that the savings on the staffing budgets were not as a result of a staffing freeze but for a number of reasons. These could be delays in the recruitment process, however when a post became vacant it also provided an opportunity look at team structures.

In response to a question regarding 100% business rate retention, he advised that there was uncertainty as the government had not finalised the details of the proposals for local government to retain 100% business rates. He also advised that the government had issued a further consultation on the matter and the outcomes would be reflected in updates of the council's Medium Term Financial Strategy as they became clear.

Following clarification of adverse outturn variances relating to the crematorium; CTRS Hardship Fund, and legal services, the Committee RESOLVED to

1. Approve the General Fund Revenue Outturn position as summarised in table 1 of the report;
2. Approve the revenue slippage items as set out in Appendix C of the report;
3. Approve the transfers to earmarked reserves as set out in paragraphs 2.5 and 2.6 and as summarised in table 1 of the report;
4. Approve the Capital Outturn position, including financing, as set out in sections 6 to 9 of the report;
5. Approve the capital slippages as set out in Appendix E of the report; and
6. Approve the Treasury Management Annual Report as set out in sections 10 to 12 and the actual Prudential Indicators set out in Appendix F of the report.

5. Accommodation Project – Phase 6 & 7 Works

Paul Walker, Director of Development Services, and Shaun Ward, Cost and Contracts Manager, Blackpool Council presented a report regarding the remaining works in respect of phases 6 and 7 of the Town Hall and Chaseley building refurbishment. The report provided information regarding the outcome of a procurement exercise for the replacement of the boilers and upgrade of the heating system. It also provided a request for a fully-funded

budget increase of £135k to be met in full from a transfer to the reserve as outlined in the MTFS report earlier on the agenda.

Mr Walker advised during the execution of Phases 7a and b there had been additional works necessary which totalled £60k of additional spending. In relation to phase 7c for the replacement of the boilers, Mr Walker explained that the boilers were over 20 years old and effectively obsolete. He advised that Table 2 in the report detailed how the works for the three elements of phase 7 were originally costed, and a more recent costing exercise showed that the phase 7(c) was now estimated to cost £136k, Table 5 showed the breakdown of those costs.

In response to questions, Mr Walker advised that when tendering for a contract, the Council did not necessarily award the contract to the lowest tender, as quality and meeting of technical specifications were important considerations.

The committee commented on the dedication of the staff and the flexibility of the organisation for continuing to operate as normal whilst the refurbishment had taken place.

It was RESOLVED to;

1. Approve a fully-funded budget increase to the Capital Programme for the Accommodation Project Phases 6 and 7 of the scheme in the sum of £135,000 to be met in full from the additional transfer to the Accommodation Project Reserve as proposed as part of the 2016/17 MTFS Financial Outturn report presented earlier on the agenda for this committee;
2. Authorise the commencement of the proposed works in relation to the Accommodation Project in the sum of £136,000 for Phase 7(c), including design and supervision fees; and
3. Authorise the letting of the contract for the proposed works in phase 7(c) to CMB Fylde Ltd in the sum of £115,965.

6. Data Assurance Policy

Allan Oldfield, Chief Executive, presented the council's Data Assurance Policy. He advised that the policy set out how the council complied with its obligations under the Data Protection Act 1998, through following the eight protection requirements, ensuring data quality and classification of data. He further advised that the policy had recently been reviewed with a small number of minor changes which were detailed in paragraph 4 of the report.

It was RESOLVED to adopt the updated Data Assurance Policy as set out in the draft attached to the report.

7. Remit of the Member Development Steering Group

Allan Oldfield, Chief Executive, presented a report regarding the remit of the Member Development Steering Group (MDSG). He explained that following a resolution made at a recent Council meeting, the MDSG had met to discuss extending their remit to include 'member wellbeing'. He advised that paragraph 3 of the report detailed how the MDSG had defined wellbeing. In addition to supporting the change, the MDSG made a number of other recommendations to make council work as accessible as possible for members, and to support members to participate fully in council business.

