



Agenda

Finance and Democracy Committee

Date:	Monday, 26 November 2018 at 6:30 pm
Venue:	Town Hall, St Annes, FY8 1LW
Committee members:	<p>Councillor Karen Buckley (Chairman) Councillor Neil Harvey (Vice-Chairman)</p> <p>Councillors David Donaldson, Tony Ford JP, Angela Jacques, Kiran Mulholland, Linda Nulty, Liz Oades, Richard Redcliffe, Vince Settle, Elaine Silverwood, Roger Small.</p>

Public Platform

To hear representations from members of the public in accordance with Article 15 of the Constitution.

To register to speak under Public Platform: see [Public Speaking at Council Meetings](#).

	PROCEDURAL ITEMS:	PAGE
1	Declarations of Interest: Declarations of interest, and the responsibility for declaring the same, are matters for elected members. Members are able to obtain advice, in writing, in advance of meetings. This should only be sought via the Council's Monitoring Officer. However, it should be noted that no advice on interests sought less than one working day prior to any meeting will be provided.	1
2	Confirmation of Minutes: To confirm the minutes, as previously circulated, of the meeting held on 24 September 2018 as a correct record.	1
3	Substitute Members: Details of any substitute members notified in accordance with council procedure rule 22(c).	1
	DECISION ITEMS:	
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Contact: Katharine McDonnell - Telephone: (01253) 658423 – Email: democracy@fylde.gov.uk

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<http://fylde.cmis.uk.com/fylde/DocumentsandInformation/PublicDocumentsandInformation.aspx>

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DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
FINANCE	FINANCE AND DEMOCRACY COMMITTEE	26 NOVEMBER 2018	4
COUNCIL TAX REDUCTION SCHEME 2019/20			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

From April 2013 the local Council Tax Reduction Scheme (CTRS) replaced the previous national scheme of Council Tax Benefit. The scheme that operates within Fylde borough for 2018/19 was approved by this Council in December 2017 for 2018/19 only.

This report sets out the proposals in respect of the scheme for 2019/20. At the 10th December 2018 Council meeting Members will be requested to agree the details of a CTRS for 2019/20.

RECOMMENDATIONS

Having due regard to the Equality Analysis as detailed in section 5 of this report the Committee is requested to:

1. Recommend to Council the continuation of the existing CTRS scheme for 2019/20 as set out in section 3 of this report;
2. Recommend to Council the continuation of Discretionary Hardship Relief for 2019/20 to provide additional support for claimants in exceptional circumstances;
3. Recommend that Council approve, as necessary, that the financial implications are reflected in the Council's Revenue Budget and Financial forecast for 2019/20 onwards; and
4. Authorise the Director of Resources to make any necessary final amendments to the scheme arising from changes in the Ministry of Housing, Communities and Local Government's guidance or elsewhere and to bring any such changes to the Council meeting on the 10th December 2018 for approval.

SUMMARY OF PREVIOUS DECISIONS

The Council Tax Reduction Scheme in operation for 2018/19 was approved at the Council meeting of 4th December 2017. The full scheme is available on the Fylde Borough Council website at: <http://www.fylde.gov.uk/council/finance/counciltaxfinance/localisationofcounciltax/>

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services (Value for Money)	✓
Delivering the services that customers expect of an excellent council (Clean and Green)	
Working with all partners (Vibrant Economy)	✓
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	
Promoting Fylde as a great destination to visit (A Great Place to Visit)	

REPORT

1. Background to the CTRS Introduction and the adopted schemes for 2013/14 to 2018/19

- 1.1 As part of the 2012 Welfare Reform Act the national Council Tax Benefit (CTB) scheme was abolished and individual local authorities were instead required to introduce a local Council Tax Reduction Scheme (CTRS) with effect from 1st April 2013. The Council introduced such a scheme from that date and has updated the scheme annually since that date.
- 1.2 In December 2017 the Council approved a scheme for 2018/19. For working-age claimants (i.e. those not protected by the national scheme for pension-age claimants) there would be a means-tested assessment to establish entitlement and a maximum percentage reduction in the level of support at the end of that assessment of 22.7%. This is the same maximum percentage reduction in the level of support has operated since the commencement of the scheme in 2014/15.

2. Key points arising from implementation of the local CTRS to date

- 2.1 No evidence has emerged to suggest that the scheme is in need of fundamental revision. The scheme has embedded well with no formal legal challenge to the principle of the scheme.
- 2.2 Experience to date indicates that 22.7% maximum reduction in the level of support is the correct level at which the scheme becomes self-funding.
- 2.3 For 2018/19 as at 30th September 2018 a total of 8 hardship awards have been made in a total sum of £562.

3. Proposed CTRS for 2019/20

- 3.1 It is proposed that the 22.7% maximum reduction in the level of support is retained for the 2019/20 CTRS.
- 3.2 It is further proposed that the scheme for 2019/20 will continue to provide for an additional discretionary award which may also be granted in accordance with S13A (1) (a) or S13A (1) (c) of the Local Government Finance Act 2012.

The full details of the proposed scheme for 2019/20 is available on the Fylde Borough Council website at:

www.fylde.gov.uk/council/finance/counciltaxfinance/localisationofcounciltax/

- 3.3 A consultation paper was distributed to the Major Preceptors - Lancashire County Council, Lancashire Fire and Rescue Service and the Lancashire Police and Crime Commissioner in September 2018 seeking their views on the proposed scheme for 2019/20. The consultation and a summary of the responses of each are set out in the appendices to this report. In summary, all of the major preceptors are supportive of the proposals for the 2019/20 CTRS set out in this report.
- 3.4 Although there are no changes to the scheme proposed for 2019/20, the Equality Analysis that has been carried out in previous years for the CTRS scheme has been reviewed. This aims to mitigate the impact on protected groups. **As part of their consideration of the CTRS scheme for 2019/20 Members must read the Equality Analysis which is available on the Fylde Council website at:**

www.fylde.gov.uk/council/finance/counciltaxfinance/localisationofcounciltax

4. Hardship Relief

- 4.1 The provision of Discretionary Hardship Relief to provide support for claimants in exceptional circumstances, and who are unable to increase their income from other means, is a key element of the operation of the scheme. Section 76 of the Local Government Act 2003 in respect of Council Tax (as amended by section 13A of the Local Government Finance Act 2012) empowers a billing authority to reduce the amount of Council Tax as it thinks fit. Funding for such reductions must be provided by the Council and major preceptors as necessary.
- 4.2 In order to mitigate part of the impact of the CTRS on the most vulnerable households, the Council has adopted a Discretionary Discount Policy under the above powers. Strict criteria are used to determine if any additional relief is appropriate and the level of any such award. Awards are made only in exceptional

circumstances to those unable to increase their income. The Council's Discretionary Discount Policy is available on the Fylde Borough Council website at:

<http://www.fylde.gov.uk/resident/council-tax/>

- 4.3 It is proposed that for 2019/20 the Council Tax Reduction Scheme will continue to provide for additional discretionary awards which may also be granted in accordance with S13A (1) (a) or S13A (1) (c) of the Local Government Finance Act 2012.

5. Equality Analysis

- 5.1 The Council has carried out a detailed and robust Equality Analysis which is available on the Council's website as described in paragraph 3.4. The impact of CTRS has been considered on people based on the following characteristics:

- Age
- Disability
- Sex and sexual orientation
- Gender reassignment
- Pregnancy and maternity
- Race
- Religion or belief

The analysis also contains a detailed action plan showing how the issues identified will be addressed and the monitoring arrangements that have been put in place.

6. Conclusion

- 6.1 At the meeting of 10th December 2018 the Council will be requested to agree a local Council Tax Reduction Scheme for 2019/20 which (as is the case for the scheme currently in operation) will incorporate a reduction in awards to working age claimants.
- 6.2 The Council will be presented with the proposals for the 2019/20 scheme as described in this report, subject to any required changes in the intervening period as a consequence of new government regulations or other announcements. For 2019/20 it is proposed that the percentage reduction made at the end of the assessment for working age claimants shall remain as for previous years at 22.7%.
- 6.3 Schedule 6 of the Council Tax Reduction Scheme will detail the percentage reduction in support to working age claimants once the scheme design has been determined by Council and following any final minor adjustments to the calculation of costs for 2019/20. That Schedule forms part of the adopted scheme.
- 6.4 A review of the Scheme (including the percentage reduction in support detailed within Schedule 6 of the Scheme) is carried out annually to ensure it remains fit for purpose taking account of ongoing changes in legislation, caseload and financial requirements. Therefore any decision with regard to changes to the CTRS will be in respect of 2019/20 only.

IMPLICATIONS	
Finance	The financial implications are contained within the body of the report.
Legal	As part of the 2012 Welfare Reform Act the national Council Tax Benefit (CTB) scheme was abolished after 2012/13, with individual local authorities instead being required to introduce a local Council Tax Reduction Scheme (CTRS) with effect from 2013/14 and subsequent years.
Community Safety	None
Human Rights and Equalities	An Equality Analysis has been carried out and is available on the Council's website as detailed in the report.
Sustainability and Environmental Impact	None
Health & Safety and Risk Management	The elements of the working age scheme will need to be reviewed annually to avoid increased financial risk to the Council.

LEAD AUTHOR	CONTACT DETAILS	DATE
Paul O'Donoghue, Chief Financial Officer	01253 658566	November 2018

BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
n/a	n/a	n/a

Attached documents

Appendix A - Consultation and responses from major preceptors

Preceptor Consultation Letter – sent to LCC, Police and Fire Authorities - September 2018

Dear Sirs

Fylde Borough Council - Council Tax Reduction Scheme 2019/20 – Consultation with major preceptors on the design of the local scheme.

Summary:

This paper sets out the proposed Council Tax Reduction Scheme (CTRS) that will operate in Fylde borough for the year 2019/20.

Introduction:

The scheme that currently operates within Fylde borough was approved by this Council in December 2017.

That Scheme, in summary, is one which:

- maintains most of the previous council tax benefit rules but reduces the award by a standard percentage at the end of the calculation for working age claimants such that the CTRS is self-funding ie. That the scheme does not result in the loss of Council Tax income to Fylde Council or the major preceptors. The claimant has to pay this amount to the Council as their contribution to Council Tax.
- in 2018/19 the maximum percentage reduction in support in respect of working-age claimants is 22.7%.
- includes the national scheme which protects claimants of pensionable age from any reductions.
- provides a Discretionary Hardship Fund to support claimants in exceptional circumstances who are unable to increase their income from other means.

The full Scheme is available on the Fylde Borough Council website at

www.fylde.gov.uk/council/finance/counciltaxfinance/localisationofcounciltax.

The proposed 2019/20 Scheme:

It is proposed that for 2019/20 the scheme be one which maintains most of the previous council tax benefit rules but reduces the level of the award by a standard percentage at the end of the calculation for working age claimants. Each of the adopted local schemes since 2013/14 have been in accordance with this principle. It is not intended to change this element of the design in respect of 2019/20.

Council Members will be asked to agree a scheme of Council Tax Support in December 2018. The principles for the 2019/20 scheme will remain that it needs to:

- be affordable in terms of grant received, revenue loss and costs to operate
- be as fair as possible and a detailed 'map' of those affected is required; a detailed Equality Analysis is required
- be transparent, understandable to customers and practical to operate
- be feasible to implement within the constraints of the timescales and available software
- be simple in design avoiding unnecessary complexity
- avoid the costs and risks associated with collecting additional data

Changes to the Scheme for 2019/20

It is proposed that the 2019/20 scheme will have the same design principles as that currently in operation and no changes are proposed.

It is proposed that the scheme for 2019/20 will:

- Maintain the current council tax support rules and reduce the level of support by a specified percentage level at the end of the calculation (bottom slice) such that the CTRS is self-funding. It is estimated that for working-age recipients the maximum reduction in the level of support will be between 20% - 25%.
- Provide for an additional discretionary award which may also be granted in accordance with S13A (1) (a) or S13A (1) (c) of the Local Government Finance Act 2012.
- Include the national scheme for pension age claimants for whom there is no reduction in the level of support.

Hardship Fund

The existence of a Discretionary Hardship Fund to provide support for claimants in exceptional circumstances who are unable to increase their income from other means is a key element of the operation of the scheme.

It is proposed that for 2019/20 the Council Tax Reduction Scheme will provide for an additional discretionary award which may also be granted in accordance with S13A (1) (a) or S13A (1) (c) of the Local Government Finance Act 2012.

Consultation Questions

1. Do you agree or disagree that the 2019/20 Fylde Council Tax Reduction Scheme should be based on the existing rules with the final award made to a working age claimant being reduced so that the maximum reduction in the level of support is between 20% - 25%? (note: the maximum reduction in the level of support under the scheme for 2018/19 is 22.7%).
2. Do you agree or disagree that the 2019/20 Fylde Council Tax Reduction Scheme should remain the same as the scheme in operation for 2018/19?
3. Do you have any suggested changes to the 2019/20 Fylde Council Tax Reduction Scheme?
4. Hardship Fund – Please provide your views on the proposal to continued operation of a Hardship Fund alongside the CTRS scheme to provide support in exceptional circumstances to the most vulnerable claimants.
5. Hardship Fund – Please provide your views on the inclusion of a hardship fund as an additional discretionary award which may also be granted in accordance with S13A (1) (a) or S13A (1) (c) of the Local Government Finance Act 2012.
6. Do you have any other comments to make about the proposed 2019/20 Fylde Council Tax Reduction Scheme?

The Council appreciates the potential impact of the final scheme on its own finances and those of other preceptors. However, at the same time it needs to balance this against the impact it will have in respect of low income Council Tax payers of the Borough. The Council recognises that other preceptors may have strong opinions in respect of the final scheme that is adopted. It is important therefore that the opinion of all interested parties is reported and forms part of the consideration by the elected members in making a final decision.

Responses

Please provide your responses by e-mail / hard copy at the contact points shown above by **31st October 2018**.

Summary of Responses from Major Preceptors

A. Neil Kissock, Director of Financial Services, Lancashire County Council



Mr P O'Donoghue
Chief Financial Officer
Fylde Council
Town Hall
LYTHAM ST ANNES
Lancashire FY8 1LW

Phone: (01772) 536154
Email: neil.kissock@lancashire.gov.uk

Your ref
Our ref NK/JR/Fylde
Date: 1st October, 2018

Dear Paul

COUNCIL TAX REDUCTION SCHEME CONSULTATION 2019/20

Thank you for your letter of 26th September 2018 consulting Lancashire County Council on the approach that Fylde Borough Council intends to adopt in continuing its scheme for Council Tax Support. We very much welcome the opportunity to provide our views on the proposals.

It remains the strong view of Lancashire County Council that the proposed scheme for Council Tax Support must:

- Be affordable in terms of grant received, revenue loss and costs to operate;
- Be as fair as possible
- Be transparent, understandable to customers and practical to operate;
- Be feasible to implement within the constraints of the timescales and available software;
- Be simple in design, avoiding unnecessary complexity;
- Avoid the costs and risks associated with collecting additional data.

In response to your questions I would submit the following:

1. *Do you agree or disagree that the 2019/20 Fylde Council Tax Reduction Scheme should be based on the existing rules with the final award made to a working age claimant being reduced so that the maximum reduction in the level of support is between 20% - 25%? (note: the maximum reduction in the level of support under the scheme for 2018/19 is 22.7%).*

The County Council agrees that the existing rules should continue and that the maximum reduction in support should remain between 20%-25%

2. *Do you agree or disagree that the 2019/20 Fylde Council Tax Reduction Scheme should remain the same as the scheme in operation for 2018/19?*

The County Council agrees that the 2019/20 scheme should remain the same as the current 2018/19 scheme.

Contd

Neil Kissock
Director of Finance
County Hall, PO Box 100, Preston, Lancashire PR1 0LD
DX 710928 PRESTON COUNTY HALL



3. *Do you have any other suggested changes to the 2019/20 Fylde Council Tax Reduction Scheme?*

None

4. *Hardship Fund – Please provide your views on the proposal to continued operation of a Hardship Fund alongside the CTRS scheme to provide support in exceptional circumstances to the most vulnerable claimants.*

The County Council agrees with the continued operation of the Hardship Fund to provide support in exceptional circumstances.

5. *Hardship Fund – Please provide your views on the inclusion of a hardship fund as an additional discretionary award which may also be granted in accordance with S13A (1) (a) or S13A (1) (c) of the Local Government Finance Act 2012.*

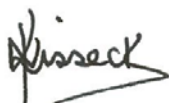
The County Council does not object to the additional discretionary award. However it feels that it is fair and appropriate that Fylde Borough Council maintains a cost neutral scheme. At a time when resources are extremely limited and will be reduced significantly in 2019/20 and future years, it is vital that the operation of the scheme does not pass on additional costs to precepting authorities.

6. *Do you have any other comments to make about the proposed 2019/20 Fylde Council Tax Reduction Scheme?*

The County Council has no further comments to make about the proposed scheme.

We thank you for the opportunity to take part in the consultation and are happy to discuss our response with you further should you wish.

Yours sincerely



Neil Kisson
Director of Finance

B. Police and Crime Commissioner for Lancashire

Paul Swindells



BY EMAIL

Phone: 1772 535259
Fax:
Email: Steve.freeman@lancashire.gov.uk
Your ref: P O'Donoghue
Our ref: SF
Date: 25 October 2018

Dear Paul

Fylde Borough Council - Council Tax Reduction Scheme 2019/20 – Consultation with major preceptors on the design of the local scheme.

Thank you for your letter consulting the Police and Crime Commissioner for Lancashire on the approach that Fylde Borough Council intends to adopt in continuing its scheme for Council Tax Support from April next year. We very much welcome the opportunity to provide our views on the proposals.

It remains the strong view of the Commissioner that the proposed scheme for council tax support must:

- Be affordable in terms of grant received, revenue loss and costs to operate;
- Be as fair as possible
- Be transparent, understandable to customers and practical to operate;
- Be feasible to administer within the constraints of the timescales and available software;
- Be simple in design, avoiding unnecessary complexity;
- Avoid the costs and risks associated with collecting additional data.

In respect of your scheme for 2019/20 the Commissioner agrees that the proposed approach is appropriate as it offers protection to the most vulnerable individuals as identified within the existing Council Tax system and offers no additional costs to the Billing and Precepting authorities.

At a time when resources are extremely limited and will continue to reduce in future years it is vital that the operation of the scheme does not pass on additional costs to precepting authorities.

In response to your specific consultation questions please see the following:

1. Do you agree or disagree that the 2019/20 Fylde Council Tax Reduction Scheme should be based on the existing rules with the final award made to a working age claimant being reduced so that the maximum reduction in the level of support is between 20% - 25%? (note: the maximum reduction in the level of support under the scheme for 2018/19 is 22.7%).

Agree

2. Do you agree or disagree that the 2019/20 Fylde Council Tax Reduction Scheme should remain the same as the scheme in operation for 2018/19?

Agree

3. Do you have any other suggested changes to the 2019/20 Fylde Council Tax Reduction Scheme?

None

4. Hardship Fund – Please provide your views on the proposal to continued operation of a Hardship Fund alongside the CTRS scheme to provide support in exceptional circumstances to the most vulnerable claimants.

We agree this arrangement should remain in place

5. Hardship Fund – Please provide your views on the inclusion of a hardship fund as an additional discretionary award which may also be granted in accordance with S13A (1) (a) or S13A (1) (c) of the Local Government Finance Act 2012.

We agree this should be in place provided decision making on such awards is the responsibility of elected members

6. Do you have any other comments to make about the proposed 2019/20 Fylde Council Tax Reduction Scheme?

None

We thank you for the opportunity to take part in the consultation and are happy to discuss any of the responses we have provided with you further.

Yours sincerely

Steve Freeman
Chief Finance Officer
The Office of the Police and Crime Commissioner for Lancashire

C. Lancashire Fire & Rescue Service (by e-mail)

Responses to Consultation Questions:

1. Yes, we support continuing on the same principles as the current scheme

2. Yes

3. No

4. Yes, we support continuing on the same principles as the current fund

5. Yes, we support continuing on the same principles as the current fund

6. No

Keith Mattinson, Director of Corporate Services



DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
FINANCE	FINANCE AND DEMOCRACY COMMITTEE	26 NOVEMBER 2018	5
FINANCIAL FORECAST UPDATE (INCLUDING REVENUE, CAPITAL & TREASURY MANAGEMENT) 2018/19 TO 2022/23			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

The report provides Members with an update of the financial forecast for the Council for the five years 2018/19 to 2022/23. It includes changes arising since the Budget was set by Council in March 2018.

