



Minutes

FINANCE AND DEMOCRACY COMMITTEE

Date:	Monday, 21 November 2016
Venue:	Town Hall, St Annes.
Committee Members:	Councillor Karen Buckley (Chairman) Councillor Roger Small (Vice-Chairman) Councillors David Donaldson, Susan Fazackerley, Tony Ford JP, Angela Jacques, Linda Nulty, Liz Oades, Richard Redcliffe, Vince Settle, Elaine Silverwood.
Officers Present:	Allan Oldfield, Paul O'Donoghue, Sharon Wadsworth, Andrew Turpin (Blackpool Council), Louise Jones (Blackpool Council)
Other Attendees:	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.

Councillor Buckley declared a personal and prejudicial interest, in agenda item 7, Council Tax Reduction Scheme 2017/18 and item 9, Review of Council Tax Discounts and Premiums 2017/18 and withdrew from the meeting during the discussion and voting thereon.

Councillors Oades, Silverwood, Nulty and Jacques declared a personal interest in agenda item 8, Council Tax Reduction Scheme: Grants to Town and Parish Councils 2017/18, in so far as they are Town or Parish councillors.

2. Confirmation of minutes

RESOLVED: To approve the minutes of the Finance and Democracy Committee meetings held on 26 September 2016 and 28 October 2016 as correct records for signature by the Chairman.

3. Substitute members

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

Councillor Susan Fazackerley for Councillor Richard Taylor

Members of the committee expressed their best wishes for a full recovery to Councillor Mulholland.

Decision Items

4. Approval for Grant Funded Scheme for Implementation of a Health Walk on Blackpool Road North Playing Fields, St Anne's

Allan Oldfield, Chief Executive, introduced a report providing details of a grant funded scheme for improvements to the playing fields on Blackpool Rd North, St Anne's to be fully funded from the Tesco 'Bags of Help' grant of £12K secured by the Parks Development Team on behalf of the Blackpool Rd North friends group. The scheme was considered by the Tourism and Leisure Committee on the 3rd November 2016.

The scheme is part of a larger Masterplan to improve the whole site, and specifically relates to the creation of a 'health walk' around the perimeter of the site to encourage all members of the community to use the area. The larger project of general improvements to the children's play area, landscaping, parking and drainage is currently going through the ten stage process of the community parks improvement programme and all elements of the scheme will be delivered by the Parks Development Team to ensure value for money and competent installation.

Councillor Settle informed the committee that the Saint Annes on Sea Town Council were considering creating an area for dog walkers and would value a meeting with the Parks department to see if this could be taken into consideration in the planned layout.

Following a detailed discussion it was RESOLVED:

1. to agree that the Council act as an accountable body for the proposed capital scheme;
2. to approve an addition to the 2016/17 capital programme in the sum of £12,000 to be fully funded from the Tesco 'Bags of Help' grant as detailed in the report subject to a meeting being set up with the Saint Annes on Sea Town Council to ascertain if a dog walking facility can be incorporated on Blackpool Road North alongside the health walk.

5. Financial Forecast Update (Including Revenue, Capital & Treasury Management) 2016/17 to 2020/21

Paul O'Donoghue, Chief Financial Officer, presented an update of the financial forecast for the Council for the five years 2016/17 to 2020/21 which included changes arising since the Budget was set by Council in March 2016. The report set out the purpose and background to the financial forecast and took account of latest reserve balances position, the impact of financial outturn for 2015/16, revenue and capital spending forecasts and treasury management issues. It also identified and updated the financial risks and challenges facing the Council.

Mr O'Donoghue highlighted a number of decisions that had been made since the Budget Council meeting, including the establishment of an M55 link road reserve, progress on the accommodation project and membership of the Lancashire Business Rate Pool for 2017/18.

In conclusion it was confirmed that the forecast financial position of the Council had improved since the budget was set in March 2016 and that Members must remain cognisant of the risks that were detailed within the report and note that the gap between in-year income and expenditure in later years of the forecast would need to be addressed.