It was RESOLVED to

1. Extend the remit of the Member Development Steering Group to include 'member wellbeing';
2. Update the 'Working with Councillors with Disability Policy Document' as deemed appropriate; and
3. Support the on-going work of the MDSG on this topic as outlined in paragraph 3 of the report.

8. Proposed Increase of Planning Application Fees

Paul Walker, Director of Development Services, reported on the recent decision of the Planning Committee to support the increasing of the planning application fees by 20%, with the amount raised through the increased fees to be spent on improving the planning service. As a result of the Planning Committee's decision, Mr Walker sought the committee's approval for a fully funded revenue budget increase for 2017/18 and subsequent years to reflect the additional income generated, and the additional expenditure on the planning function.

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The report detailed how the increased fees could be spent including improvement of existing the planning guidance and production of new guidance; improvement of monitoring of approved developments by appointing a new planning enforcement officer; digital transformation of the service; and appointment of more staff to improve the processing of planning applications.

The committee welcomed the proposed improvements detailed in the report, but proposed that the recommendation be amended to make clear that one of the improvements would be to appoint a planning enforcement officer.

It was RESOLVED to approve a fully-funded revenue budget increase in the sum of £108,750 for 2017/18 (or pro rate depending on the government's implementation date) in the planning department fully funded from the increase in planning fees as set out in the report, for the purposes set out in the report and to include the appointment of a planning enforcement officer, and for £145,000 per annum thereafter.

9. Fully Funded Addition to Capital Programme in 2017/18 – Public Transport Improvements Relating to Section 106 Agreement for Land at Nine Acre Nursery Warton (10/0766)

Following a proposal considered by Operational Management Committee at its meeting on 23 May 2017, that addressed the matter of payment of a developer contribution of £90,000 to Lancashire County Council for enhanced local bus services, the Finance and Democracy Committee were requested to approve a fully-funded addition to the Capital Programme.

The committee commented on the length of time taken for the S106 to be paid and expressed concern there could be further delays at Lancashire County Council. A further resolution was proposed to refer the matter of delayed S106 monies back to Operational Management Committee for further consideration.

It was therefore RESOLVED;

1. To approve a fully-funded addition to the Capital Programme in 2017/18 in the sum of £90,000, to be met in full by a receipt of Section 106 monies (generated from the development at Nine Acres Nursery, Warton in relation to application 10/0766) in the same amount; and
2. That conditional upon receiving the approval as outlined above, that the sum of £90,000 be paid to Lancashire County Council to provide for the enhancement of local bus services and dial-a-bus provision in relation to the development. Funding will only be transferred to Lancashire County Council for this purpose following its receipt from the developer by Fylde Council;
3. To note the concerns of the Finance and Democracy Committee in regards to the time taken to provide the monies in the S106 agreement, and request that the Operational Management Committee explore the reasons for the time delay in this and other S106 agreements, and explore if there is any monitoring in place to ensure that services are carried out in line with S106 agreements.

Information Items

The following information items were received by the committee.

10. Update on 100% Business Rate Retention

The committee received information regarding the 100% business rate retention proposals from the government, including the uncertainty as to what impact this may have on the financial forecast of the budget.

11. The Transformation Strategy

The committee received information regarding the proposed Transformation Strategy. The committee expressed concern regarding the lack of comments and input from elected members. It was proposed that the transformation strategy be circulated to all Councillors for comment and a working group be formed to review the consultation and provide input to the strategy.

The committee commented on the level of work already undertaken by officers on the strategy.

It was RESOLVED that a consultation of elected members be undertaken and a working group of members be formed to be review the consultation on the strategy and provide their input. The members of the working group were confirmed as Councillors Fazackerley, Buckley, Oades, Nulty, Redcliffe and Donaldson.

12. Yearend Performance Exception 2016/17

The committee received information regarding the Yearend Performance Exception targets for 2016/17. Members commented on the performance target for long term sick. Mr Oldfield explained that the indicator was there to ensure that employees received all the help and assistance they were entitled to.

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