RECOMMENDATIONS

The Committee is recommended:

1. To note the implications of this updated financial forecast, and to also note that this report will be presented to the Council meeting on 10th December 2018.

SUMMARY OF PREVIOUS DECISIONS

The Council set its budget for 2018/19 at its meeting of 5th March 2018. This report provides Members with an update of the financial position of the Council, including changes since that date.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services (Value for Money)	✓
Delivering the services that customers expect of an excellent council (Clean and Green)	✓
Working with all partners (Vibrant Economy)	✓
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	✓
Promoting Fylde as a great destination to visit (A Great Place to Visit)	✓

REPORT

1. PURPOSE OF THE FINANCIAL FORECAST UPDATE

- 1.1 This report is the mid-year and preliminary forecast of the Council's financial position and takes account of latest reserve balances, revenue and capital spending forecasts and treasury management issues. It also identifies and updates the financial risks and challenges facing the Council. The assumptions set out in this forecast are the latest best estimates and will be updated as and when further information becomes available.
- 1.2 This latest financial forecast update is designed to:
- Present an updated five-year financial forecast for revenue and capital spending based upon the best information available at the time;
 - Review and update the currently identified risks and opportunities;
 - Alert Members to any new specific risks and opportunities;
 - Inform Members of any changes required to budgets due to external factors outside the Council's control; and,
 - Provide a basis on which Members can begin to make future spending decisions.

2. BACKGROUND TO THE FORECAST

- 2.1 In order to 'scene set', the current financial position of the Council is summarised for Members as follows:

(i) Original Budget 2018/19

At the Council meeting on the 5th March 2018 the budget for 2018/19 and the medium term financial forecast were agreed. The resolution included a 2.99% increase in the average Council Tax amounts and a total net budget requirement of £9.675m for 2018/19. The General Fund balance at that time was forecast at the end of 2021/22 to be £2.724m. In agreeing the Original Budget for 2018/19 a number of key high level financial risks and assumptions were highlighted.

(ii) General Fund Revenue Outturn Position 2017/18

The revenue outturn position for 2017/18 was reported to Members in June 2018. The impact of the outturn position, including slippage items in the total sum of £0.137m, has been reflected in this updated forecast.

The favourable outturn position for revenue allowed for a further contribution to be made into the Capital investment Reserve for that year in the sum of £0.560m. Appendix E includes the latest estimate in this regard.

(iii) Budget Right-sizing Exercise

During the autumn each year officers undertake a budget right-sizing exercise to identify any in-year budget variances and any future budget adjustments that might be made. The exercise includes an analysis of underspends which have occurred over the last 3 financial years in order to identify structural variances and trends in income and expenditure levels. This has become part of the annual budget process. As a result a number of budget adjustments are included within Appendix C of this report under the heading 'Budget Rightsizing'. The efficiencies and savings captured by the right-sizing exercise are a combination of one-year-

only and recurring savings. It is anticipated that in future years the level of efficiencies and savings that are achievable through the right-sizing exercise will be more limited.

(iv) Capital Outturn Position 2017/18

The latest approved expenditure budget in the capital programme for 2017/18 was £7.844m. After adjusting for slippage of £0.521m, the overall outturn position for 2017/18 was an in-year favourable variance of £0.010m against the latest updated estimate.

(v) General Fund Revenue Quarterly Budget Monitoring 2018/19

Revenue budget monitoring reports for the period to 31st July 2018 have been presented to each of the Programme Committees during the September cycle of meetings. These reports identified a number of budget areas for further consideration. As a result a number of changes have already been included in this latest forecast. These include revised fee income estimates, updated employee cost assumptions, and the latest estimate of employee costs.

3. THE GENERAL FUND REVENUE FORECAST

- 3.1 Appendix A of this report sets out the original revenue budget forecast as agreed at the Budget Council meeting on 5th March 2018.
- 3.2 Appendix B shows the general assumptions underpinning the base forecast, whilst Appendix C shows the financial impact of changes to general assumptions and the impact of other significant changes that have been identified since the budget was approved, including the impact of outturn 2017/18 and the budget right-sizing exercise. Appendix D sets out the narrative which explain the significant changes made to the forecast.
- 3.3 The impact of all these changes are summarised in Appendix E which details the latest updated forecast. The forecast needs to be considered carefully in the light of the identified risks which cannot be fully quantified at this time but may have an impact on the forecast at some future point.

The following decisions have also been made since the Budget Council meeting on 5th March 2018:

3.4 Business Rates: Membership of a Business Rates Pool, Submission of a bid for the interim 'pilot' scheme for 2019/20 and Future Year Income Estimates

The government consultation on 100% Business Rate Retention, announced during the spring of 2017 (and therefore prior to the June 2017 general election) included, inter alia, proposals to update the way that business rate pools operate. If implemented as described in the consultation document the proposals would mean that the arrangements for the Lancashire-wide Business Rate pool may cease to be appropriate and relevant for 2019/20 and beyond.

Consequently the Financial Forecast that was approved by Council in March 2018 assumed the future membership of the business rates pool, including the beneficial financial consequences, for 2018/19 only.

However, unexpectedly, the legislation required to implement these changes was absent from the programme of proposed government legislation for the current parliament and during 2018 the government re-affirmed the manifesto commitment to continue to allow local government greater control over the money it raises via a revised rates retention

scheme, incorporating a revised local business rates retention level of 75%, and a revised implementation date of 2020/21.

As part of the development of these revised arrangements the government invited bids from existing Business Rate Pools to act as 'pilots' for the proposed scheme. An analysis of the impact of the 'pilot' scheme arrangements for the Lancashire Business Rates Pool indicates that (if the bid were to be accepted by the Ministry of Housing, Communities and Local Government - MHCLG) a significant net beneficial impact could result across Lancashire authorities. However this would firstly require a revised business rate pooling arrangement to be established between all of the Lancashire authorities.

At the meeting of 24th September 2018 the Finance and Democracy Committee considered the continued membership of Fylde Council in the Lancashire Business Rate Pool for 2019/20 and the submission of a bid by the pool for participation in the '75% Business Rate Retention Pilot Scheme' arrangements.

The Committee:

1. Approved the continuation of Fylde Council participation in the current Lancashire Business Rates Pool for 2019/20 on the assumption that the pool remains in existence;
2. Agreed the participation of Fylde Council in the submission of a bid by Lancashire authorities to form part of the '75% Business Rate Retention Pilot Scheme' arrangements for 2019/20 providing that a revised pooling arrangement, acceptable to all authorities, can be established;
3. Agreed that the current Lancashire Business Rates Pool should not be jeopardised in the event that the above bid is unsuccessful;
4. Noted that the next update to the Financial Forecast of the Council will be amended to reflect the latest information and expectations in respect of future levels of business rate income to the Council; and
5. Agreed that participation in the Lancashire Business Rate Pool for future years beyond 2019/20 should be kept under review and should be the subject of a report to the committee for consideration during next financial year.

Subsequently a bid for '75% Pilot Scheme' status was agreed between the Lancashire pool authorities and the bid submitted. At the present time confirmation from MHCLG regarding which arrangements will operate for 2019/20 are awaited, both in respect of the continuation of the Lancashire pool itself and in respect of the '75% Pilot Status' bid.

Currently the Financial Forecast assumes that Fylde Council will participate in a Lancashire-wide pooling arrangement up to and including 2019/20. The forecast does not assume any additional benefit arising from acceptance of the Lancashire Business Rates Pool as one of the selected '75% Business Rate Retention Pilot' schemes for 2019/20.

Any amendments to the levels of forecast Business Rate income to be retained will be reflected in future updates to the Financial Forecast.

3.5 The Budget Right-sizing Exercise and further Transfers to Ear-marked Reserves

The Council meeting of 5th March 2018 approved transfers to the Capital Investment Reserve in 2017/18 and 2018/19 equivalent to the balance of the revenue surplus for those years (after allowing for all approved transfers to other reserves), estimated at that time to be £1.081m for 2017/18 and £0.844m for 2018/19.

Following a favourable outturn position for 2017/18 and a review of the budget position for 2018/19 as part of the preparation of this Financial Forecast update, including the identification of fortuitous additional income for the year, costs-savings and the outcome of the budget right-sizing exercise, the revised forecast revenue surplus for 2018/19, currently stands at £1.468m as detailed at Appendix E. The revised forecast revenue surplus for 2019/20, also shown in Appendix E, is currently £0.498m.

4. Central Government Funding and the Four-Year Settlement Offer

- 4.1 The Local Government Finance Settlement for 2016/17 also included indicative funding levels for years 2017/18 to 2019/20 thus providing, for the first time, an 'illustrative' four-year funding settlement offer.

The funding sources that form part of the total central government illustrative settlement offer comprise:

- Revenue Support Grant
- New Homes Bonus
- Business Rate Retention
- Transition Grant

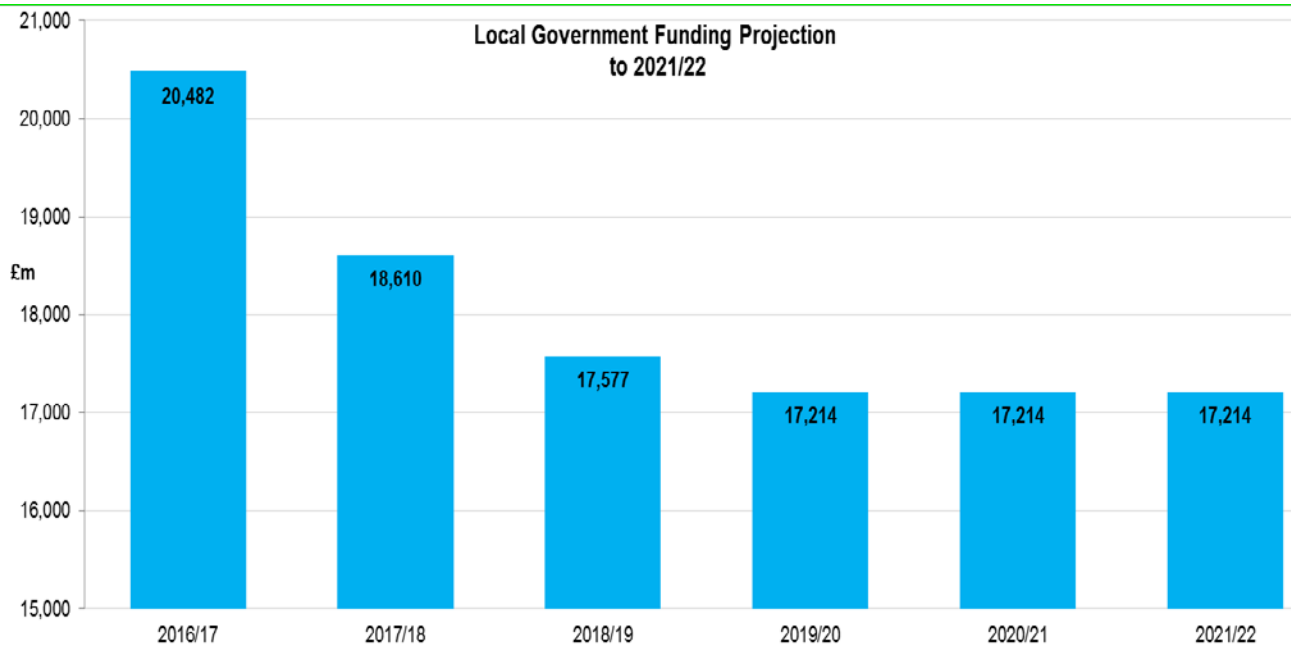
Full details of the illustrative funding levels for each of these income sources was included within the March 2018 Medium Term Financial Strategy (MTFS) report to Council. No further details or amended figures in this regard have been received since the initial publication of the data in January 2018, and consequently those indicative funding levels are shown within Appendix E of this update report. There is currently no available information regarding central government funding for local authorities beyond the illustrative 2019/20 funding.

- 4.2 In July 2018 the Ministry of Housing, Communities and Local Government (MHCLG) published a consultation on the 2019/20 Local Government Finance Settlement. This included a number of proposals which would, if implemented, affect the level of grant funding that would be receivable by local authorities.
- 4.3 In December the Government will announce the 2019/20 Local Government Settlement. This may contain further information which could impact on assumed government funding levels for future years.

Alongside the proposals in relation to Business Rate Retention arrangements (as described at 3.4 above), of primary interest to Fylde Council is the proposed review of the 0.4% baseline level above which New Homes Bonus commences to be 'earned'.

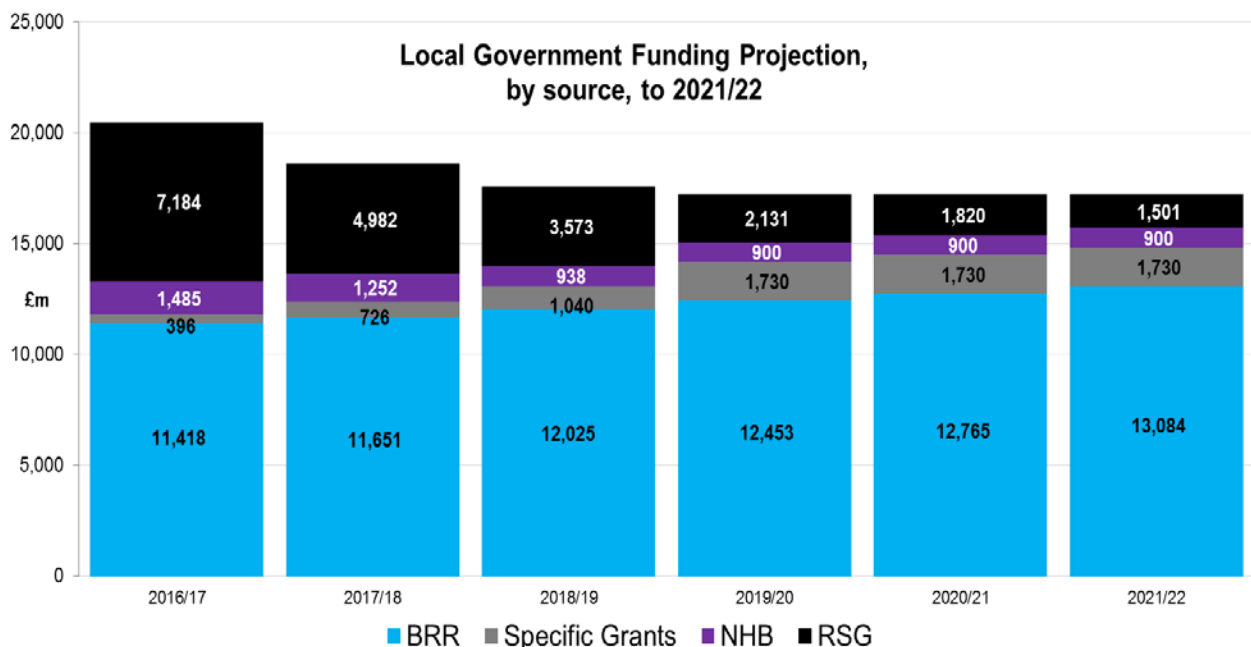
A response to the consultation may form part of the 2019/20 Local Government Settlement. Any changes to the levels of anticipated central government funding within the Financial Forecast arising from the settlement will be reflected in future updates to the Financial Forecast.

- 4.4 To provide a general outlook for the financial position of the public sector the scale of the overall projected reduction in central government funding to local authorities, and the change in the composition of that funding, is demonstrated in the following charts. The first chart shows the reduction in **total** local government funding levels over the period from 2016/17 to 2021/22:



The next table illustrates the change in the composition of total local government funding over the same period. It shows the projected changes from 2016/17 that being a continuation of the phasing-out of Revenue Support Grant (RSG), the reduction in levels of New Homes Bonus and the increasing proportion of funding that is from Retained Business Rates.

Composition of Total Local Government Funding 2016/17 to 2021/22:



5. KEY AREAS OF FINANCIAL RISK TO THE GENERAL FUND REVENUE BUDGET FORECAST.

5.1 In considering this forecast Members should note that there are a number of significant risks. In assessing each risk the following has been taken into account:-

High Level Financial Impact Risk

- Potentially a significant sum, with the potential for impact over a number of years
- Relatively little mitigation available to spread or defer the impact
- The possibility of a significant financial impact on the council if the risk materialises
- Probable need for change to the forecast if it materialises

Medium Level Financial Impact Risk

- Potentially a large sum, with the potential for impact over a number of years
- Some mitigation may be possible to spread or defer the impact
- The possibility of a sizeable financial impact on the council if the risk materialises
- Possible need for change to the forecast if it materialises

Low Level Financial Impact Risk

- Potentially a less significant sum
- Some mitigation may be possible to spread or defer the impact
- Impact should be capable of being absorbed without major forecast changes

5.2 High Level Financial Impact Risks

(i) Future Central Government Funding

As detailed in Section 4 above the central government funding figures currently shown within the General Fund Forecast at Appendix E comprise the funding allocations as contained within the 'illustrative' four-year funding settlement offer that was provided as part of the 2018/19 Local Government Finance Settlement, as amended for known changes in respect of retained Business Rates (including the impact of Fylde remaining a member of the Lancashire Business Rate Pool for 2019/20) and New Homes Bonus for 2019/20 based on revised projections of housing numbers under the current arrangements and baseline level.

There is a clear risk that the actual levels of central government funding beyond the current year (i.e. for 2019/2020 onwards) may differ from the amounts for those years that are reflected within this update.

Meanwhile, we await a response from central government to the July 2018 consultation on the 2019/20 Local Government Finance Settlement which included a number of proposals which would, if implemented, affect the level of grant funding that would be receivable by local authorities as detailed in section 4.2 above.

It is anticipated that the 2019/20 Local Government Finance Settlement may contain further information which will impact on assumed government funding levels for future years. There is also uncertainty about the level and makeup of central government funding beyond 2019/20.

Any amendments to the levels of central government funding levels within the Financial Forecast will be made as and when any revised allocations are provided and will be reflected in future updates to the Financial Forecast.

(ii) Announcement of a 'Fair Funding Review'

Linked to the risks as described above relating to future Central Government funding levels the Government has also confirmed that it is looking to implement the Fair Funding Review in April 2020.

The Government issued a consultation document which focussed specifically on potential approaches that have been identified to measure the relative needs of local authorities. In particular, it:

- presents the idea of using a simple foundation formula to measure the relative needs of local authorities, based on a small number of common cost drivers ;
- considers a number of service areas where in addition, a more sophisticated approach to measuring relative needs may potentially be required; and
- outlines the statistical techniques that could be used to construct relative needs.

The consultation does not cover the relative resources adjustment, transition or other technical matters but these will be the subject of a later series of discussion papers.

Although no details are known at this stage it is possible that, given the financial pressures on upper-tier and unitary councils with responsibility for services with escalating costs such as adult social care, that the review could result in shire district councils being regarded as requiring a reduced share of national resources. Any implications arising from this review will be reported within future updates to the financial Forecast.

(ii) Retained Business Rates

The decision to continue membership of the Lancashire Business Rates Pool for 2019/20, along with the participation of Fylde Council in the submission of a bid by Lancashire authorities to form part of the '75% Business Rate Retention Pilot Scheme' arrangements on the assumptions as detailed in Section 3.4 of this report, provides a degree of uncertainty at present regarding the anticipated level of retained Business Rate income in 2019/20. The outcome of the pilot scheme bid, or confirmation of the continuation of the current pooling arrangements, is anticipated alongside the announcement of the 2019/20 Local Government Finance Settlement in early December 2018.

Currently the Financial Forecast assumes that Fylde Council will participate in a Lancashire-wide pooling arrangement for 2019/20 only. The forecast does not assume any additional benefit arising from acceptance of the Lancashire Business Rates Pool as one of the selected '75% Business Rate Retention Pilot' schemes for 2019/20.

Any amendments to the levels of forecast Business Rate income to be retained will be reflected in future updates to the Financial Forecast.

5.3 Medium Level Financial Impact Risks

(i) Borrowing Cost Assumptions

In light of the current level of reserves and balances held by the Council, the forecast currently assumes that additional external borrowing will not be required during the life of the Financial Forecast and that internal cash balances will be utilised to fund capital expenditure. This means that the base forecast contains no provision for external borrowing beyond that currently held.

There is a risk therefore that if circumstances change over the forecast period and it is necessary to take out further external borrowing to fund existing capital commitments, there is no budget cover for such an eventuality. It is not currently envisaged that such circumstances will occur during the life of the forecast, and the position will be monitored carefully on an ongoing basis.