Following a full discussion it was RESOLVED:

1. To note the implications of the updated financial forecast, and to note that the report would be presented to the Council meeting on 5th December 2016;
2. With regards to the transfer of funds into earmarked reserves:
 - a) To recommend to Council a transfer into the Accommodation Project Reserve the sum of £320k to be funded from forecast favourable in-year revenue budget variances in

2016/17, and to note that this would provide sufficient funds for completion of the Accommodation Project;

- b) To recommend to Council transfers into the M55 Link Road Reserve totalling £804k split between 2016/17 and 2017/18, to be funded from forecast favourable in-year revenue budget variances in the respective years, and to note that the balance on this reserve would then total £1M in line with Council's previous recommendation as an "in-principle" contribution to the Link Road project; and
- c) To recommend to Council a transfer into the Funding Volatility Reserve in the sum of £2M to be funded from forecast favourable in-year revenue budget variances in 2017/18 in order to mitigate against the removal of safety-net protection as a result of the decision to enter the Lancashire Business Rate Pool for 2017/18 in order for the Council to retain a greater share of Business Rate income in that year.

6. Budget Setting – Consideration of Revenue Bid - Community Projects Fund

Allan Oldfield presented a report requesting the continuation of an existing scheme for allocating grants to support local Fylde groups of a voluntary or community based nature.

The Community Project Fund would have three bidding rounds throughout the financial year with £20,000 allocated to the larger Community Project Fund and the remaining £5,000 allocated to the smaller Discretionary Fund with a ceiling of £300 per grant.

Mr Oldfield confirmed that the grants allocated to the larger Community Project Fund were subject to an evaluation after six months to ensure that the grant has been used for the intended purpose.

Following a brief discussion it was RESOLVED to recommend that £25,000 revenue funding is allocated to the Community Projects fund in 2017/18. Any funds available at the conclusion of the financial year, would be made available through slippage into the next financial year. In addition, an evaluation of the effectiveness of the fund would take place at the conclusion of 2017/18.

7. Council Tax Reduction Scheme 2017/18

(Councillor Buckley withdrew from the meeting having declared an interest at the start of the meeting, and Councillor Small assumed the Chair.)

Paul O'Donoghue, Chief Financial Officer, and Louise Jones, Head of the Benefit Shared Service at Blackpool Council, presented an overview of the operation of the scheme to date and the options available to the Council for the 2017/18 scheme.

The Council's Revenue Budget and Financial forecast for 2017/18 onwards had been prepared on the assumption that the Council Tax Reduction Scheme (CTRS) would be fully self-funding as it was for 2016/17 being that the net cost of the scheme to Fylde Borough Council (assuming that central government funding for the scheme was at a similar level as in previous years) would be met by applying reduced levels of support to claimants. The Council decision in December 2016 would be in respect of the scheme for 2017/18 only.

Having due regard to the Equality Analysis and the consultation responses the Committee RESOLVED to:

1. Recommend to Council the continuation of the existing CTRS scheme for 2017/18 as set out in section 3 of the report, subject to the minor amendments to the scheme as detailed in paragraph 3.4 of the report;
2. Recommend to Council the continuation of Discretionary Hardship Relief for 2017/18 to provide additional support for claimants in exceptional circumstances and the Council's

Discretionary Discount Policy which details discounts and reliefs in respect of Council Tax and Business Rates;

3. Recommend that Council approve, as necessary, that the financial implications are reflected in the Council's Revenue Budget and Financial forecast for 2017/18 onwards; and
4. Authorise the Director of Resources to make any necessary final amendments to the scheme arising from changes in the Department for Communities and Local Government's guidance or elsewhere and to bring any such changes to the Council meeting on the 5th December 2016 for approval.

8. Review of Council Tax Discounts and Premium 2017/18

Paul O'Donoghue, Chief Financial Officer, presented the report to review the current regime of Council Tax discounts premium and to consider any further amendments.

In reaching its decision, the committee considered the details set out in the report before it and at the meeting and RESOLVED to confirm the continuation of the current regime of Council Tax discounts and premium from 1st April 2017 onwards until such time as further amendments are considered necessary.