(ii) Reduction in Housing Benefit Administration Grant

The Council receives an annual grant to support the cost of the administration of Housing Benefit and Council Tax. The grant that the Council receives for these purposes has reduced in recent years, particularly in respect of the Housing Benefit element, as the government moves away from a system of Housing Benefit payments and towards a Universal Credit Scheme. This financial forecast reflects the latest estimates of reduced grant levels for 2018/19 and for subsequent years.

As updated grant notifications are received in respect of future years it may be necessary to update the forecast accordingly.

(iii) Universal Credit

The Government has commenced the consolidation of a number of welfare benefit allowances into a revised Universal Credit Scheme. One of these is Housing Benefit which is currently administered by the Council through the shared service with Blackpool Council. The intention is that the new Universal Credit Scheme will be provided on-line and will be administered by Department of Work and Pensions. The roll-out of the new arrangements are gradual and began in Fylde in respect of a small number of the less-complex cases in November 2014. The timing and financial implications of future developments of the scheme remain uncertain.

(iv) Grounds Maintenance – External Contracts

Throughout the future life of the forecast a number of grounds maintenance contracts with external parties will come to an end or will be due for renewal/re-tender. At the same time other opportunities will arise for additional contract work and these will be actively pursued as appropriate. Income from contracts supports the work of the Parks and Leisure Service teams by way of a contribution to management costs and corporate overheads. Officers will endeavour to seek extensions to contracts as they become due for renewal/expiry and will continue to seek suitable alternative new work. Should this not be possible there may be an adverse impact on the forecast.

5.4 Low Level Financial Impact Risks

(i) The Living Wage

In March 2015 the Council agreed a policy to adopt the Living Wage Foundation pay rates for all employees, excluding apprentices, with effect from 2015/16, such that the Council became a 'Living Wage Employer' from that point forward. Additionally, in the autumn of 2015, the government announced the introduction of a statutory National Living Wage to apply from April 2016 for all employees over the age of 25.

The revenue estimates include annual amounts for the estimated impact of the annual increases in the hourly rates for the Foundation Living Wage and the National Living Wage. In the event that actual future year increases are higher than the estimated levels such that the increases cannot be contained within the approved budgets future adjustments to the Financial Forecast may be necessary.

(ii) Community Infrastructure Levy (CIL)

The Community Infrastructure Levy (CIL) which came into operation nationally in April 2011 is intended to assume the role of the traditional Section 106 Agreement. However Section 106 Agreements continue to have a role to play on site specific development proposals. For the CIL to become operational within the borough the Local Plan will need to be in place. As part of the local plan evidence base an Infrastructure Delivery Plan (IDP) has been prepared which explores the infrastructure required to deliver the local plan. The IDP will also help inform a CIL charging schedule.

In its Housing White Paper, Fixing our Broken Housing Market, Government stated that it “will examine the options for reforming the system of developer contributions including ensuring direct benefit for communities, and will respond to the independent review and make an announcement at Autumn Budget 2017” (para 2.29). A more recent (post budget) consultation: “Planning for the right homes in the right places” advises that “Government continues to consider wider options for reform, in the light of the independent review of CIL and its relationship with section 106 published alongside the housing White Paper. We are also aware of some technical issues with the implementation of CIL. The Government is keen to ensure that CIL legislation operates as intended and will consider how to ensure certainty for developers and local authorities, including clarifications through legislation if necessary”. (para 104)

Until the Government concludes its review of CIL, the form that CIL will take in future is unclear and the financial implications are unknown.

6. GENERAL FUND RESERVE AND OTHER EARMARKED RESERVES & PROVISIONS

6.1 The Council carries a General Fund Reserve (often referred to as General Reserves) and a number of other earmarked reserves and provisions. These are held for a number of purposes:

- As a working balance to help cushion the impact of uneven cash flows and avoid the need for temporary borrowing;
- As monies specifically set aside for future events or liabilities (known as earmarked reserves and provisions); and
- As a contingency to cushion the impact of unexpected events or emergencies.

6.2 The Council’s General Fund Reserve Balance at 31st March 2018 was £3.685m.

6.3 The Council has a Useable Reserves and Balances Policy in place, which is reviewed and approved annually as part of the budget setting process. If any reserves can be released, proposals will be presented in a future financial forecast update.

7. CONCLUSIONS – GENERAL FUND REVENUE FORECAST

7.1 The overall position on the Council’s financial forecast, as summarised in Appendix E of this report, is an improvement in the short-term since Budget Council in March 2018, with surpluses now forecast for each of the years up to and including 2022/23. The improved financial forecast position for 2018/19 is due to a number of factors including increased levels of income from retained business rates and the impact of the in-year savings and efficiencies listed in Appendix C of the report.

7.2 In light of the potential for future reductions in central government funding and uncertainties around the level of retained business rates from 2020/21 onwards, the Council needs to continue with the approach to delivering savings and efficiencies which

have helped deliver balanced budgets and contribute to reserves over recent years. Through continued focus on the importance of financial stability the Council has delivered a significant savings programme since 2007 and has continued to reduce senior management costs and other overheads. Ongoing modernisation work and business improvement will continue to make Council services more efficient, save money and maintain high quality frontline services to customers. This work has yielded ongoing savings to help improve the Council's overall financial position over that period. For Fylde Council to continue to successfully meet the new challenges that it faces it is vital that this approach is re-doubled and that all reasonable opportunities for further cost-reduction measures and for the generation of additional income are seriously considered. Prudent financial management in previous years has provided a level of reserves which allows the necessary time to determine how this council can best respond to the increased challenges.

- 7.3 The assumptions that are contained within the Forecast Update are the latest best estimates and will be updated as and when further information is available. External pressures outside the Council's control are being experienced by many local authorities, and instructions remain in place that budget-holders should remain prudent and not commit to any unnecessary expenditure. This approach saves money and may result in an under-spend for the 2018/19 financial year.
- 7.4 Budget planning work for 2019/20 is well underway and further updates of the financial forecast will be brought before Members in due course.

8. COLLECTION FUND

- 8.1 As a Council Tax and National Non-Domestic Rates (NNDR) Billing Authority, the Council is required by legislation to maintain a separate fund for the collection and distribution of amounts due in respect of Council Tax and NNDR, and to calculate the surplus or deficit for each financial year on the Collection Fund. Prior to 2013/14 the requirement was to maintain this for Council Tax only, however, as part of the Local Government Finance Act 2012 the Government implemented a Business Rates Retention Scheme from April 2013, whereby the collection and distribution of NNDR is also collected and distributed via the Collection Fund (the distribution of NNDR had previously been managed nationally).
- 8.2 For Council Tax only, there was a deficit on the fund as at 31st March 2018 of £149k. This will be shared between the Borough Council, the County Council, the Police Authority and the Fire & Rescue Authority in 2018/19 & 2019/20. Fylde Council's share of the deficit is £20k which is reflected within Appendix E.
- 8.3 For Non-Domestic Rates only, there was a surplus on the fund as at 31st March 2018 of £531k. This will be shared between Central Government, the Borough Council, the County Council and the Fire & Rescue Authority in 2018/19 & 2019/20. Fylde Council's share of the surplus is £212k which is reflected within the Business rate income forecasts within Appendix E.

9. THE CAPITAL PROGRAMME

- 9.1 The Capital Programme is updated continually for agreed changes and reported to Members during the financial year on a periodic basis.

- 9.2 The latest updated Capital Programme Summary for the years 2018/19 to 2022/23 is set out in Table 1 below. The Programme has been updated for changes to the end of October 2018. A prudent approach is taken in preparing the programme to ensure that financing resources are only recognised when there is reasonable certainty that they will be received.

TABLE 1 - SUMMARY CAPITAL PROGRAMME

	Estimate 2018/19 £000	Estimate 2019/20 £000	Estimate 2020/21 £000	Estimate 2021/22 £000	Estimate 2022/23 £000
Committee:					
Finance & Democracy Committee	238	0	0	0	0
Tourism & Leisure Committee	631	253	40	40	40
Operational Management Committee	14,420	6,809	625	155	383
Environment, Health & Housing Committee	2,806	1,854	1,010	1,010	1,010
Planning Committee	703	280	0	0	0
Total Capital Payments	18,798	9,196	1,675	1,205	1,433
Financing:					
Availability of Resources	18,798	9,196	1,675	1,205	1,433
Total surplus (-) / shortfall in year	0	0	0	0	0
Cumulative surplus (-) / shortfall	0	0	0	0	0

- 9.3 Capital schemes are directly linked with the Council's priorities. Major items of enhancement or renewal are identified via the Council's Asset Management Plan and work is underway to review and update this. The planned spend over the life of the programme is continuously reviewed. If any scheme profiling amendments are required these will be reflected in future periodic update reports.

9.4 Financing the Capital Programme

The Council finances the Capital Programme from a variety of sources. These include:-

- (i) Specific Capital Grant Allocations;
- (ii) Disabled Facilities Grant;
- (iii) Capital Receipts;
- (iv) External Funding (such as Heritage Lottery Funding and the Environment Agency);
- (v) Prudential Borrowing/Leasing;
- (vi) Revenue Funding; and
- (vii) Capital Investment Reserve

- 9.5 Members are asked to note the current balanced position on the Capital Programme.

10. VEHICLE PURCHASES

- 10.1 The Council has adopted a Service Modernisation Strategy for Operational Services which includes a rolling programme of vehicle replacement that assumes the replacement of vehicles on a like-for-like basis at the end of their useful economic life. The approved capital programme includes significant capital expenditure for scheduled operational vehicle

replacements during the life of the forecast. This expenditure has been reviewed and re-phased to reflect the currently expected profile of vehicle replacements.

11. KEY AREAS OF FINANCIAL RISK TO THE CAPITAL PROGRAMME

There are a number of financial risk areas within the Capital Programme for Members to be aware of:

11.1 Medium Level Financial Impact Risks

(i) Coast Protection Scheme

The Fairhaven and Church Scar Coast Protection scheme total cost is £21.83m, being funded by Environment Agency grants of £21.43m and a contribution from Fylde Council of £0.4m. This is made up of a contract price of £17.6m, with a risk/contingency budget of £1.7m and a budget for fees of £0.5m. Work started on site in December 2017 and is progressing well with the replacement hard sea defences at Church Scar nearing completion and with work on the promenade underway. Work on the sheet piling around Fairhaven Lake stated in September, four months ahead of schedule.

In addition to the core sea defence works a range of public realm enhancements to the scheme have been added to the scheme at a total cost of £360k, funded by Fylde Council from the Capital Investment Reserve. The works relate to the remodelling of the Stanner Bank car park entrance, the provision of bespoke seating to compliment the wider landscape and the provision of ducting to allow for future services connection to a potential structure/building on or around the Mawson lookout. These works will be delivered alongside the main scheme.

The expenditure forecast has been re-phased to reflect the current expectations regarding the timing of the delivery of the scheme. Further re-phasing of the expenditure profile between the years is likely to be required as the scheme progresses and the capital programme will be updated accordingly and reported regularly to members.

The Coastal Defence Team have been successful in securing additional funding from the Environment Agency to enable the Granny's Bay hard sea defences to be delivered following completion of the Fairhaven Scheme in 2019/20. A report on this additional work in the sum of £2m (which is reflected in the total scheme cost above) was approved by the Operational Management Committee at its meeting in September and Council in October 2018. The Granny's Bay works will essentially tie the two schemes at Fairhaven and Church Scar together, as well as providing local erosion and flood protection. Completion of these works will remove the requirement for much of the emergency maintenance works undertaken by the Council following extreme storms at Granny's Bay. With Granny's Bay now included the whole scheme is now currently forecast to be completed by summer 2020.

Due to the significant value of scheme it is classified as a medium level financial risk

(ii) Vehicle Replacement Programme

The estimated vehicle replacement profile, to replace existing fleet at the end of its useful economic life from 2018/19 to 2022/23 within the Capital Programme totals £2.835m.

It is important to note that purchase prices will fluctuate with new models and technological/legislative changes and it is therefore necessary to reality check the costs associated with new vehicles on an annual basis and make any necessary adjustments to the

capital programme to ensure that ongoing fleet replacement is accurately budgeted for in future years.

Due to the significant value of the vehicle replacement programme and the potential for changes in vehicle specifications and emissions regulations this scheme has been highlighted as a potential future risk.

11.2 Low Level Financial Impact Risks

(i) Project Slippage

It is important that the Council monitors capital scheme slippage to ensure that no loss of external grant is imposed due to conditions associated within specified timescales.

(ii) Other Capital Receipts

The approved programme for 2018/19 onwards assumes “Right to Buy” receipts of £25k per annum and “General Asset Sales” of £45k per annum. Future receipts are dependent on prevailing market conditions and values cannot be predicted with certainty. This will be monitored and reviewed during the year and adjusted accordingly in future quarterly monitoring reports, along with the impact this may have on the financing of the programme.

(iii) Better Care Fund (Formerly Disabled Facilities Grants)

As the local housing authority, the Council has a statutory duty to provide disabled adaptations within the Borough. In order to fund these works the Council receives grant support which previously was provided by the Department for Communities and Local Government (DCLG). From 2015/16 the Government established the ‘Better Care Fund’, and under these new arrangements the funding for Disabled Facilities Grants transferred to the Department of Health, with funding being distributed to all Councils via the upper-tier authority for that area. As such, in Lancashire the fund is administered by Lancashire County Council. Each upper-tier authority then allocates the funding to their respective housing authorities (i.e. district councils within their area) to enable them to continue to meet this statutory responsibility.

The level of government funding has increased significantly under the ‘Better Care Fund’ arrangements and the updated budget for 2018/19 (including slippage from 2017/18) of £1.255m provides for the delivery of more disabled adaptations than has previously been possible. It is anticipated that for 2018/19 all identified need for disabled adaptations can be met from the existing resource.

12. CONCLUSIONS – CAPITAL PROGRAMME

12.1 The current Capital Programme as updated is showing a balanced position for 2018/19 onwards.

12.2 The capital programme and the associated financing will be subject to discussion with Members during the coming months as part of the annual budget setting process for 2019/20.

12.3 Any additional expenditure which is not fully funded by external finance would normally require the generation of capital receipts or further borrowing (the latter placing further pressure on the Revenue Budget from the consequent repayment costs). However Budget Council on 4th March 2013 approved the creation of a Capital Investment Reserve to finance future capital expenditure. The balance of this reserve at 31st March 2018 was £3.220m. Of this £1.933m was already committed to deliver existing approved capital schemes in the years 2018/19 and 2019/20. Since Budget Council, further schemes totalling £0.653m have been approved by Members, leaving an unallocated balance on the reserve of £0.633m

before any further budgeted transfers in. The current financial forecast as set out in Appendix E estimates further transfers in of £1.468m at the end of 2018/19 and £0.498m at the end of 2019/20, which together with the current unallocated balance of £0.633m would leave available resources in the reserve of £2.599m. The estimated transfers in are of course subject to change as costs and income undoubtedly fluctuate over the next 2 financial years.

13. TREASURY MANAGEMENT

- 13.1 The Treasury Management Strategy and Prudential Indicators were approved by Council on 5th March 2018.
- 13.2 The regulatory framework for treasury management requires Councils to receive a mid-year Treasury Review report. This report will be presented to the Audit and Standards Committee for scrutiny on 15th November 2018 and subsequently will be presented to Council on 10th December 2018.

14. KEY AREAS OF FINANCIAL RISKS FOR TREASURY MANAGEMENT

- 14.1 There are a number of potential areas of significant risk associated with Treasury Management activities, the most significant of which are:
 - (i) Unexpected movements in cash flow;
 - (ii) Differences between the actual interest rate and interest rates used in the forecast; and,
 - (iii) The security of monies invested with counterparties

15. CONCLUSIONS – TREASURY

- 15.1 Investment rates available in the market continue to be at historically low levels. As a consequence of the voters' decision to exit the European Union ('Brexit') both bank base rate and investment return rates are expected to remain low for some time. A further consequence of the 'Brexit' vote has been an increased uncertainty in economic forecasts and financial markets. The Council will continue to aim to achieve the optimum return on investments commensurate with proper levels of security and liquidity that have been approved by Members.

16. OVERALL CONCLUSIONS ON THE LATEST FINANCIAL FIVE YEAR FORECAST UPDATE

- 16.1 The overall position on the Council's financial forecast, as summarised in Appendix E of this report, is an improvement in the short-term since Budget Council in March 2018, with surpluses now forecast for each of the years up to and including 2022/23. The improved financial forecast position for 2018/19 is due to a number of factors including increased levels of income from retained business rates and the impact of the in-year savings and efficiencies listed in Appendix C of the report.
- 16.2 In light of the uncertainties surrounding future national funding arrangements the Council needs to continue with the approach to delivering savings and efficiencies and maximising income which have helped deliver balanced budgets and contribute to reserves over recent years. Through continued focus on the importance of financial stability the Council has delivered a significant savings programme since 2007 and has continued to reduce senior management costs and other overheads. Ongoing modernisation work and business

improvement will continue to make Council services more efficient, save money and maintain frontline services to customers. This work has yielded ongoing savings to help improve the Council's overall financial position over that period.

- 16.3 Although further challenges may be encountered in the future the finances the reserves and balances are at healthy levels as compared to earlier periods. Furthermore Fylde Council has a past record of taking actions in order to meet and overcome those challenges; the introduction of a chargeable green waste collection service in the current year being a recent and a prime example of such action, as was the decision to join a Business Rates pool from 2017/18. Fylde Council will continue to seek other such opportunities to maintain a robust financial position in the face of a challenging and changing financial environment. This approach will ensure that the Council continues to achieve and sustain a balanced budget position on an ongoing basis and is able to deliver the priorities set out in the Corporate Plan.
- 16.4 The assumptions set out in this forecast are the latest best estimates and will be updated as and when further information becomes available. External pressures outside the Council's control are being experienced by all local authorities, and instructions remain in place that Officers should not commit to any unnecessary expenditure
- 16.5 **The financial position of the Council remains robust. Members should, however, continue to be cognisant of the risks that are detailed within this in order to maintain a sustainable financial position for the Council.**

IMPLICATIONS	
Finance	The financial implications are contained within the body of the report.
Legal	None arising from this report
Community Safety	None arising from this report
Human Rights and Equalities	None arising from this report
Sustainability and Environmental Impact	None arising from this report
Health & Safety and Risk Management	None arising from this report

LEAD AUTHOR	CONTACT DETAILS	DATE
Paul O'Donoghue Chief Financial Officer	01253 658566	November 2018

BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Medium Term Financial Strategy (MTFS) Update, Including General Fund, Capital Programme and Treasury Management for 2017/18 – 2021/2022	Budget Council meeting 5 th March 2018	www.fylde.gov.uk
MTFS – Outturn Position For 2017/18 (Including General Fund, Capital Programme & Treasury Management)	Finance and Democracy Committee meeting 25 th June 2018	www.fylde.gov.uk
Revenue Budget Monitoring Report 2018/19 – to 31 st July 2018	Finance and Democracy Committee meeting 24 th September 2018	www.fylde.gov.uk
Capital Programme Monitoring Report 2018/19 – to 31 st July 2018	Finance and Democracy Committee meeting 24 th September 2018	www.fylde.gov.uk

Attached Documents:

1. Appendix A – Forecast approved at Council on 5th March 2018
2. Appendix B – Schedule of general assumptions underpinning the forecast
3. Appendix C – Schedule of changes to the forecast
4. Appendix D – Explanation of changes to the forecast
5. Appendix E – Updated latest forecast position

General Fund Budget Forecast 2017/18 to 2021/22 - Approved at Budget Council March 2018

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	Adverse / Favourable
Forecast approved at Council on 2nd March 2017	8,980	9,706	10,077	10,256	10,256	Adverse
Forecast Changes - per Appendix C of March 2018 MTFS report	- 186	- 51	72	164	291	
Budget Proposals - per Appendix F of March 2018 MTFS report		20				
Forecast Budget Requirement	8,794	9,675	10,149	10,420	10,547	
Financed by:						
Council Tax Funding:						
Council Tax - Precept	5,733	5,998	6,229	6,464	6,703	
Council Tax - Share of Previous Years Surplus/(Deficit)	40	- 35				
Sub Total - Council Tax Funding	5,773	5,963	6,229	6,464	6,703	
Business Rates Funding:						
Retained Rates (including pooling benefit & contbtn to/from CF deficit reserve)	4,095	3,231	2,410	2,410	2,410	Adverse
Approved Contribution to Funding Volatility Reserve	- 2,000					
Sub Total - Business Rates net of reserve transfers	2,095	3,231	2,410	2,410	2,410	
Council Tax Freeze Grant relating to 2015/16 freeze						
New Homes Bonus	1,665	1,349	1,221	1,280	1,165	
Less - NHB distribution to Town & Parish Councils		- 67				
Revenue Support Grant	354	47				
Transition Grant	56					
Less - Parish Element of Council Tax Support Funding	- 27	- 4				
Sub Total - Other Funding	2,048	1,325	1,221	1,280	1,165	
Forecast Financing	9,916	10,519	9,860	10,154	10,278	
Forecast surplus(-)/deficit for year	- 1,122	- 844	289	266	269	
Reserves						Adverse
Forecast surplus/deficit (-) for year from above:	1,122	844	- 289	- 266	- 269	
Less: Approved Contribution to M55 Link Road Reserve	- 41					
Less: Proposed Transfer to Capital Investment Reserve	- 1,081	- 844				
Balance of surplus/deficit(-) remaining:			- 289	- 266	- 269	
Balance of General Fund Reserves b/f	3,548	3,548	3,548	3,259	2,993	
Less transfer to/from(-) General Fund Reserves in year			- 289	- 266	- 269	
Forecast Reserves at Year End	3,548	3,548	3,259	2,993	2,724	
Band D Council Tax (Excl Parish Precepts)	£195.76	£201.61	£206.60	£211.59	£216.58	
Band D Average Council Tax Increase	£4.99	£5.85	£4.99	£4.99	£4.99	
Band D Average Council Tax Increase	2.6%	2.99%	2.5%	2.4%	2.4%	

General Base Budget Assumptions

The forecast has been prepared on the basis of the following assumptions:

- General Prices Inflation – a freeze or cash-limiting of all general revenue expenditure budgets with the exception of pay, fuel & utility budgets;
- Slippage - underspend items from 2017/18 agreed by the Finance and Democracy Committee in June 2018 have been slipped into 2018/19;
- Pay award - assumed to be 2% per annum for 2018/19 onwards;
- Employers Pension Contributions – the Council's contribution to the Lancashire pension fund scheme is set in accordance with the estimated outcome of the 2016 Triennial Pension Review at 15.2% plus 9% deficit recovery lump sum payment for the period to 2019/20; any amendments resulting from the final review will be reflected in later updates to the Financial Forecast;
- Employer's National Insurance contributions – the forecast reflects the statutory contribution rates currently in place, including a reduced contribution rate as a result of the Council being part of the pension scheme;
- Council tax increases – 2.99% increase assumed per annum from 2019/20 onwards;
- Government Grant Support – the forecast assumes central government funding is as notified in the illustrative four-year funding settlement announced in January 2018, amended for known changes in respect of retained Business Rates and New Homes Bonus for 2018/19 onwards;
- Fees and Charges – The forecast takes account of the revised fee levels as approved by Budget Council in March 2018. For future years budget-holders have reviewed fee levels as appropriate and any proposed changes to fees & charges will be considered at the Budget Council in March 2019 following consideration by the appropriate programme committee;
- Vacancy Savings – the forecast assumes vacancy savings of £300k per annum from 2018/19 onwards;
- Localisation of Council Tax Benefit Scheme – the forecast assumes a fully funded scheme with no cost to the Council from 2018/19 onwards.

Forecast changes since Budget Council March 2018

	<u>18/19</u>	<u>19/20</u>	<u>20/21</u>	<u>21/22</u>	<u>22/23</u>	<u>ADVERSE /</u> <u>FAVOURABLE /</u> <u>NEUTRAL</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	
1 CHANGES AS A RESULT OF MEMBER APPROVALS:						
F&D Committee - 25/06/18 - Slippage from 2017/18	137	0	0	0	0	ADVERSE
F&D Committee - 25/06/18 - Additional resource for beach bins	25	25	25	25	25	ADVERSE
2 BUDGET RIGHTSIZING EXERCISE:						
Revenue impact of budget right-sizing across all budget areas of the Council	-54	-25	-188	-62	-76	FAVOURABLE
3 UPDATED ESTIMATES OF INCOME BUDGETS:						
Revised Estimate - sand-winning income	-160	-100	-75	-50	-50	FAVOURABLE
Revised Estimate - planning fee income	110	110	0	0	0	ADVERSE
Additional Trade Waste Income	-25	-20	-20	-20	-20	FAVOURABLE
Additional Fylde Waste Income	-31	-31	-31	-31	-31	FAVOURABLE
VAT Refund - Leisure services	-180	0	0	0	0	FAVOURABLE
4 STAFFING COSTS:						
Estimated 2% pay award for 2022/23	0	0	0	0	200	ADVERSE
5 OTHER FORECAST CHANGES						
External audit fees - reduction in fee level	-6	-6	-6	-6	-6	FAVOURABLE
Business Rates - impact of revised rating list from 2017/18	-9	17	17	17	17	ADVERSE
Increase in GDPR registration fees	5	5	5	5	5	ADVERSE
Business Rates Pooling Fee	2	2	0	0	0	ADVERSE
Changes to Interest Receivable, Financing Costs and MRP adjustments	-73	-45	-28	-26	-1	FAVOURABLE
Elections costs - increase in Borough Council Election costs 2019/20	0	34	0	0	0	ADVERSE
Continuation of reduction in Housing Benefit Admin Grant	0	0	0	0	25	ADVERSE
TOTAL	-259	-34	-301	-148	88	

The following notes relate to specific adjustments made to the Forecast set out in Appendix C

(1) Changes as a Result of Member Approvals

The forecast that was approved at the Council meeting in March 2018 has been updated to reflect the financial impact of Member decisions made since then. The significant decisions in financial terms of their effect are detailed within the body of the report.

(2) Impact of budget-right-sizing exercise across all budget areas of the Council

Each year officers carry-out a budget right-sizing exercise focussing on a review of underspends across all budget areas. This exercise has, as always, yielded in a significant level of favourable adjustments which have been reflected in the revised forecast.

(3) Updated income forecasts

The forecast has been updated to reflect additional income arising from a number of budget areas as detailed in Appendix C following a review of income budgets in consultation with budget-holders. Planning fee income levels are expected to reduce following a decline in the number of planning applications being received during the first part of the year.

(4) Staffing Costs – Pay Awards

The assumed 2% per annum pay award has been reflected in the final year of the forecast, 2022/23, in line with other years. This year is shown within the forecast for the first time as part of this November 2018 update.

(5) Other Forecast Changes:

External audit fees - reduction in fee level

The new external audit arrangement effective from the 2018/19 financial year (the replacement of KPMG with Deloitte LLP) has been achieved at reduced cost from that previously charged.

Business Rates

The Valuation Office Agency issued a revised rating list in 2017 that amended the rates payable for most properties, including a number of properties that are owned by the Council. This adjustment is necessary to ensure that there is sufficient budget resource for the revised level of rates payable across the Councils property holdings.

GDPR – Revised Fee Level

The new Data Protection regime incorporates a revised fee structure which increases the total cost to the Council of fees payable to the Information Commissioner's Office.

Business Rate Pooling Fee

For each year that Fylde Council remains a member of the Lancashire-wide Business Rate pooling arrangements an administration fee is payable to the lead authority for the pool, Ribble Valley BC. With the assumption (as described within the body of this report) that Fylde Council will participate in the pooling arrangements for both 2018/19 and 2019/20 it is necessary to also make budget provision for the administration fee for those years.

Changes to Interest Receivable, Financing Costs and MRP adjustments

The forecast has been updated to reflect the latest estimate of investment interest received on cash balances and reserves which the Council invests as part of daily treasury management activities and changes to the expenditure profile within the Capital Programme. Interest earnings have increased as a result of the retention of higher cash balances than was anticipated.

Election Costs – Borough Council Elections 2019

The forecast has been updated to reflect the latest estimate of the costs of administering the 2019 Borough Council elections which has increases since the last Borough Council elections held in 2015.

Housing Benefit Admin Grant reduction

The level of grant that the Council receives from Central Government to administer the Housing Benefit system has been reducing year-on-year on the assumption that the phased introduction of Universal Credit will reduce caseload and consequently a lower level of reimbursement is required. Although no actual reduction in workload has yet been experience within the Benefits Shared Service the level of government grant received for this purpose remains on a downward trajectory.

Latest General Fund Budget Forecast 2018/19 to 2022/23

	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	Adverse / Favourable
Forecast approved at Council on 5th March 2018	9,675	10,149	10,420	10,547	10,547	Favourable
Forecast Changes - per Appendix C	- 259	- 34	- 301	- 148	88	
Forecast Budget Requirement	9,416	10,115	10,119	10,399	10,635	
Financed by:						
<i>Council Tax Funding:</i>						
Council Tax - Precept	5,998	6,281	6,554	6,839	7,134	
Council Tax - Share of Previous Years Surplus/(Deficit)	- 35					
<i>Sub Total - Council Tax Income</i>	5,963	6,281	6,554	6,839	7,134	
<i>Business Rates Funding:</i>						
Retained Rates (including assumed pooling benefit 2018/19 & 2019/20)	3,594	2,953	2,200	2,200	2,200	
<i>Sub Total - Business Rates Income</i>	3,594	2,953	2,200	2,200	2,200	
New Homes Bonus	1,349	1,379	1,476	1,399	1,348	
Less - NHB distribution to Town & Parish Councils	- 65					
Revenue Support Grant	47					
Less - Parish Element of Council Tax Support Funding	- 4					
<i>Sub Total - Other Income</i>	1,327	1,379	1,476	1,399	1,348	
Forecast Financing	10,884	10,613	10,230	10,438	10,682	
Forecast surplus(-)/deficit for year	- 1,468	- 498	- 111	- 39	- 47	
<u>Reserves</u>						
Forecast surplus/deficit (-) for year from above:	1,468	498	111	39	47	
Less: Proposed Transfer to Capital Investment Reserve	- 1,468	- 498				
Balance of surplus/deficit(-) remaining:	0	0	111	39	47	
Balance of General Fund Reserves b/f	3,685	3,685	3,685	3,796	3,835	
Less transfer to/from(-) General Fund Reserves in year			111	39	47	
Forecast Reserves at Year End	3,685	3,685	3,796	3,835	3,882	
Band D Council Tax (Excl Parish Precepts)	£201.61	£207.63	£213.84	£220.24	£226.83	
Band D Average Council Tax Increase	£5.85	£6.02	£6.21	£6.40	£6.59	
Band D Average Council Tax Increase	2.99%	2.99%	2.99%	2.99%	2.99%	

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
FINANCE	FINANCE AND DEMOCRACY COMMITTEE	26 NOVEMBER 2018	6
NEW HOMES BONUS: PROVISION OF GRANTS TO TOWN AND PARISH COUNCILS 2019/20			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

This report provides a review of the effectiveness of the policy on the provision of grants to town and parish councils, funded from a portion of the New Homes Bonus, and proposes an updated policy which is appended to this report. The purpose of this policy is to provide the framework for a system of grant support to town and parish areas which have experienced above-average growth in housing numbers.

RECOMMENDATIONS

The Committee are requested to:

1. Recommend to Council the adoption of the updated policy on the provision of grants to town and parish councils which is appended to this report, including the allocation of such grants for 2019/20 in the total sum of £68,950.

SUMMARY OF PREVIOUS DECISIONS

A new policy on the provision of grants to town and parish councils, to be funded from a portion of the New Homes Bonus, was approved by Council in December 2017 in respect of 2018/19, with a review of the effectiveness of the scheme to be undertaken during 2018/19.

CORPORATE PRIORITIES

Spending your money in the most efficient way to achieve excellent services (Value for Money)	✓
Delivering the services that customers expect of an excellent council (Clean and Green)	
Working with all partners (Vibrant Economy)	✓
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	
Promoting Fylde as a great destination to visit (A Great Place to Visit)	

REPORT

1. Background

- 1.1 At the meeting of 4th December 2017, the Council approved the adoption of a new policy on the provision of grants to town and parish councils funded from a portion of the New Homes Bonus, including allocation of such grants for 2018/19 in the total sum of £65,500.

- 1.2 The report stated that *“the operation of the scheme for subsequent years will be determined by a review of the effectiveness of the arrangements in delivering the intended outcomes. That review will be undertaken during 2018/19 and will be reported to this Committee during that year.”*

2. Review of the policy on the provision of grants to town and parish councils.

- 2.1 In accordance with the grant policy a mid-year review statement has been requested from each grant recipient under the scheme in 2018/19. These are shown at Appendix B to this report.
- 2.2 Although the information provided varies considerably in the level of detail provided it is evident that the mid-year review statements generally confirm that the grants are being utilised in accordance with the terms under which they were awarded, and are consistent with the grant criteria as defined within the policy.
- 2.3 Consequently it is proposed that the scheme will continue for the 2019/20 financial year on similar terms to those for 2018/19.
- 2.4 For 2019/20 the total grant funding to be distributed will again be a figure equivalent to 5% of the latest estimate of the total New Homes Bonus income receivable by Fylde council for that year i.e. a sum of £68,950 in 2019/20. Grants will only be issued following receipt of a statement outlining how the grant is to be used. This must be in compliance with the approved scheme requirements as set out in paragraph 4.3 of the policy.
- 2.5 The operation of the scheme for subsequent years will again be determined by a review of the effectiveness of the arrangements in delivering the intended outcomes. That review will be undertaken during 2019/20 and will be reported to this Committee during that year.
- 2.6 To ensure consistency of reporting the grant policy has been amended to provide more definitive guidance on the reporting process.
- 2.7 The proposed policy is shown in full at Appendix A.
- 2.8 Subject to the agreement of this committee, adoption of the policy will be sought at the Council meeting of 10th December 2018.

IMPLICATIONS	
Finance	Financial implications are contained within the body of the report.
Legal	None arising from this report
Community Safety	None
Human Rights and Equalities	None arising from this report
Sustainability and Environmental Impact	None
Health & Safety and Risk Management	None

LEAD AUTHOR	CONTACT DETAILS	DATE
Paul O'Donoghue, Chief Financial Officer	01253 658566	October 2018

BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
n/a	n/a	n/a

Attached documents

Appendix A – Updated Policy on the provision of grants to town and parish councils

Appendix B – Mid-year Review returns from grant recipients in 2018/19.



**NEW HOMES BONUS:
POLICY ON THE PROVISION OF GRANTS
TO TOWN AND PARISH COUNCILS
2019/20**

1. What is the New Homes Bonus?

- 1.1 The New Homes Bonus (NHB) is a national initiative, introduced in 2011/12, which provides funding to principal councils (i.e. Unitary, County and District councils) in proportion to the increase in the number of homes in their area year on year. These may be newly built, conversions or empty homes being returned to use.
- 1.2 For every new home that is created in the Fylde borough the government gives the council a level of grant based on the national average Council Tax charge each year for a number of years (originally for six years but now reduced to five and then four years with effect from 2018/19).
- 1.3 Under the current national scheme the grant in Fylde's area is shared between the district council (Fylde Council) and the upper-tier authority (Lancashire County Council), with Fylde Council receiving 80% of the grant and the County Council 20%.
- 1.4 Local councils decide how to spend NHB. The grant is a non-ring-fenced revenue grant, which means it can be used for a variety of different projects or to support general expenditure.
- 1.5 New Homes Bonus is not new money. The government has reduced other funding (particularly the Revenue Support Grant) to local councils in order to create the necessary funding for the NHB scheme. Consequently it has been necessary for Fylde Council and many others to direct income from New Homes Bonus to compensate for and to balance out other cuts in government funding for Council services.

2. Purpose of this policy

- 2.1 Fylde Council is proposing to introduce a new initiative in which funding is allocated to town and parish councils to help alleviate the impacts of housing growth on local communities.
- 2.2 The initiative is to be funded from a portion of the New Homes Bonus income that is received by Fylde Council.
- 2.3 The purpose of this new policy document is to provide the framework for the proposed system of grant support to town and parish areas which have experienced above-average growth in housing numbers.

3. Commencement of the scheme and funding levels

- 3.1 The scheme commenced in the 2018/19 financial year and will continue in 2019/20.
- 3.2 The operation of the scheme for subsequent years will be determined by a review of the effectiveness of the arrangements in delivering the intended outcomes. That review will be undertaken during 2019/20.
- 3.3 For 2019/20 the total grant funding to be distributed will be a figure equivalent to 5% of the latest estimate of the total New Homes Bonus income receivable by Fylde council for that year i.e. a sum of £68,950.

4. The aims and objectives of this initiative

4.1 The scheme is intended to support new projects where there is a demonstrable need to assist in the provision of community amenities that are necessary because of growth in property numbers, and consequently an increase in the demand for local services, and that have tangible benefits for the community.

4.2 The broad objective of the policy can be summarised as:

“to provide grant support to town and parish areas which have experienced above-average growth in housing numbers.”

4.3 Specifically projects to be funded under this initiative should meet one of the following criteria:

- Schemes that develop community facilities;
- Schemes that address particular issues associated with housing growth;
- Parks and green space development schemes;
- Schemes to improve travel, public transport or car parks.

5. How grant amounts will be calculated

- 5.1 The grant distribution methodology will reflect relative growth in total property numbers in each town and parish area.
- 5.2 For the purpose of this initiative, the Valuation Office property data that is provided as at September each year for the purposes of calculating the New Homes Bonus amount for the following year, shall be the basis of defining property numbers, and thereby also property growth for the past year, for each area.
- 5.3 Grants will only be available to town and parish areas that have experienced property growth for the past year above a baseline of 0.4% (of the prior year total property numbers). This is to match the government threshold of 'expected annual growth' as represented in the revised New Homes Bonus 'baseline' that applies to Fylde Council and all other recipients of New Homes Bonus funding.
- 5.4 The total sum to be distributed to town and parish areas that have experienced growth above the 0.4% baseline level will be divided amongst those qualifying areas by reference to the absolute numbers of additional property numbers in excess of the 'baseline' level for each area in the preceding year.
- 5.5 Not all town and parish areas will experience growth in property numbers in every year. Some that do experience growth in property numbers may not exceed the 0.4% baseline threshold. As a consequence of the methodology for calculating entitlement to grants as set out above, not all town and parish councils will be eligible to receive a grant under this initiative in every year.
- 5.6 Using this methodology the town and parish council grant allocations for 2019/20, resulting from the distribution of the total sum of £68,950, are shown at Appendix A.

6. Grant notification and reporting

- 6.1 The sums to be distributed to town and parish areas for the next financial year will be scheduled for consideration and approval at a Council meeting such that the amounts to be provided to each qualifying town and parish council will be notified prior to completion of the budget-setting process.
- 6.2 In the case of individual grant awards in excess of £1,000, grant recipients are required to confirm how the grant is to be used in the form of a written statement in compliance with the approved scheme requirements (as set out in paragraph 4.3) prior to the release of funding.
- 6.3 Additionally in respect of grants in excess of £1,000, grant recipients are required to complete a mid-year statement to confirm how the grant has been (or will be) used. This information must be submitted by 30th September 2019 and must be in the form prescribed for this purpose. This will require completion of a 'Grant Mid-Year Review' pro forma that will be provided for this purpose. This information will be used to assess the success of the scheme relative to the stated intentions of the initiative and will be used to inform the decision as to whether the scheme will continue for the following year.
- 6.4 For Town and parish councils that may receive modest annual grant allocations as part of this initiative the annual allocations may be accumulated over a period of no more than 3 years in order to provide sufficient funding for a larger scheme to be undertaken than would be achievable using a single year funding allocation.
- 6.5 Grant funding from this initiative may be used as match-funding for other grant applications.

7. Governance and decision-making

- 7.1 Continuation of the scheme for the distribution of grants to town and parish councils to reflect housing growth shall be confirmed at a meeting of the full council.
- 7.2 A review of the operation of the scheme and the appropriate funding resource to be allocated to the scheme will be undertaken during 2019/20 by the Finance and Democracy Committee.