(At the conclusion of the above item Councillor Buckley returned to the meeting.)

9. Council Tax Reduction Scheme: Grants to Town and Parish Councils 2017/18

Mr O'Donoghue introduced a report that detailed the payment of grants to Town and Parish Councils in relation to Council Tax Reduction Scheme (CTRS) income reductions for 2017/18.

The Council's Revenue Budget and Financial forecast assumed that grants to Town and Parish Councils in relation to the introduction of CTRS would be made for 2017/18 onwards in the same sum as was paid in 2016/17, that being £66.2k.

Mr O'Donoghue outlined a number of options proposed regarding funding for the Town and Parish Councils as follows:

Option 1: Fylde Borough Council could agree to fund Town and Parish Councils to compensate them for losses in income as a consequence of CTRS for 2017/18 at a level equivalent to that for 2016/17 i.e. in a total sum of £66.2k.

Option 2: Fylde Borough Council could agree to fund Town and Parish Councils to compensate them for losses in income as a consequence of CTRS in a total sum which reflects the overall central funding reductions that have been suffered by Fylde Borough Council. Based on the expected levels of central government funding for 2017/18 as contained within the latest Financial Forecast, the reduction would equate to 2.3%, leaving a sum of approximately £64.7k to be distributed.

Option 3: Fylde Borough Council could determine that due to the uncertainty surrounding central government funding and the expectation that the current funding reduction trajectory will continue in the future (thus reducing the total amount available for distribution to Town and Parish Councils still further) the option which provides greatest clarity for future years for Town and Parish Councils is that funding relating to CTRS will be distributed for 2017/18 in the sum of either £66.2k or £64.7k, but that no such payments will be made at all in any future years. This would allow Parish Councils to determine their own financial environment without having to take regard of the actions of the Borough Council.

Option 4: Given that the grant funding provided to Fylde Council to compensate for the loss of income experienced as a result of the introduction of the CTRS (for both Fylde Council and the Town and Parish councils in the borough) was originally a part of the Revenue Support Grant (RSG), the total amount redistributed to Town and Parish Councils could be reduced pro rata to the reduction

in total RSG that is received by Fylde Council. This would result in grant payments in the total sum of £27.2k for 2017/18, £3.6k for 2018/19, and no grant payments for 2019/20 and thereafter.

The Committee discussed all aspects of the report in detail and RESOLVED to recommend to Council:

1. To adopt Option 4, as set out in Section 1.6 of the report, for payments of grants to Town and Parish Councils. That is given that the grant funding provided to Fylde Council to compensate for the loss of income experienced as a result of the introduction of the CTRS (for both Fylde Council and the Town and Parish councils in the borough) was originally a part of the Revenue Support Grant (RSG), the total amount redistributed to Town and Parish Councils would be reduced pro rata to the reduction in total RSG that is received by Fylde Council. This would result in grant payments in the total sum of £27.2k for 2017/18, £3.6k for 2018/19, and no grant payments for 2019/20 and thereafter.
2. That the distribution methodology for payment of grants to Town and Parish Councils relating to the Council Tax Reduction Scheme, as detailed in section 1.10 of the report, would be similar to that used in previous years i.e. the grant allocation would be in proportion to the changes in the tax-base of each Town and Parish for that year as a consequence of the introduction of the CTRS regime.
3. That the financial implications are reflected in the Council's Revenue Budget and Financial forecast for 2017/18 onwards.

Fylde Borough Council copyright [2016]

You may re-use this document/publication (not including logos) free of charge in any format or medium. You must re-use it accurately and not in a misleading context. The material must be acknowledged as Fylde Borough Council copyright and you must give the title of the source document/publication.

Where we have identified any third party copyright material you will need to obtain permission from the copyright holders concerned.

This document/publication was also available on our website at
www.fylde.gov.uk

Any enquiries regarding this document/publication should be sent to the Town Hall, St Annes Road West, St Annes FY8 1LW, or to listening@fylde.gov.uk.