Appendix A

Town and Parish Councils New Homes Bonus Grant Allocations 2019/20

Town/Parish Council	Property numbers as at Sept 2017	Property numbers as at Sept 2018	Property numbers - change Sept 2017 to Sept 2018	Baseline level - 0.4% of taxbase	Property growth above baseline level	Grant Allocation to reflect property growth above baseline £
St.Annes	14,234	14,425	191	56.9	134	21,437
Kirkham	3,179	3,263	84	12.7	71	11,358
Medlar-with-Wesham	1,787	1,850	63	7.1	56	8,959
Bryning-with-Warton	1,853	1,914	61	7.4	54	8,639
Westby-with-Plumpton	754	806	52	3.0	49	7,839
Ribby-with Wrea	726	771	45	2.9	42	6,719
Staining	1,074	1,098	24	4.3	20	3,200
Freckleton	2,755	2,771	16	11.0	5	800
Sub-total - property growth excl. reductions					431	68,950
Little Eccleston-with-Larbreck	228	228	0	0.9	-1	Nil
Greenhalgh-with-Thistleton	187	187	0	0.7	-1	Nil
Weeton-with-Preese	364	364	0	1.5	-1	Nil
Elswick	462	463	1	1.8	-1	Nil
Treales, Roseacre & Wharles	194	193	-1	0.8	-2	Nil
Singleton	462	459	-3	1.8	-5	Nil
Newton-with-Clifton	1,135	1,135	0	4.5	-5	Nil
Unparished areas - Lytham	8,883	8,879	-4	35.5	-40	Nil
Total	38,277	38,806	529	153	376	68,950

NHB Grant Allocations to Town and Parish Councils 2018/19

Town/Parish Council	Grant Allocation £
St.Annes	14,035
Westby-with-Plumpton	12,476
Bryning-with-Warton	12,476
Kirkham	8,837
Medlar-with-Wesham	7,538
Ribby-with Wrea	6,498
Staining	1,560
Little Eccleston-with-Larbreck	1,040
Greenhalgh-with-Thistleton	780
Weeton-with-Preese	260
Total	65,500

New Homes Bonus: Grants to Town and Parish Councils 2018/19 –

Mid-Year Update Report

Town / Parish Council: Westby-with-Plumpton Parish Council

Grant Allocation for 2018/19 - £12,476

Proposed Grant Use (extract from grant usage declaration):

- “1. To allocate funding toward the development of a defibrillator unit*
- 2. The establishment of a local mini-bus service*
- 3. Maintenance and repair of the traditional finger signposts*
- 4. The possible establishment of a shelter located at a bus stop on Preston New Road”*

Please state in the box below how your grant allocation has been used to date to deliver the proposed objectives and/or what future plans are in place to utilise the grant within the current financial year.

1. Defibrillator unit now installed at Peel Corner within the telephone box that was purchased. Unit registered with NHS - £ 2500 allocated from the fund
2. Minibus service has been established since June 2018 serving the parish's lonely / elderly residents - £8000 allocated for the year
3. Audit of signage being completed and presented at September meeting
4. Awaiting actions from LCC relating to repair of existing shelters prior to committing any funds at this stage

Completed on behalf of Westby with Plumpton Parish Council by: David Kirkham (clerk)

New Homes Bonus: Grants to Town and Parish Councils 2018/19 –

Mid-Year Update Report

Town / Parish Council: St Annes Town Council

Grant Allocation for 2018/19 - £14,035

Proposed Grant Use: (extract from grant usage declaration):

- "1. Tree & shrub planting in various locations across the parish*
- 2. New boundary signs to improve the gateways into the town*
- 3. New town centre signage*
- 4. Updated town centre banners"*

St. Anne's Planting scheme - ongoing

This commenced in spring 2018 with a comprehensive planting scheme across 7 locations within the parish. The scheme was drawn up by Fylde parks department and is currently being rolled out according to the relevant planting seasons. Amy Docherty is ordering spring bulbs for the sites and they will be planted by volunteers. **Bulb costs £1706.**

Shrubs and large specimen trees will be purchased later in the year in time for the early winter planting season.

***Final shrub and trees costs not available yet – awaiting these from Fylde BC**

In addition to this scheme we have added large planted tubs at "gateway locations" i.e. Squire's Gate Lane, St. Paul's Avenue, Clifton Drive South and Smithy Lane.

Planted tubs including the containers, compost and plants / bulbs £2230.90

New boundary signs

These were installed by LCC in May 2018 – the wording is "Thank you for visiting St. Anne's" and the new sign panels are up at Queensway / Division Lane, St. Paul's Avenue, Clifton Drive South and Smithy Lane on the reverse of the existing "Welcome to St. Anne's" sign panels.

Signage costs £713.43 including installation by LCC.

New town centre signage

The street signs installed in 2015 are in need of a refresh / update. We are awaiting quotes from local signmakers for replacement panels to these signs.

Updated town centre banners

8 new banners (2 x 4 designs) were installed in July 2018. **Banners cost £1183.19 + £750 for installation.**

Please state in the box below how your grant allocation has been used to date to deliver the proposed objectives and/or what future plans are in place to utilise the grant within the current financial year.

Total of 2018 New Homes Bonus spent so far: £6583.52

We still have the town centre signage to refresh with no costs available at this stage and the trees and shrubs to pay for to complete the planting scheme.

* Estimated trees cost £4911.50. Estimated shrubs cost £226.80. These prices are subject to confirmation at time of ordering by Fylde BC.

Completed on behalf of ...St. Anne's On Sea.....Town/Parish Council by:.....Sarah Dunn.....

New Homes Bonus: Grants to Town and Parish Councils 2018/19 –

Mid-Year Update Report

Town / Parish Council: Bryning-with-Warton Parish Council

Grant Allocation for 2018/19 - £12,476

1. Street wise Project – as attached

2. CCTV/security Project

The Parish Council commissioned Black box Security Alarms Systems Ltd. from Chorley, to provide assessment and quotations for a scheme of the proposed coverage for the Village Centre.

This coincided with assessment and quote for a replacement CCTV scheme for coverage of Bridges Playing Fields and the Blackburn Pavilion as through FBC Community Safety the PC had been advised the existing CCTV was already failing and in need of replacement and the PC required additional cover for the Pavilion building to increase security of the site.

Following review of the security system installed by Kirkham Town Council by this provider and consideration of the scheme the PC decided to go ahead with the Bridges scheme which was installed last month. Unfortunately due to a delay in BT installing internet access the system is not yet fully operational for remote access, the part of which will vastly enable early review and hopefully intervention of issues arising. Some minor issues during darkness hours, given the site location, are being dealt with but early indications of picture quality, ease of system use, public reception to the initiative and the deterrent aspect are extremely promising.

Due to the priority aspect of replacement at Bridges it was decided that it would be prudent that consideration of purchase and installation of the Village Centre scheme should be pending successful and positive results from the Bridges scheme. It would obviously give Councillors a clearer idea of what the overall package provided in regard to quality and usefulness, it obviously covering a wider area etc., before committing the funding toward the Village Centre project, and affirm confidence in the providing contractor.

Purchase of the Blackburn Pavilion/ Playing fields is £4,850, excluding VAT, There is an annual maintenance charge of £150.00

The Quotation for the drafted scheme for the Village Centre system is £5,800, excluding VAT, Annual maintenance charge of £150.00 . There is the option to alter camera positions at any time and extend coverage on the system with additional cameras once it is installed.

It is hoped the PC will be in a position to consider progressing with Village Centre system in the forthcoming month.

Mid/End point Progress Report

No. of staff: 2 **Qualifications:** Level 6 & 2 Youth Workers **CRB Checked:** Y/. **Time Allocation:** 4 hrs per week

Background Data

- Warton encompass a rapidly increasing social community. A large proportion within demographics are long standing residents who have witnessed various forms of ASB over the years. **This is underpinned by PCSOs and the Police feedback.* Although these incidents are wide ranging and include criminal assault and vandalism to local property, recorded evidence would suggest that a small number of families (around 5) are responsible for much of the serious elements of anti-social behaviour that goes in in the village.
- Youths are often seen loitering at several locations including rear book exchange building and local bus shelter

Methodology

Streetwise work proactively and reactively with young people in Warton. Proactive work is mainly with the younger children but not exclusively. Session activities are young person centred and start 'low key' in order to gain participant's trust and respect.

Overall Aim

- To reduce the significant amount of anti-social behaviour initiated by young people in Warton, specifically targeting 'hot spot' areas: 1. Book Exchange area – (PR4 1XB) 2. McColl's area (PR4 1YA 3). Butlers Meadow area (PR4 1XQ)
- To increase the footfall of Bridges amenities.

Specific Objectives

- To use local intelligence to identify potential 'hotspots' where anti-social behaviour is most prevalent and provide appropriate out-reach support to develop positive relationships with young children and youths between the ages of 5-19 (e.g. youth workers to initiate impromptu sporting activities to gain the trust of young people).
- To offer young people in Warton a multi-skills outdoor environment that will celebrate personal achievements and promote individual reflection that is linked to demonstrating appropriate positive behaviour in their local community.

6 monthly Evaluation of Aim & Objectives - Project Outcomes

- Baseline data via UK crime statistics suggest a consistent level of ASB in designated areas.
- As identified previously - McColl's, the Book Exchange, Butlers Meadow and Bridges playing field are significant areas of social need that have been targeted so far. Successful Streetwise support has largely removed the need for out-reach support in all but one area – Bridges Playing field. This is reflected by the following statistics:

Postcode *(Crime within 1 Mile)	Location	ASB March (Pre- intervention)	Start date ASB 17 th April	ASB May	ASB June	ABS July	ABS Aug
PR4 1XB	Book Exchange	23	11	13	18	No data	No data
PR4 1YA	M'colls area	24	9	13	20	No data	No data
PR4 1TP	Hillock Lane	24	8	13	20	No data	No data
PR4 1XQ	Butlers Meadow	24	10	13	20	No data	No data
Engaged Youth			73	156	208 39hrs inv	256	221 57hrs inv

Fig 1. Source UK Crime stats to June 2018 At the time of writing this report, no Crime data has been announced for July and August*

- (iii) Over the period from 17th April to 28th August 2018, 914 young people were actively engaged at Bridges playing field, mainly playing football. Football is proven to be the main activity of engaging the 11-19 cohorts. This concept was also used as a platform for young people to explore several projects including; musical youth, boxing and generic streetwise youth club Friday sessions. It is suggested applied methodology contributed to improving aspects of behaviour in the local community. *As reflected in Fig 1.*
- (iv) Due to better communications and build-up of trust with the youths, 12 'significant youths' are regularly participating in pool, boxing and drums sessions at Streetwise that otherwise maybe involved in ASB activity

Overall comment.

1. Generally, Streetwise "Engaged" project is going well considering limited funding and there is good progress in meeting objectives 1 & 2. Additional funding for more hours would increase impact and breadth of Project Aims and Objectives. Urgent requirement has been identified for 'additional need training' to support all young people's personal development. For this reason, Streetwise will approach Community Action Fund (CAF) to accommodate extra manpower to for positive activities over the summer break and 3 weeks term time, in addition, appropriate training will be sourced by several training providers including UR potential in Blackpool.
2. It is duly noted re: fig 1. ASB for June had a surge (in comparison to previous 2 months). It is suggested that this may have correlation to a sequence of incidents executed by a known re-offender who we now believe has recently been incarcerated.

Session Evaluation – Date _June-August 2018

Aim	Objective	Method	Outcome
To reduce the significant amount of anti-social behaviour by young people in Warton, including: assault on peers, damage to property and acting disrespectfully towards older residents.	(iii) To offer young people in Warton a multi-skills outdoor environment that will celebrate personal achievements and promote individual reflection by actively participating in an age appropriate football session and making links to other social situations.	To organise a football match for young pupils aged between 5-19 and find out who has difficulty keeping to 'rules' respect to the referee and to one another	6 out of 10 young people improved their ability to keep to the game rules when they had not been able to do this before. 7 out of 10 of group understood the link between keeping game rules and acting responsibly in other social situations.

In celebration of a successful project, Streetwise has arranged several activities including; trip to Laser Quest – inflatable Fun day and overnight camp out BBQ. Youth Workers hours for these events (and additional activities during the programme) will be spent against hours Streetwise will continue to engage with youths as schedule until 21st September 2018. It is hope at which point funding will be sourced to continue the project.

New Homes Bonus: Grants to Town and Parish Councils 2018/19 – Mid-Year Update Report

Town / Parish Council: Kirkham Town Council

Grant Allocation for 2018/19 - £8,837

Proposed Grant Use (extract from grant usage declaration):

Kirkham Town Council are undertaking an additional installation to their arts trail which will be installed in October 2018 to commemorate the WW1 Centenary. The installation will depict the story of our men leaving Kirkham for War and feature a display of 500 poppies tumbling down the rockery behind the cenotaph.

Please state in the box below how your grant allocation has been used to date to deliver the proposed objectives and/or what future plans are in place to utilise the grant within the current financial year.

Kirkham Town Council are expecting to spend the New Homes Bonus allocation before the end of October when the Arts feature will be installed.

The cost for the installation is- 17,500

And will be funded by NHB- 8,837

KTC- 4,000

Poppy sales- 5,000

Surplus funding will be used on an inter-generational collecting stories project run by Fylde Coast Youth Theatre.

Completed on behalf of Kirkham Town Council by:

Emma-Jo Duffy (Town Clerk)

New Homes Bonus: Grants to Town and Parish Councils 2018/19 – Mid-Year Update Report

Town / Parish Council: Medlar-with-Wesham Parish Council - Grant Allocation for 2018/19 - £7,538

Proposed Grant Use (extract from grant usage declaration):

- "1. Replace existing the Fencing between Fleetwood Road Playing Fields and the Bordering Allotment site*
- 2. Work behind the Pavilion at Fleetwood Road Playing Fields removing/cutting back ivy*
- 3. Install stone path from existing tarmac path to dog walking area on Doorstep Green, Derby Road."*

Please state in the box below how your grant allocation has been used to date to deliver the proposed objectives and/or what future plans are in place to utilise the grant within the current financial year.

Prior to being notified by Fylde Borough Council of the award of £7,538.00 under the New Homes Bonus Allocation (NHBA) Medlar-with-Wesham Town Council (MwW TC) had formulated a scheme for the Fleetwood Road Playing Fields with S106 monies from the Rowland Homes Development. However, this funding received did not allow MwW TC to implement the full scheme on their wish list. The award of the NHBA allowed for additional works to be carried out, in the form of the removal of a badly deteriorating fence bordering both the playing fields and the allotments with a new metal fence. At the same time the area behind the Sports Pavilion was levelled and stone laid to make better use of this area. The sum allocated to this works was £6188.00.

MwW TC had also committed monies from reserves for the purpose of making a secure area around the Pavilion. This included creating a fenced off area with an access gate into a compound adjacent to the pavilion which had been recently levelled and stoned. There is also an area adjacent to the children's play area, which has been excavated and stoned ready for picnic tables (these are currently on order). In addition 3 benches are to be installed and positioned around the footpath.

On Doorstep Green, Derby Road, Wesham, a new gravel path from the tarmac path to the dog walking area with a hard standing area has been installed. This was at a cost of £1350.00. MwW TC have in addition to the works funded from the NHBA have funded the cost of a new metal gate, installed into the existing fencing. A covered shelter for the dog walkers has also been provided.

The £6188.00 spent on Fleetwood Road Playing Fields improvements and the £1350.00 spent on Doorstep Green is the total allocation received under the NHBA scheme. The Town Council would like thank Fylde BC for the funding.

Looking to future projects which MwW TC are hoping to fund through future grants and from their own modest reserves, include a much needed tree planting scheme and a possible large rock lay out on both Fleetwood Road Playing Fields and Doorstep Green. We have ear-marked Doorstep Green as a priority the layout is an open invitation for anyone who wishes to set up camp there.

In the future MwW TC hope to install additional equipment to make Fleetwood Road Playing Fields play areas suitable for all age groups. This is much needed in the every expanding community.

Completed on behalf of Medlar-with-Wesham Parish Council by Cllr Peter Ball

New Homes Bonus: Grants to Town and Parish Councils 2018/19 –

Mid-Year Update Report

Town / Parish Council: Ribby-with-Wrea Parish Council

Grant Allocation for 2018/19 - £6,498

Proposed Grant Use (extract from grant usage declaration):

"To contribute towards the development of the Conservation Area – to enhance the area around the central green and make it more pedestrian-friendly."

Please state in the box below how your grant allocation has been used to date to deliver the proposed objectives and/or what future plans are in place to utilise the grant within the current financial year.

All funding has been allocated to a restricted reserve with the parish council for a scheme within the Conservation Area. Awaiting Paul Drinnan to forward scheme details

Completed on behalf of Ribby with Wrea Parish Council by: David Kirkham -Clerk

New Homes Bonus: Grants to Town and Parish Councils 2018/19 –

Mid-Year Update Report

Town / Parish Council: Staining Parish Council

Grant Allocation for 2018/19 - £1,560

Proposed Grant Use (extract from grant usage declaration):

"To improve the open space and wildlife area on the QEI field to encourage use by residents & by providing picnic tables, dog-waste bins & general litter bins as required."

Please state in the box below how your grant allocation has been used to date to deliver the proposed objectives and/or what future plans are in place to utilise the grant within the current financial year.

With regards expenditure to date, the parish council has utilized £1260 to date. The purchase of 2 x picnic benches sited on the public open space and also the purchase of 3 x dog 'poo bag' dispensers located within the village centre and areas where previously, there was an issue with dog fouling. The remaining £300 has been placed in a restricted reserve to refill the aforementioned dispensers on an ad hoc basis

Completed for Staining Parish Council by:...DAVID KIRKHAM - CLERK.....

New Homes Bonus: Grants to Town and Parish Councils 2018/19 – Mid-Year Update Report

Town / Parish Council: Little Ecclestone with Larbreck Parish Council

Grant Allocation for 2018/19 - £1,040

Proposed Grant Use (extract from grant usage declaration):

"This grant allocation will be used to contribute to the Village Improvement Plan which will fulfil the objectives of the development of community facilities and green space development."

Please state in the box below how your grant allocation has been used to date to deliver the proposed objectives and/or what future plans are in place to utilise the grant within the current financial year.

LITTLE ECCLESTON WITH LARBRECK PARISH COUNCIL

STATEMENT: NEW HOMES BONUS GRANT

3rd September 2018

The Parish Council received a New Homes Bonus Grant of £1,040.00, to be utilised within 2018/19.

The grant allocation was determined by the Parish Council to contribute to the Village Improvement Plan to develop community facilities and green space development.

The focus of the project in addition to keeping the village in a good order is to build community spirit and involvement in the maintenance and improvement of the village. This provides an opportunity for residents and local organisations to come together and help keep the environment and amenity areas of the village maintained to a high standard.

A fantastic amount of work has been undertaken by many volunteers who have worked together for the benefit of the community.

COMPLETED PROJECT TASKS TO DATE

Cartford Lane Corner

1. New fencing positioned to area.
2. Overhanging trees cut back and cuttings removed, behind the new fenced area.
2. Removal of large concrete white planter.
3. Laying of paving stones:
4. Positioning of cleaned boulders adjacent to the driveway
5. Position 3 new planting barrels, soil and plants

West End Blackpool Old Road

1. Turf areas flattened and edges completed.
2. Millennium stone cleaned.
3. Small planting bed created to the front and side of the Millennium stone
4. Paving slabs laid to seating areas
5. Railway sleeper planters made and positioned. Planters filled with shrubs and flowers.
6. Two new benches positioned and fixed to concrete base.

East End Blackpool Old Road

1. Trees and bushes cut back behind seating area
2. Millennium stone cleaned.

Showfield Entrance

New post and gates fitted (courtesy of the showfield committee).

Grass and weeds tidied

Trough planter position and filled with trailing flowers

Entrance to Gillow Park

1. Flag stones cleaned
2. New barrel planters positioned and filled with shrubs and flowers

FINANCIAL SUMMARY

To date, the Village Improvement Fund budget demonstrates an expenditure of £4201.04

Items of expenditure include:

- Fencing materials
- New benches
- Railway sleepers
- Shrubs, plants and soil
- Barrels containers
- Information leaflets to generate interest of community

As originally stated in the Parish Councils application for the New Homes Grant, these monies would be used to contribute to the Village Improvement Plan and are now considered to have been "spent".

The Village Improvement is ongoing and fundraising continues. The community group entered the village into the Best Kept village competition this year, and have recently been informed that Little Eccleston has been selected to go through to Final Judging for the Best kept Village Competition 2018

Completed by: Jane Lingings - Clerk to the Parish Council, Little Eccleston with Larbreck Parish Council

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	FINANCE AND DEMOCRACY COMMITTEE	26 NOVEMBER 2018	7
COMMUNITY PROJECTS FUND			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

The Community Projects Fund (CPF) was previously financed from legacy funding earmarked for this purpose by the former Local Strategic Partnership (LSP). This legacy fund ended in 2016/17. For 2017/18 funding in the sum of £25k was approved as a revenue growth item for that year only. Similarly For 2018/19 funding in the sum of £20k was approved as a revenue growth item for that year only. This report requests that a revenue budget growth item be presented as part of the budget-setting consideration for 2019/20 in the sum of £20k per annum for each year from 2019/20 onwards. The determination of revenue growth items will be made as part of the budget-setting Council meeting in March 2019.

The current process and criteria for the fund has continued from when it was part of the LSP. At the Finance and Democracy committee meeting, held on 25 June 2018, it was resolved to appoint Councillors Buckley, Mulholland, Oades, Redcliffe, Singleton and Fazackerley to a working group to consider the *principle and criteria* of the Community Projects Fund.

This report details the recommendations from the Working Group.

RECOMMENDATIONS

1. The Community Projects Fund should continue going forward and the bidding criteria should link in with the council's Corporate Plan including value for money
2. That the Committee indicate its support that a revenue budget growth item to be presented as part of the budget-setting process for 2019/20 in the sum of £20k per annum for each year from 2019/20 onwards to provide continued funding for the Community Projects Fund.
3. That the fund is open to local community based, non-political groups, to apply for within the confines of the Borough
4. That annual reporting on the Community Projects Fund be made to the Finance and Democracy Committee
5. Sarah Dunne, Relationship Manager with Active Lancashire to be appointed to the join the Community Projects Fund Panel, which should otherwise remain comprised as present
6. A group of internal officers be established to act as a Community Projects Fund sounding board to offer assistance and feedback to applicants and panel members
7. A draft scoring matrix be trialed for the larger funding bids by the Panel
8. That the window for submitting applications be removed, but retain a closing date for submissions
9. That the availability of the fund is widely publicised to community groups via a social media campaign supplemented by written information and attendance at events as appropriate.

SUMMARY OF PREVIOUS DECISIONS

Finance & Democracy Committee – 25 June 2018

CORPORATE PRIORITIES

Spending your money in the most efficient way to achieve excellent services (Value for Money)	✓
Delivering the services that customers expect of an excellent council (Clean and Green)	✓
Working with all partners (Vibrant Economy)	✓
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	✓
Promoting Fylde as a great destination to visit (A Great Place to Visit)	✓

REPORT

1. At the Finance and Democracy committee meeting, held on 25 June 2018, it was resolved to appoint Councillors Buckley, Mulholland, Oades, Redcliffe, Singleton and Fazackerley to a working group to consider the principle and criteria of the Community Projects Fund and to make recommendations thereon to the Finance and Democracy Committee.
2. The Working Group met on 21 September 2018. The notes from the meeting are attached as an appendix to this report.
3. A summary of the recommendation from the working group are :-
 - The Community Projects Fund should continue going forward
 - Criteria should link in with the council's Corporate Plan including value for money
 - That annual reporting on the CPF be made to the Finance and Democracy Committee
 - Sarah Dunne, Relationship Manager with Active Lancashire to be appointed to the join the Community Projects Fund Panel, which should remain comprised as present
 - A group of internal officers to offer assistance and feedback to applicants and panel members on applications
 - A draft scoring matrix to be put to the panel members for their trial use
 - That the window for submitting applications be removed, but retain a closing date for submissions
 - Publicity options be pursued via a social media campaign supplemented by written information and attendance at events as appropriate

IMPLICATIONS

Finance	This report requests that the Committee indicate its support of a revenue growth bid for 2019/20 onwards in the sum of £20k per annum to provide continued funding for the Community Projects Fund. The determination of revenue growth items will be made as part of the budget-setting Council meeting in March 2019.
Legal	No direct implications
Community Safety	No direct implications
Human Rights and Equalities	No direct implications
Sustainability and Environmental Impact	The fund offers the opportunity to community groups to access funding to sustain local projects
Health & Safety and Risk Management	No direct implications

LEAD AUTHOR	CONTACT DETAILS	DATE
Tracy Manning	tracy.manning@fylde.gov.uk	30 October 2018

BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Finance & Democracy Committee	25 June 2018	Minutes from F&D meeting

Attached documents
Community Projects Fund Working Group Notes



Notes

Community Projects Fund Working Group

Date:	21 September 2018
Venue:	Reception Room, Town Hall, St Annes.
Present:	<u>Councillors</u> Karen Buckley Richard Redcliffe John Singleton Sue Fazackerley MBE <u>Officers</u> Tracy Manning, Jo Collins, Ian Brookes
Note Taker:	Sharon Wadsworth

1. Background

The Community Projects Fund (CPF) was previously financed from legacy funding earmarked for this purpose by the former Local Strategic Partnership (LSP). This legacy fund ended in 2016/17 upon which the then mayor, Councillor Akeroyd, made a request to the Budget Working Group for an annual budget in the region of £25k to be provided directly by the council. In 2017/18 the F&D Committee allocated an annual budget of £20k to the CPF and set up this working group to consider the principle and criteria of the CPF before releasing any future funds.

The current process and criteria for the fund has continued from when it was part of the LSP. Jo Collins has been involved in the administration of the fund since LSP, Tracy Manning became involved in the last five years and Ian Brooke's role has been working with community groups and as such has been involved in a number of funding requests.

Applications for the fund itself are determined by a group of individuals comprising the Community Projects Fund Panel. The membership of the Panel is covered in more detail below.

2. Principle of Fund

Councillor Buckley posed the following question for debate "Do we want to provide a fund for community groups to bid for?"

Feedback from the group was that the funding was a lifeline for smaller groups, good for one off projects, has a positive impact on the local communities and was good for the Council to be seen to be helping small community groups in the area.

It was concluded that in principle the CPF should continue.

3. Criteria of Fund

There are two elements to the fund:-

- 1) Smaller fund for Non-Match Funded Grants – up to £300
- 2) Larger fund for Match Funded Grants - £300 to £2000.

Both funds require an application form to be completed.

Applications to the smaller fund can be made at any time and is decided by panel members remotely. Time scale for the smaller fund is approximately one week.

Notes from Community Projects Fund Working Group – 21 September 2018

Applications to the larger fund are only dealt with during bidding rounds (3 per year). Evidence is required including constitution of the group, bank account and funds held. Shortlisted applications are invited to present their request to the panel.

There is a list on the council website giving examples of what may be funded and what will not be funded. There may only be one application made per year per community group/project and the panel's decision is final. There is no weighting applied to any of the types of criteria.

It was considered that the criteria should tie in with the council's Corporate Plan. These are mentioned on the website but suggested that they are reworded to reflect those in the plan and also to link the section to the plan itself. All requests must also meet the criteria for value for money.

The Working Group discussed the appropriateness of town/parish councils being on the list *excluding* them from applying for the fund. The group agreed that this was appropriate. This would not exclude community groups operating within localities that had their own constitution and used their respective town/parish council as an accountable body, but should exclude applications direct from Town and Parish Councils as the fund was directed at community based groups.

4. Panel Members

The panel has mainly remained unchanged from when it was the LSP and comprises:

Bernard Whittle – Independent (Community Safety Partnership Chair), Michele Scott – Community and Voluntary Sector, Inspector Mick Jones – Lancashire Constabulary, Mayor of Fylde and Tracy Manning – Fylde Council.

Consider – Are panel members representative of the community?

The group discussed the panel and considered that the existing panel members offered a broad spectrum of experience. Some panel members had been involved since the inception of the Panel and with this came wisdom of experience in understanding what had gone before in terms of applicants and applications. It was agreed that the panel should remain comprised as present but the general consensus was that it would be invaluable to have a representative from the health sector. It was noted that the clinical commissioning group had previously been panel members but due to changes they were unable to provide consistent representation. Ian Brookes offered to approach Active Lancashire for representation for the health sector.

(Following the meeting Mr. Brookes approached Active Lancashire and received confirmation that Sarah Dunne, Relationship Manager for this area, was happy to be on the panel).

5. Audit and Feedback on Process

An internal audit had been undertaken on the CPF process. Feedback from the audit was positive and the Audit Team were satisfied with the process. The Audit Team suggested that regular (annual) reporting on the CPF could be made to the parent committee, Finance and Democracy, and this was agreed.

Applications for the larger fund are presented to the panel face to face. The panel discuss the requests following the presentations. If the application is refused the reasons are always given and if applicable advice is given for future bids.

Ian Brookes had received feedback from some applicants stating that they felt nervous presenting to the panel face to face.

Although the process is made as informal as possible it was acknowledged that not everyone would feel entirely comfortable in making a face-to-face application.

Following discussion, and in conclusion, members

Members felt the larger fund applications should still be presented to the panel face-to-face with the panel members taking an informal approach as possible during presentations. It was suggested that applications could be circulated to a relevant group of internal officers (i.e. those involved in parks, sports, tourism, and health) for them to offer assistance and feedback to the groups and panel on the merits of the application. They would also be in a position to help groups locally with signposting. Consideration was also given to the introduction of a scoring matrix for the panel. An example of areas to be considered was attached to the agenda. The pros to introducing a matrix system would be that it was objective, provide better feedback and transparent. The group were in agreement with the potential introduction of a matrix so long as it was not going to be onerous and

Notes from Community Projects Fund Working Group – 21 September 2018

would still enable and promote a discussion between the panel members. The matrix could be completed by Jo Collins as administrator and be based on the panel's final discussions.

It was agreed that the suggestion of a scoring matrix be put to the panel members for their trial and comments.

Finally, feedback had been received from applicants that the window for submitting applications is restrictive. The group discussed the alternatives and suggested that the window for submitting applications could be removed. This would mean that applications for the larger fund could be submitted at any time. There would still be 3 panel meetings per year and there would be a cutoff date for final submission of applications for each sitting. Any applications received after the cutoff date would go forward to the next panel meeting. If a large number of applications was received in an intervening period, consideration could be given to holding an additional panel meeting.

6. Publicity

Publicity for the fund was discussed, with options considered of how to better raise awareness of its availability. Options to better publicise the fund were identified as:

- use of social media
- tourist trailer
- Poster/flyers for town/parish councils to display and disseminate information in their communities.
- gathering and using feedback from projects that had received funding – monitoring forms are sent after six months for the larger fund.
- community morning – annual event for group to come and showcase their achievements.
- bi Annual audit
- encourage groups to accredit the Council/ CPF for funds received.

It was agreed that publicity via social media and flyers would be used in the first instance, and the opportunity could be taken to attend any relevant networking events to promote the fund.

7. Recommendations

Summary of recommendations:-

- The Community Projects Fund should continue going forward
- Criteria should link in with the council's Corporate Plan including value for money
- That annual reporting on the CPF be made to the Finance and Democracy Committee
- Sarah Dunne, Relationship Manager with Active Lancashire to be appointed to the join the Community Projects Fund Panel, which should remain comprised as present.
- A group of internal officers to offer assistance and feedback to applicants and panel members on applications
- A draft scoring matrix to be put to the panel members for their trial use
- That the window for submitting applications be removed, but retain a closing date for submissions
- Publicity options be pursued via a social media campaign supplemented by written information and attendance at events as appropriate

Documents



Working Group
agenda.doc

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	FINANCE AND DEMOCRACY COMMITTEE	26 NOVEMBER 2018	8
PARISH COUNCIL ELECTION RECHARGES			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

The council currently recharges the cost of parish council elections to the parish council concerned using a methodology that takes into account the cost of providing polling stations for each election and divides most other costs equally between the parishes that are holding an election. The charges are only applied in this way when an election is contested within a Town and Parish council area.

The District Parish Liaison (DPL) recently considered an alternative methodology for recharging the costs of parish council elections. The alternative methodology decreases the overall costs charged to parish councils and correspondingly increases the element of those costs to be borne by the borough council. The District Parish Liaison (DPL) group have asked the committee to consider changes in the way that the costs are allocated amongst the parish councils, so as to lessen the burden on smaller parishes.

RECOMMENDATIONS

1. Replace the present methodology for calculating recharges for parish council elections with the methodology as set out in paragraph 9 based on electorate numbers;
2. Charge a fee of £100 to a parish where an election is uncontested to cover the known cost of the administration of the election;
3. Agree that the recharge methodology and the amended fee arrangements are piloted for the May 2019 elections and thereafter reviewed by the Democratic Services team with a report to committee on the effectiveness of the pilot being presented to a subsequent meeting of this Committee.

SUMMARY OF PREVIOUS DECISIONS

Finance and Democracy Committee, 26 September 2016: Considered two alternative methodologies for apportioning parish council election costs. One alternative shared all costs equally across the number of contested parishes or parish wards, and the other apportioned costs according to the size of the electorate. Neither alternative changed the global amount of costs to be borne collectively by the parish councils. Resolved to continue to recharge the cost using the present methodology.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services (Value for Money)	√
Delivering the services that customers expect of an excellent council (Clean and Green)	
Working with all partners (Vibrant Economy)	√
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	
Promoting Fylde as a great destination to visit (A Great Place to Visit)	

REPORT

1. The costs of holding an election for a parish councillor are met by the borough council as the administrative body, but they can be recharged to the parish council concerned¹. Fylde Council recharges the whole cost of parish elections or, where parish elections are combined with other polls, the whole of the element of the combined polls that is deemed to be attributable to the parish council elections. For example, where the parish elections are combined with borough council elections, the element of the combined costs that is deemed to be attributable to the parish elections is one half. Where the parish poll is combined with borough council and parliamentary elections, the element of the combined costs that is deemed to be attributable to the parish elections is one third.
2. The methodology used in calculating how the recharge is divided between parish councils is set out below. Members should note that the costs are only divided between the parishes and parish wards where there is a contested election.

Element of recharge	Method of calculation
Polling station	Actual costs incurred in the parish or parish ward in question (these include hire costs for portable polling stations, as well as staff costs)
Poll cards	Divided equally between each contested parish or parish ward
Absent voting	Divided equally between each contested parish or parish ward
Count	Divided equally between each contested parish or parish ward
Clerical	£16.55 per 500 electors or part thereof in each contested parish or parish ward
Returning officer	£75 per contested parish or parish ward

Clerical and Returning Officer's fee agreed in 2007, increases over time due to pay award.

3. Where an election is uncontested, a fee of £35 is currently charged to cover administrative expenses, this fee has not been reviewed since Fylde was established in 1974, officers have taken the opportunity to review this fee taking into account the resources required even if there is ultimately no election.

PARISH COUNCIL CONCERNS

4. Parish councils, through the DPL, have expressed concern about the impact of election recharges on their budgets. The last parish council elections (excluding any by-elections) were held in May 2015. The polls were combined elections, in that parliamentary, borough council and parish council elections were held on the same day. There were ten contested elections for parish councils or parish council wards in Fylde. This level of competition was the highest for many years. Consequently, a number of parish councils who had not in recent times had to meet the cost of elections were faced with recharges.

¹ Representation of the People Act 1983, section 36(5)

5. Parish councils do not have any control about whether or not their seats will be contested and, in any event, local democratic engagement is to be encouraged².
6. A particular concern raised by the DPL has been the cost elements (poll cards³, absent voting and count) where charges are divided equally between contested parishes and parish wards. The concern is that the smaller the number of parish councils or parish wards in which there is a contested election, the greater the proportion of those costs which are allocated to each contested parish council or parish ward. This is seen as being particularly inequitable where there are combined polls, because in those cases the global amount of those cost elements is influenced by the costs of the other polls and not just by the parish council election costs.⁴ As a consequence parish councils do not have a known cost for an election, if indeed they have an election, which makes budget setting difficult.
7. The issue has been discussed on a number of occasions at the DPL where matters between parishes and the Borough are addressed, the Leader of the Council and the Chief Executive represent the Borough at the DPL and have contributed to the discussion providing advice and comparison data. The protocol is to consult with town and parish councils whenever decisions are made at either level of local government that impact on each other i.e. grant allocations, asset transfers etc. The current method of recharging for parish elections has been in place for many years, whilst the methodology was confirmed by this committee in 2016, there is no record that the methodology had been subject to consultation through the DPL. As a consequence of several parish councils having elections in 2015, and subsequently receiving recharges, which had previously not had contested positions, a request was made to discuss the matter at the DPL.

PROPOSED ALTERNATIVE METHODOLOGY

8. After discussing the matter of election recharges on a number of occasions an alternative method for recharging was proposed and supported by the DPL at the meeting on October 24th 2018. The alternative methodology would, if applied to the most recent parish elections in 2015, have resulted in the global recharge to the parish councils (and therefore the income to the borough council) being reduced by £11,817 (49%) compared with the present methodology. The DPL discussed and compared charges and methodology in other parish areas, there is no nationally prescribed method and no legal requirement to have a recharge in place. Almost all other areas compared do have recharges in place with many having set fees so that the parish know in advance what the cost of the election would be and can budget for it. There is no legal requirement to set a recharge but the District is entitled to set one and the parish is required to pay the recharge.
9. The alternative methodology proposed through the DPL simplifies the basis for the recharges by using the size of the eligible electorate, divided into bands. For the first 1,000 electors on the electoral roll for the parish or parish ward, the recharge proposed would be £500. For each subsequent 500 electors the proposal is for an additional £250. So a parish or parish ward with 1,700 electors would be recharged £1,000 (500 plus two times 250) under the proposal made by the DPL.
10. The table below compares the charges made to parish councils under the present methodology in 2015 to the charges that would have been made using the alternative methodology proposed by the DPL.

² See, for example, beacouncillor.co.uk, a campaign run by the Local Government Association.

³ Where polls are combined, poll cards were mandatory. Where a parish council election is held as a standalone poll, the parish council can decide whether or not to have poll cards issued.

⁴ A hypothetical illustration may assist. If the parish elections are not combined with other polls, and only two parish councils have contested elections, and the costs of the count are £500, the charge to each of the two contested parish councils would be £250. But if the parish elections had been combined with another election, and the overall cost of the count was £10,000, the charge to the two parish councils would, on the face of it, be £2,500 (half of the cost of the count, divided between the two parish councils).

Parish or parish ward		Existing methodology	New methodology Based on DPL proposed fees
	Electorate		
Bryning with Warton	2859	£2,343.67	£1,500.00
Elswick	883	£2,089.71	£500.00
Freckleton West	2280	£2,296.02	£1,250.00
Little Eccleston with Larbreck	351	£2,695.34	£500.00
St Annes: Ashton	3641	£2,514.67	£2,000.00
St Annes: Central	3168	£2,446.68	£1,750.00
St Annes: Kilnhouse	3249	£2,366.79	£1,750.00
St Annes: St Leonards	3405	£3,224.64	£1,750.00
Weeton with Preese	460	£2,021.49	£500.00
Westby with Plumpton	1122	£2,067.92	£750.00
Grand total		£24,066.83	£12,250.00
Additional Cost to be absorbed by Borough Council			£11,816.83

11. The DPL consulted parish councils on the alternative methodology and all twelve of the parish councils who have responded to date support the alternative methodology.

CONSIDERATION

12. Neighbouring authorities across Lancashire have a range of methodologies for recharges. For example Preston and Wyre use a similar formula to the current method at Fylde; where a Parish election takes place as part of a combined election the recharge be reduced by either 50% (two elections) or 67% (three elections). For a full election in the absence of any other election the recharge is 100%.

West Lancashire have a set fee of £120 per ward, irrespective of whether the election is contested or otherwise. This doesn't cover costs and the Borough subsidises a significant amount of the costs.

Lancaster recharges are restricted to the costs of printing ballot papers and postal ballot packs based on electorate size. Lancaster charge no fee for staffing polling stations or for building or room hire, which the City Council covers.

Most authorities have a fee in place for dealing with uncontested elections ranging from £100 - £120 to cover the cost of notices and dealing with nominations. There is no set methodology and there is no requirement to recharge the cost of parish elections.

13. Calculating the recharges on the basis of the size of the electorate, in bands, is a simpler and more transparent method of passing on the charges associated with running parish council elections. This method would also require significantly less time and resources in the Elections Team compared to the current

recharging method, a known cost in advance of the elections removes the need for detailed allocations based on ballot papers, postal votes, stationery and poll station differences.

14. Members are asked to consider the proposed methodology put forward by the DPL (included in paragraph 9 of this report) and if adopted to introduce the new methodology for the May 2019 elections.
15. The committee is also asked to confirm an increase in the nominal recharge to £100 to cover administrative expenses in the event of an uncontested election on the grounds that this charge has not changed for many years and is a more accurate reflection of the administrative costs incurred.
16. The precise financial effect of the change in recharges in any election year will depend on the number of parish councils and parish wards with contested elections. These would be appropriately addressed through the annual budget rightsizing process.

IMPLICATIONS	
Finance	This report presents a revised methodology for the recharging of election costs to parish councils such that Fylde Council would recover a lower reimbursement of costs from the parish councils. Approval of the proposal produce financial effects which would be most appropriately addressed through the annual budget rightsizing process.
Legal	The parish councils are obliged to pay the recharge decided by the council though there is no legal requirement to set a charge.
Community Safety	None arising from this report
Human Rights and Equalities	None arising from this report
Sustainability and Environmental Impact	None arising from this report
Health & Safety and Risk Management	None arising from this report

LEAD AUTHOR	CONTACT DETAILS	DATE
Ian Curtis	01253 658506	5 November 2018

BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Spreadsheet containing the figures in paragraph 8	19 April 2018	Town Hall, Lytham St Annes

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
DEVELOPMENT SERVICES DIRECTORATE	FINANCE AND DEMOCRACY COMMITTEE	26 NOVEMBER 2018	9
COASTAL REVIVAL FUND BID : ST ANNES PIER			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

In the Spring of this year, the Department of Housing, Communities and Local Government extended an invitation for local authorities or partnerships to submit bids for up to £50,000 from the Coastal Revival Fund. This would offer the opportunity to bid for grant aid towards identified schemes for the restoration of *heritage features or artefacts* that would assist in the regeneration or enhancement of seaside resort towns.

The Regeneration Team had been in discussion with the St. Annes Pier Company about potential enhancements to the Pier, particularly in the context of ensuring its long term future. Through these discussions, the opportunity was taken to put forward a bid for grant aid for both necessary works and enhancement opportunities to match the financial commitments of the Company.

The Bid was duly submitted in early July and a decision is expected at the end of October, which would identify the winners of this national competition. The bid value is £48,100.

The fund is highly competitive but if successful, the award would need to be administered by an 'accountable body' to ensure its correct appropriation. This Council would be the appropriate 'authority'.

The Government Department has requested that confirmation be given that this Council would act as the accountable body should the bid be successful.

This report was considered by the Planning Committee on 14th November 2018. The Committee resolved to recommend to the Finance & Democracy Committee the approval of a fully funded addition of £48,100 to the Councils 2018/19 Capital Programme towards the restoration of St. Annes Pier to be met from a grant from the Coastal Revival Fund of the same amount.

The Committee further agreed that, subject to approval of the addition to the Capital Programme by the Finance and Democracy Committee as described above, the delivery of the project is to be achieved through the engagement of consultants/contractors and suppliers to deliver the various elements of the project in line with the Councils financial regulations and contract rules and procedures.

RECOMMENDATIONS

The committee is requested:

1. To approve that the Council may act as the accountable body for the delivery of the scheme in the total sum of £48,100 should the bid be successful;
2. To approve a fully funded addition of £48,100 to the Councils 2018/19 Capital Programme towards the restoration of St. Annes Pier to be met from a grant from the Coastal Revival Fund of the same amount should the bid be successful; and
3. To note that the delivery of the project is to be achieved through the engagement of consultants/contractors and suppliers to deliver the various elements of the project in line with the Councils financial regulations and contract rules and procedures.

SUMMARY OF PREVIOUS DECISIONS

On the 14th November 2018 following a report on the Coastal Revival Fund Bid : St Annes Pier the Planning Committee resolved–

1. That should the bid be successful, Committee recommend to the Finance & Democracy Committee the approval of a fully funded addition of £48,100 to the Councils 2018/19 Capital Programme towards the restoration of St. Annes Pier to be met from a grant from the Coastal Revival Fund of the same amount.
2. To agree that, subject to approval of the addition to the Capital Programme by the Finance & Democracy Committee as described above, the delivery of the project is to be achieved through the engagement of consultants/contractors and suppliers to deliver the various elements of the project. Should the Council commission any aspect of the works, these be procured in line with the Councils financial regulations, contract rules and procedures.
3. To recommend to the Finance and Democracy Committee the release of funding as appropriate commensurate with the various stages of the implementation of the scheme.
4. That this Council acts as the accountable body for the receiving and management of the grant.

CORPORATE PRIORITIES

Spending your money in the most efficient way to achieve excellent services (Value for Money)	√
Delivering the services that customers expect of an excellent council (Clean and Green)	
Working with all partners (Vibrant Economy)	√
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	√
Promoting Fylde as a great destination to visit (A Great Place to Visit)	√

REPORT

1. The Coastal Revival Fund has been a Government initiative for a number of years. The 2018/19 round has a total value of £1m. Bids were invited for grant aid assistance with projects that are advanced and could be delivered in the current financial year. For some time, discussions have been taking place periodically with the Pier Company and its trustees about the future of the Grade II listed structure. To the credit of the Company, a programme of repair and refurbishment has been carried out over a number of years. However, as the structure ages, the demand for continued maintenance increases. Funding for these works is solely generated by tenant concessions and other income e.g. through car park fees.
2. The Council has cooperated with the Pier Trustees on previous occasions, one example being the scheme to enhance the external appearance of the car park, paving and illumination of the entrance pavilion for the hosting of the 2012 Open.
3. The demand for maintenance inevitably increases but also the opportunity for enhancement should be taken. The bid, which was of course endorsed by the Trustees, is effectively a balance between routine but essential maintenance but also the opportunity taken to add to the amenities of the Pier including enhancing its setting and Victorian character.
4. The attached document (Appendix 1) is a copy of the bid that sets out in much more detail the principles of the proposed scheme. It should also be noted that the grant aid bid, if successful, forms only part of the projected capital spend proposed for the Pier over the next few years. From this point of view, the award would essentially be a grant towards a larger programme of investment. The net result would be one of bringing forward necessary maintenance but also achieving a small number of enhancements which otherwise might not be a priority. It was considered, during the formulation the bid, that the additionality of the enhancements as proposed, would add to the appeal of the bid, over and above one solely relating to 'routine maintenance'.
5. In support of the bid, the Revival Fund requires the local authority to act as the responsible authority for the release of the grant. In doing so, The Council will require evidence of best value through the appropriate

procurement processes by the Pier Company or this Council, if it is to commission any of the works e.g. external ground works to the Pier forecourt.

6. If the bid were to be successful, the award would no doubt specify the eligible works for spend, presumably based around the stipulations within the bid. The funding profile and eligible items for spend are contained within the bid document – at Appendix 1.
7. The bid was in effect a joint initiative and the guidance given stipulated that where appropriate it should be supported by the approved Coastal Community Team (CCT) for the locality. In this case the CCT is the St. Annes Enterprise Partnership (STEP) and the bid was fully endorsed by this Team. It was also supported by the Lytham St. Annes Civic Society as it would potentially enhance the Pier as a nationally recognised heritage asset.
8. This report was considered by the Planning Committee on 14th November 2018. The Committee resolved to recommend to the Finance & Democracy Committee the approval of a fully funded addition of £48,100 to the Councils 2018/19 Capital Programme towards the restoration of St. Annes Pier to be met from a grant from the Coastal Revival Fund of the same amount.
9. The Committee further agreed that, subject to approval of the addition to the Capital Programme by the Finance and Democracy Committee as described above, the delivery of the project is to be achieved through the engagement of consultants/contractors and suppliers to deliver the various elements of the project in line with the Councils financial regulations and contract rules and procedures.

IMPLICATIONS	
Finance	If the bid is successful and the Council agree to act as accountable body, although no Council resources would be required to deliver the project (apart from some officer time which could be allocated from existing resources) it would require an addition to the approved Capital Programme in respect of the project, to be fully-funded by the grant from central government for this purpose.
Legal	None specific apart from ensuring that the funding would be appropriated in accordance with the approved grant.
Community Safety	None relevant
Human Rights and Equalities	The scheme would be beneficial to all sections of the community
Sustainability and Environmental Impact	None specific
Health & Safety and Risk Management	None relevant to The Council

LEAD AUTHOR	CONTACT DETAILS	DATE
Paul Drinnan	Paul.drinnan@fylde.gov.uk 01253 658434	13 th November 2018

BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Coastal Revival Fund	17.5.18	https://www.gov.uk/government/publications/coastal-revival-fund-an-invitation-to-apply-for-funding

Attached documents

Appendix 1: Copy of the Coastal Revival Fund bid.

COASTAL REVIVAL FUND APPLICATION FORM

Please read the 2018 Coastal Revival Fund prospectus before completing this form. The prospectus is available on [GOV.UK](https://www.gov.uk).

SECTION 1: Contact Details		
1.1 Lead Contact for the application	Paul Drinnan	
1.2 Role and organisation of the lead contact	Regeneration and Urban Design Manager	
1.3 Contact Address	Fylde Council, Town Hall, St Annes on Sea, Lancashire FY8 1LH	
1.4 Telephone number(s) (a) Office (b) Mobile	(a)01253 658434	(b)
1.5 Email address of lead contact	Paul.drinnan@fylde.gov.uk	
1.6 Are you applying on behalf of a Coastal Community Team? If yes, which one?	St. Annes Enterprise Partnership	

SECTION 2: Local Authority (LA) Contact Details		
<p>The Department will <u>only</u> consider applications that have support from a local authority for the area, as grant funding will be paid to a LA on behalf of the project. Please attach a letter from the authority confirming that they are willing to act as the 'accountable body' for the funding. Anyone who is having difficulty engaging with their local authority can contact MHCLG at: coastalcommunities@communities.gsi.gov.uk</p>		
2.1 Name of local authority	Fylde Borough Council	
2.2 Main LA contact - name and main role (if different from 1.1)	Paul Drinnan	
2.3 LA Address (if different from 1.3)		
2.4 LA contact telephone numbers (if different from 1.4) (a) Office (b) mobile	(a)	(b)
2.5 Email address of LA contact (if different from 1.5)		

SECTION 3: Communications/ Media Details		
3.1 Lead Contact for press/ communications/ advocacy	Paul Drinnan / Catherine Kitching	
3.2 Contact Address	Town Hall. South Promenade, St. Annes on Sea FY8 1LW	
3.3 Telephone number(s) (a) Office (b) Mobile	(a)	(b)
3.4 Email address of lead contact	Paul.drinnan@fylde.gov.uk	
3.5 Pen Picture – please describe the project in a manner suitable for a media release (maximum 40 words)	New outlook for St Annes Pier	
3.6 Name of your local MP(s)	Mark Menzies	

SECTION 4: Overview of project		
4.1 What would you like to call your project?	St Annes Pier: A Certain Future	
4.2 What is the nature of your project (e.g. reviving a pier, regenerating a square)	Assist in the long term revival of the listed pier that is important to local community and visitor market.	
4.3 Where is your project based? Please also include a postcode for the project location.	St Annes Pier FY8 2NG	
4.4 What is the aim of your project? Please give a brief summary of the overall purpose of your project. (1-2 sentences)	<p>Work in partnership with the Pier Company to produce a shared plan for the future maintenance and management of the pier.</p> <p>Assist in bringing forward structural repairs and enhancement to ensure its long term viability and economic success.</p>	
4.5 Who/ which organisation will lead the project?	Regeneration Team (Fylde Borough Council) with assistance from STEP (Coastal Community Team)	
4.6 Who / which other organisations will be involved in the project?	St Annes Pier Company	
4.7 If not applying as a Coastal Community Team, is there one in your area? If so which one? (To find out if there is a	Yes – the scheme has the full support of the Coastal Community Team, STEP (St Annes Enterprise Partnership)	

Coastal Community Team for the area look here).	
4.8 How much money are you bidding for?	£48,100
4.9 Are you involved with any other bids to the Coastal Revival Fund? If yes, please give the names of these projects.	No

SECTION 5: What are the key priorities for your coastal area?

Please summarise the key priorities for the coastal area and how your project relates to your economic plan (if applicable) or other regeneration plan for your coastal area. (maximum 300 words)

The visitor economy is particularly important to the Borough and St. Annes. Over the last 20 years the centre of the resort has been the subject of strategic and comprehensive regeneration. St. Annes has a very large town centre for its size. Public sector investment has been complimented by private sector investment.

The Council also has an adopted coastal strategy which seeks to promote investment and infrastructure improvements commensurate with protecting the heritage of the town and coast as a whole.

The Pier and Promenade is an essential heritage asset and focal point of the resort, forming the visual axis of the planned town. Its retention and enhancement is an important aspect of the resort.

In so far as Fylde Council, STEP and many external organisations, the longevity and sustainability of the Pier is essential. Piers are under constant threat and the protection and enhancement of St. Annes Pier is of paramount importance.

It is privately owned but a major public asset. As a result the Coastal Community Team, Town and Borough Council's fully support the work of the Trust and feel that its protection and enhancement deserves further public support. The grant would be fully justified.

SECTION 6: What does your project involve?

Please summarise what you plan to do and what this bid money would fund. If your project is part of a wider, longer-term project then please briefly set out the aims of the wider project and how the part that will be funded through the Coastal Revival Fund fits into these broader plans. (maximum 300 words)

The bid forms part of and supports the Pier Company's long term maintenance and enhancement plans which include.

- Long term maintenance of the superstructure of the Pier – a programme of renewal over many

years - fundamental

- The reinstatement of one of the historic pavilions.
- Structural repairs and maintenance of the building structures – roofing etc.
- Physical enhancements to the Victorian Pier including lighting.
- Assessing feasibility for greater all year round use of the Pier including the potential for a museum of local history and development
- Contribution to cost of frontage enhancements to the two remaining sections of forecourt (to complement entrance stone flagged feature), undertaken as part of a previous enhancement scheme
- Decorative/heritage lighting columns to the open section of the pier to encourage visitors to walk beyond the covered areas with the aim of promoting additional use.

1. Pavilion refurbishment. The Pier have committed to funding this refurbishment. However if there is an emergency spend need this project would have to be adjourned without external funding. The funding award would guarantee the re-use of the pavilion.

2. Contribution to the on-going programme of renewing steel pier supports. An on-going replacement of the steel structure, absolutely essential to the future of the pier. £37,000 will be needed over the next year and a further c. £60,000 over the forthcoming years.

3. Feasibility study for a St Annes museum / local history display at the pier and town (create a new use to improve sustainability in a changing visitor industry and attract new footfall)
Civic Society and Council feels there would be high demand for a local history display / small museum. A feasibility study including a consultation exercise would develop the idea.

4. Paving to the frontage to enhance the setting of the listed building.

SECTION 7: The following section asks for information on how your project will meet the criteria for the Coastal Revival Fund

7.1 The value, importance or local regard for the site, structure or asset

The project involves a site or asset which is of particular value locally. Applicants are asked to explain the local value of the asset or site and why it would justify investment.

The value does not need to be financial. It could, for example, set out the history behind the project and identify whether it is considered 'at risk'.
(maximum 400 words)

St Annes Pier is nationally listed (grade 2) and is the only pier in the Borough but, is complimentary to the three piers within adjoining Blackpool, where efforts are being made

to sustain their long term future. A fifth pier at Fleetwood was lost a few years ago. It occupies a pivotal position and a centrepiece for The Promenade.

It is a centre piece of the main high street of the town – located on its visual axis being part of the historic street plan of the planned town. Not only is it highly visible from many areas, including the beach and promenade it has a commanding presence from the main commercial space of the town. Its frontage pavilion encloses and terminates the view.

The Council's tourism officer says:

The pier is an invaluable part of the tourism landscape here in St Annes and is held in high esteem by local businesses, especially accommodation providers. Having worked in Blackpool for many years and being closely involved with the three piers there, I do know how expensive they are to maintain and how much they are appreciated.

Chair of Lytham St Annes Civic Society says:

The footfall is very high during school summer holidays and at weekends in the summer season but footfall seems to be low at other times. Owing to its coastal location it is vulnerable from the effects of high winds and driving rain; maintenance costs are high.

The pier is run by a Trust which has, as its overriding objective, the preservation of the Pier. However, as a small Trust it seeks to work with organisations that can assist it and contribute to its long term sustainability. The visitor market faces on-going challenges and the Trustees agree that although the pier's attractions are successful, its long term future relies on its continued attractions and quality to achieve a commercial return, thus providing the resources for repair and maintenance of its physical fabric.

The award of this grant will assist considerably in achieving this objective.

7.2 Delivering a community benefit from the revival fund

The Coastal Revival Fund is intended to boost coastal assets for the benefit of the community as a whole. Please use this section to set out how the project will help to deliver benefits to those living locally, as well as to those visiting or working in the area.

Please set out

- a) the intended community benefit,
- b) the scale of the impact
- and
- c) how you will make sure the benefit is achieved.

Some inclusion of quantified information would be particularly useful. (maximum 400 words).

Community Benefits of the Scheme

The Pier is a well-known, recognised and cherished structure in a pivotal location within the resort. It is an integral part of the Promenade environment and centrepiece for the beach, its

facilities and visitor congregation. It is also located in a very exposed costal location. At the present time there is a need for repair and enhancement which can be evidenced by casual inspection.

The retention of the Pier long term is absolutely essential both locally and nationally.

The contribution of the funding award would result in a considerable benefit and help bring forward structural repairs, income generating uses and physical improvement to its character and appearance. The potential for additional community use and interpretation would be very welcome and would include community engagement and involvement – the museum idea being one example in the development phases. The history of St. Annes, its origins, town plan, architecture and public art is highly visible but not appreciated. The regeneration of the town has built on these themes and as well as the physical and historical qualities of St. Annes as a product of the High Victorian Era. The town is also sited on the edge of a strategic internationally recognised wildlife site, effectively having eco – coast credentials. The idea of an interactive museum would create interpretation and interactive opportunities to discover the significance of the Pier, the town and its dramatic setting. The Pier is in a pivotal position to capitalise on these virtues and promote public understanding, appreciation and enjoyment, with potential economic benefits.

Scale of the Impact

The impact will be considerable. The award of the grant and intended programme of works would be extremely well received by the business community and public in general. The essential message will be one of assurances about the long term sustainability of the Pier.

Achievement of the Benefit

The scheme will be achieved by cost management in partnership with the Pier Company, thorough STEP and Fylde Council which has considerable experience in delivering regeneration and building refurbishment projects.

The schemes have been costed by the Pier Company and The Council and can be managed and delivered such that they meet the specified outputs, targets and spend

The publicity and value of the scheme will be in the public psyche as a key building with media exposure ensure by Fylde Council, St Annes Town Council, STEP and the Pier Company.

7.3 Delivering an economic benefit from the revival fund

The Fund is intended to help improve the economic sustainability of coastal assets and coastal communities more broadly. Please use this section to set out what economic benefits your project will have and, in particular, if it is likely to lead to additional jobs or training opportunities. Please cover a) the intended economic benefit, b) the scale of the impact and c) how you will make sure the benefit is achieved. Some inclusion of quantified information would be particularly useful. (maximum 400 words).

The qualities of St. Annes as a Coastal Resort generated significant employment is the hotel,

retail and visitor offer sector.

The estimated expenditure for Fylde is in excess of £200m with the resort of St. Annes providing a major component of this income. The Pier has a role to play in the attractiveness of St. Annes although its precise contribution as an attraction is more difficult to quantify. The Pier currently employs 30 FTE direct staff but has a considerable supply chain, maintenance and management and in respect of support services.

The retention of these jobs would of course be significant and long standing assuming the Pier remains as an attractive feature.

The construction jobs relating to maintenance and construction will be considerable and the café extension will provide an additional 2 FTE jobs.

The sustainability of the Pier is obviously aimed at protecting these jobs into the future. The use of the pavilion building would necessarily provide the jobs, which would be expected after the investment.

The greater success of the Pier and its longevity would have considerable economic benefits and are tied to the grant hereby applied for.

The development of the 'museum' concept would be intended to be a community driven project increasing inclusion and learning opportunities. The groups involved could be widespread including local interest groups, schools, societies etc.

7.4 Local support

Please set out what support your project has from the local community and how you know this, e.g. what consultation has there been about your project and what local organisations or groups are involved? If this bid is not from a Coastal Community Team and there is a Team for the area, please state whether or not they are supportive of the project. (maximum 300 words).

Lytham St Annes Civic Society

St Anne's Pier is a very significant building in the town, the centrepiece of its identity as a popular family holiday resort today. Its historic importance as a C19th pier should be maximised where possible. In spite of the loss by fire of structures from the seaward end and the predominance of arcade games, there is much to admire and celebrate.

We very much support an application for funding which will enable an exhibition of photographs and artefacts about the pier, town and its role in the community. This, together with some sensitive repairs to the pavilions will allow the pier to take its proper place as an important historic building in the town of St Annes.

Council's Tourism Manager

The pier is an invaluable part of the tourism landscape in St Annes and is held in high esteem by local businesses, especially accommodation providers. Any external monies which can be

focussed on the pier would be a huge help and assist in preserving this much loved and appreciated attraction for years to come.

STEP

There is strong Town Council appetite for outdoor activities especially during spring/summer and every weekend if possible and the pier would make a very attractive venue.

Blackpool Council

British seaside resorts are considered to be key potential growth destinations for international tourism, and their Victorian seaside piers are unique attractions in the product offered to the international market. With over £242 million visitor spend across Fylde district, the resort's pier is an obvious flagship tourist attraction and a fundamental part of the story of the seaside holiday. A coastline that boasts four attractive and active pleasure piers can expect to sustain the heritage offer for visitors who will wish to visit both town's piers.

7.5 National Heritage List for England?

Please set out whether the site or asset is on a heritage at risk list:

www.historicengland.org.uk/listing/the-list (maximum 150 words)

It is not presently on the At Risk register however Blackpool piers are on the national Watch register and the challenges are very similar. Without investment the Pier may well be recommended by Fylde Council for inclusion within the list in view of some of its structural issues in the near term.

SECTION 8: Proposed Outputs and Project Delivery

8.1 Applicants should set out a high-level breakdown of how the Revival funding would be used. Only the costs that are intended to be met through the Coastal Revival Fund need to be covered.

Funds may be spent on improvement or regeneration of structures, or any other works that meet the criteria outlined in the prospectus, including professional advice in relation to a building, asset, structure or public space, e.g. feasibility studies, legal advice on development of a structure, architectural surveys etc.

The funding cannot be spent on things like salaries, training, venue hire, volunteer expenses, monitoring and evaluation. If your project includes these types of costs then they will need to be met from another source.

Item	Amount	Date of expenditure
Café pavilion restoration partial grant - 20%	£7,200	financial year 2018/19
Steelwork (Phase 1) - 20%	£7,400	ditto
Amenity lighting	£10,000	ditto
Public Realm setting works	£19,000	ditto
Museum / local history display feasibility	£2,500	ditto
TOTAL	£48,100	

8.2 Further investment

Please set out whether work carried out under the Coastal Revival Fund would help

you attract other sources of charity or private funding. Please explain the likelihood of further investment, and (if known) briefly give the amount, from whom and for what. This can include both match-funding for this stage of your project or your work to attract further capital funding for any future improvements resulting from CRF investment. (maximum 250 words)

As outlined in the Bid, the grant funding would be an integral part of a package of investment at the both at the present time but also in the future. Irrespective of any award the Company will need to invest. However, this would most likely be directed to essential yet almost 'unnoticed' works such as steel repairs. If the Pier is to survive there are no other options but to carry out essential maintenance. The grant aid would effectively be part of a larger 'pot'.

The grant aid would assist with enhancement beyond the essential structural maintenance as outlined above. The overall plan for the pier and the potential museum would involve community engagement. The scheme would complement a previous enhancement scheme to the Pier – funded by Fylde Council and others to illuminate the Pier Pavilion to its frontage, external painting works. Artistic gateway markers and frontage paving. A broader scheme to enhance the link between the Pier and the town centre along the carriageway – the key axis – is being considered.

It should be noted that to its great credit The Pier Company has invested in the structure of many years as this is a constant issue. However, appropriate grant aid would incentivise further investment and would be of great assistance to its on-going work and ambitions for the Pier.

The local In Bloom Group and other charitable organisations are enhancing an adjoining walled garden, including working with artists. The setting and environment of the Pier is an essential component of the resort regeneration strategy.

8.3 Unlocking further investment

If the total costs of your project are more than you are bidding for from the Coastal Revival Fund, please briefly set out how these other costs will be met, and how much they are. (maximum 200 words)

The total costs of the 1 year programme include those elements of the scheme which exceed the grant applied for. The additional funds will be met by the Pier company and can be guaranteed prior to the grant being released in writing. The Pier Company would also be committed to further programmes of replacement steel in subsequent years.

Total Costs of Scheme.

Grant £48,100

Pier Company £58,400

Future Years (2 – 7) Steel Price fluctuates c. £60,000 (Estimated 6 year programme)

Immediate spend of scheme Year 1 = **£106,500**

Grant Aid 45% Year 1

Grant Aid 29% End of Scheme

8.4 Project delivery

Please set out who/ which organisations will be responsible for delivery of the project and what expertise and experience they have to be able to deliver the project effectively. (maximum 100 words)

The Pier Company uses tried and trusted contractors that are subject to tender processes and competitive market testing for quality as well as value.

The Council would administer the Grant and ensure that the appropriate safeguards are met and the project delivered

This would be a partnership scheme

STEP would be a partner

The Council would assist with publicity

The Council has experience of previous delivery with the Pier Company

Public Realm/lighting expertise would be dealt with by Fylde Council Regeneration Team. Public Realm implementation probably in a partner arrangement with Lancashire County Council

8.5 Transparency

Please explain how and when all aspects of the project will be made publicly available. (maximum 100 words)

The content of the scheme will be made public and it will contain media coverage to publicise the award of grant and the value and virtues of the scheme.

The scheme will be promoted through Council and STEP channels.

The bid and any award will be publicly accessible. This is a very public facing scheme.

8.6 Confirmations

Please write 'yes' in the sections below to confirm that:

A) Details of the projects and progress will be made available to the Ministry of Housing Communities and Local Government:

YES

B) All Coastal Revival Fund grants would be spent by 31 March 2019:

YES

C) The letter from your local authority has been included with your application:

<p>YES - The bid is submitted on behalf of the Pier Company and STEP so the Councils commitment is integral to the bid.</p>
--

<p>D) You are aware that you will be required to report on your projects progress and achievements.</p>

<p>YES</p>

At the point of funding you will need to provide assurances as to why your project is compliant with the European Union rules on State Aid. In our experience, most projects are either [not within the meaning of State Aid](#) (for instance because they do not involve an organisation carrying out an economic activity or there is no effect on trade between the Member States) or the award is made in line with the [De Minimis Regulation](#).

This form needs to be submitted along with a letter from your local authority agreeing to act as the accountable body for the funding. Please do not send any other additional documents.

The closing date for applications is 23:59 hours on Thursday 5 July 2018.

Applications are preferred electronically to coastalcommunities@communities.gsi.gov.uk but will be accepted in hard copy. Any application made in hard copy should be sent to the following address:

Coastal Revival Fund
Coastal Communities Team
Ministry of Housing Communities & Local Government
1st Floor, Fry Building
2 Marsham Street
London
SW1P 4DF

Hard copies must also arrive no later than Friday 6 July 2018.

Any queries can be directed to: coastalcommunities@communities.gsi.gov.uk.

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
MEMBER DEVELOPMENT STEERING GROUP AND DIRECTOR OF RESOURCES	FINANCE AND DEMOCRACY COMMITTEE	26 NOVEMBER 2018	10
REMOTE ACCESS TO MEETINGS			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

This report updates members on the work undertaken by the Member Development Steering Group (MDSG) to trial and test technology to allow members to participate in committee meetings from remote locations.

The work has included piloting the technology at MDSG meetings to enable the remote participation of Councillor Bamforth and evaluating the technical, logistical and constitutional issues involved.

The Audit and Standards Committee meeting of 15 November received recommendations from the Constitution Review Working Group which included the introduction of a new Procedure Rule (within Standing Orders) to accommodate remote access to meetings. This will be further considered at Full Council on 10 December.

Councillor Edward Nash, Chairman of the MDSG will provide a further feedback at the meeting.

RECOMMENDATIONS

1. To support the recommendations of the MDSG held on 19 October with a view to facilitating remote access to both informal and formal meetings of the Council.
2. To note the recommendations of the Audit and Standard Committee.
3. To note the resource requirements.

SUMMARY OF PREVIOUS DECISIONS

Full Council – 3 April 2017 - To request that the Member Development Steering Group consider extending its remit to include member wellbeing.

Finance and Democracy Committee - 19 June 2017 - Agreed to extend the remit of the Member Development Steering Group to include 'member wellbeing and to update the 'Working with Councillors with Disability Policy Document' as deemed appropriate and to support the on-going work of the MDSG

Finance and Democracy Committee – 19 March 2018 – Agreed to extend the pilot of remote accessing meetings, by at least six months and extend the trial of remote access to a programme committee, of which at least one member of the Member Steering Development Group was also a member of that committee

Audit and Standards Committee – 15 November 2018 – To be reported

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services (Value for Money)	√
Delivering the services that customers expect of an excellent council (Clean and Green)	√
Working with all partners (Vibrant Economy)	
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	
Promoting Fylde as a great destination to visit (A Great Place to Visit)	

REPORT

BACKGROUND AND OBJECTIVES

1. Fylde is committed to the openness and accessibility of its democratic processes. Council and committee meetings are a central part of the council's governance structures. Committee meetings enable elected members to consider policy options in depth. Council meetings are the ultimate source of the council's authority. Both kinds of meeting strive to make decisions that are informed by the concerns and views of residents. The council considers that it is important that all members, as far as practical and legal constraints allow, are able to effectively contribute to decisions and deliberation at council and committee meetings.
2. The Public Sector Equality duty, which forms part of the Equality Act 2010, requires the council in the exercise of its functions to have due regard to (among other things) the need to advance equality of opportunity between people who share a protected characteristic (such as having a disability) and those who do not.
3. The recently-completed accommodation project sought to address issues relating to access to meetings for those with physical limitations, for example wheelchair users, by introducing ramp access, lifts and other accessibility improvements to the Town Hall. But those improvements would not address the needs of a member who was unable to attend a meeting because of an anxiety disorder. The work of MDSG around remote access to meetings has been intended to enable a member in that position to participate as fully as possible in a meeting without needing to be in the meeting room.
4. This updated report provides details of the work undertaken by MDSG on the trialling and testing of remote access technology and of a proposed change to the Council Procedure Rules to allow the use of such technology. The MDSG has been committed to optimising the most appropriate technical solutions to enable members to participate as fully as possible in meetings, taking into account the legislation, the recent adoption of the 'Councillors with Disabilities and Member Welfare' document and the practical constraints involved in running meetings.

REMOTE ACCESS TECHNOLOGY

5. For background purposes, at the meeting of the MDSG in December 2017, the Group recommended the following:
 - To endeavour to advise the Council on supporting and enabling members to participate fully in the business of the council.
 - To look at ways in which the new Council Chamber and current committee rooms will cater for those with disabilities.
 - To undertake an ongoing review [of] the 'Working with Councillors with Disabilities and Member Welfare' document as appropriate with a view to identifying how the Council will recognise and support member wellbeing.
6. 'Google Meet' is one of many video conferencing applications which can facilitate remote access to meetings. Over the last 12 months or so, MDSG has been trialling and testing the 'video chat' element of 'Google Meet', with Councillor Mark Bamforth accessing MDSG meetings remotely from his home.
7. Since the opening of the new Council Chamber, 'Google Meet' has been tested in the Public Gallery and the Council Chamber at meetings of the MDSG and the monthly Briefing sessions for members. It has also been tested in the room for informal working group meetings.

8. Members will also be aware that the new Council Chamber has the facility for the webcasting of Council meetings live and this had been taking in place since May 2018.
9. At the March 2018 meeting of the Finance & Democracy Committee, approval was given for 'Google Meet' to be tested at a programme committee, of which at least one member of the Member Steering Development Group was also a member of that committee. It was subsequently agreed that this would be the Environment, Health and Housing Committee.
10. The MDSG has now completed the trial and it is considered appropriate to present a feedback report to the Finance and Democracy Committee on the testing of the product at the various informal and formal meetings in the Council Chamber/Public Gallery.
11. Initially, the experience was mixed. There were various technical issues/ challenges, which centred on poor audio/sound and pitch or video quality. This was due to a mix of factors such as the strength of the internet connection at either end of the call, problems with the 'Meet' application itself or the version of software being used by participants. The MDSG priority was to ensure that the technology did not interfere in any material way with the proper conduct of the meeting.
12. The ICT team have been instrumental in making the relevant adjustments and changes needed to allow a fit for purpose product. The MDSG (including Councillor Bamforth) have worked hard to ensure that the software meets expectations and following feedback from past meetings of the EH & H committee, a sub-group of the MDSG was set up to further test the software. This has been successful with all the technical issues now being resolved.
13. The MDSG, Councillor Bamforth and the ICT team are now satisfied that the product works well. However, the trial has had limited application at formal committee meetings. It has been trailed at three meetings of the Environment, Health and Housing Committee with the most recent meeting taking place in November which worked well. Overall, the experience at the Committee has been positive with some background noise causing a distraction at an earlier meeting.

LEGISLATION AND PROCEDURE RULES

14. During the course of the trial, the MDSG were mindful of legal restrictions regarding remote attendance at meetings.
15. A councillor who is not physically present at a meeting at of a council or committee in England¹ is not considered in law as attending the meeting, even where they participate by remote access. This means that they cannot validly vote at the meeting, cannot be counted towards the quorum, and would be counted as not having attended it for the purposes of the 'six-month rule'². These limitations are statutory or common law rules, which cannot be changed by the council.
16. The Government indicated in 2016 that it was not its intention to legislate to allow councillors in England to be counted as attending meetings when they were not physically present, though legislation was to be put in place to allow members of combined authorities to be able to officially attend by remote access. There is therefore no immediate prospect of the statutory position changing. Any attendance of a councillor at a committee meeting by remote access must therefore be limited to participating in discussions and debates.
17. MDSG acknowledged that the issue of remote attendance at committee meetings requires an adjustment (as deemed necessary) to the Council's Standing Orders/Procedure Rules.
18. The Constitution Review Working Group has therefore also considered this matter and made a subsequent recommendation to the Audit and Standards Committee to adopt new procedure rules with respect to this matter. These were considered and approved for recommendation to the council by the Audit and Standards Committee at its meeting on 15 November. These procedure rules are set out in paragraph 19 below.
- 19.

¹ The position is different in Scotland and in Wales, where there are detailed rules about the technical arrangements that must be made to allow a member to officially attend and vote at meetings remotely.

² Section 85 of the Local Government Act 1972, which automatically ends a councillor's term of office if they do not attend meetings of the council or of a committee of which they are a member for a period of six months, unless their absence is for a reason approved by the council.

2 REMOTE ATTENDANCE:

2.1 Arrangements for remote attendance

(a) Subject to 2.3 and 2.4, the chairman may make arrangements to allow (as far as the law permits) a member ('M') to participate in a meeting remotely if the following circumstances apply.

(b) [M has notified the Director of Resources [in writing] no later than one week before the meeting of their wish to participate remotely and]

(c) M reasonably believes that it would be detrimental to their physical or mental wellbeing to attend the meeting in person

(d) Any arrangements must ensure so far as possible that any person attending the meeting is able to hear M's contributions as easily as those of members attending in person.

2.2 Substitutes

2.4 M may be represented by a substitute under rule 22 or 23 but not by remote access means.

2.3 Exempt and confidential items

M may not participate remotely in any part of a meeting in which the public have been excluded under section 100A of the Local Government Act 1972.

2.4 Maximum number of members participating remotely

The maximum number of members who may participate remotely in a council meeting is 2

20. The proposed new procedure rule is intended to allow as flexibility to introduce this facility across both council and committee meetings. However, it is understood from the member wishing to utilise this facility in the more immediate future that this will only be sought at council meetings. Although wider demands may be placed on this facility in the future, this would require further dialogue to consider the IT resources required to support this which can be fairly intensive as this requires the attendance at each meeting of an additional officer from the current ICT team.

21. Councillor Edward Nash, Chairman of the MDSG will provide further feedback at the meeting.

IMPLICATIONS	
Finance	Supporting remote access requires specialist equipment and support from the IT Team. Based on existing draw down on the service, the support has been contained within existing budgets. However, if demand grows exponentially, this may require an increased staffing resource within the IT Team going forward.
Legal	None arising directly from the report

Community Safety	None arising directly from the report.	
Human Rights and Equalities	None arising directly from the report	
Sustainability and Environmental Impact	None arising directly from the report.	
Health & Safety and Risk Management	None arising directly from the report.	
LEAD AUTHOR	CONTACT DETAILS	DATE
Lyndsey Lacey-Simone	01253 658504	October 2018
BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Council Minutes	3/4/17	https://fylde.cmis.uk.com/fylde/Committees.aspx
Finance and Democracy Minutes	19/06/17 and 19/03/18	https://fylde.cmis.uk.com/fylde/Committees.aspx
MDSG notes	2017/2018	Democratic Services Section
Audit and Standards	19/11/18	https://fylde.cmis.uk.com/fylde/Committees.aspx

INFORMATION ITEM

REPORT OF	MEETING	DATE	ITEM NO
BLACKPOOL COUNCIL	FINANCE AND DEMOCRACY COMMITTEE	26 NOVEMBER 2018	11
BLACKPOOL AIRPORT ENTERPRISE ZONE FINANCIAL SUMMARY REPORT			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY OF INFORMATION

In May 2018 the Blackpool, Fylde and Wyre Economic Prosperity Board (EPB) was established and is a joint committee comprised of the leaders of the three constituent councils (Fylde, Wyre and Blackpool), with partners (co-opted members) from the private sector. The purpose of the Board is to bring together the three local authority partners in a formally constituted arrangement which will help shape and drive economic development across the Fylde Coast. The role of the EPB is to deliver effective oversight on the work being undertaken in the Enterprise Zones, political interface and accountability on strategic policy areas for the Fylde coast and the link with the Lancashire Enterprise Partnership.

Prior to the establishment of the EPB Enterprise Zone matters were reported separately to each individual authority. Since the establishment of the EPB all matters relating to governance, policy, strategy and information on the Enterprise Zone are reported to the EPB. The EPB will then 'recommend only' a course of action to the relevant authority, which in turn will take the appropriate decision. All existing regulatory functions, such as planning, remain unchanged by the EPB.

This item is presented to the Finance & Democracy Committee at the request of the Chair of the Finance & Democracy Committee and in agreement with the Leader of the Council. This update report on the Enterprise Zone focusses on financial matters only and is an ad hoc report which does not alter any existing reporting to the EPB.

SOURCE OF INFORMATION

The above information is provided by Blackpool Council as Accountable Body for delivery of the Blackpool Airport Enterprise Zone.

Other relevant documents include;

1. 'Blackpool Airport Corridor Enterprise Zone Business Rate Relief Policy' (2016)
2. 'Blackpool Airport Enterprise Zone Memorandum of Understanding' (2016)
3. 'Blackpool Airport Enterprise Zone Masterplan Consultation Report' (2018)
4. 'Blackpool Airport Enterprise Zone Masterplan' (2018)
5. 'Blackpool Airport Enterprise Zone Delivery Plan' (2018)

Previous meetings and decisions;

1. Finance & Democracy Committee, 20th June 2016 (Fylde Council)
2. Finance & Democracy Committee, 26th September 2016 (Fylde Council)
3. Finance & Democracy Committee, 25th September 2017 (Fylde Council)
4. Planning Committee 8th November 2017 (Fylde Council)
5. Executive 7th November 2017 (Blackpool Council)
6. Executive 5th February 2018 (Blackpool Council)

LINK TO INFORMATION

[Blackpool Airport Enterprise Zone Financial Summary](#)

WHY IS THIS INFORMATION BEING GIVEN TO THE COMMITTEE?

The Finance & Democracy Committee has previously received an information progress report in relation to the Blackpool Airport Enterprise Zone. The last report was presented to committee at its meeting on [25 September 2017](#).

Future progress reports on the Blackpool Airport Enterprise Zone will be presented to the Blackpool, Fylde and Wyre Economic Prosperity Board. [The agendas and minutes](#) of which are available on the council's website.

At the request of the Chair of the Finance & Democracy Committee and in agreement with the Leader of the Council this is an information report on the financial matters of the Enterprise Zone.

FURTHER INFORMATION

Steve Smith, Blackpool Airport Enterprise Zone Delivery Manager, Blackpool Council, 01253 478726, 07917264659, steve.smith2@blackpool.gov.uk



INFORMATION NOTE

BLACKPOOL AIRPORT ENTERPRISE ZONE FINANCIAL SUMMARY

Financial Background

The preliminary agreement between Blackpool Council, Fylde Council, the Lancashire Enterprise Partnership and the DCLG (now MHCLG) on the financial operation of the Enterprise Zone is the Memorandum of Understanding agreed in 2016. This document made clear that Blackpool Council will act as Accountable Body for the Enterprise Zone assuming all liability for project delivery and financial risk. Fylde Council agreed to act in a supportive role provide additional support as necessary, but would not itself undertake any prudential borrowing against projected future business rates income (the primary source of funding for the Enterprise Zone).

The Executive of Blackpool Council agreed at its meeting of 18th June 2018 to approve the overall Delivery Plan for Blackpool Airport Enterprise Zone which included estimated lifetime cost estimate of £72.0m (plus Prudential Borrowing costs funded at the prevailing treasury management pooled rate) and specifically approved the estimated capital cost for the first three years of £28.82m (plus Prudential Borrowing costs funded at the prevailing treasury management pooled rate) for the delivery of essential infrastructure and associated support for the three years 2018/19 to 2020/21 and to delegate to the Chief Executive, after consultation with the Leader of the Council, to authorise expenditure on individual schemes within the three year programme where they exceed officer delegation limits and subject to a business case being prepared.

Further, the Executive agreed to authorise the Chief Executive to explore opportunities for securing additional private sector investment required to deliver the anticipated level of rates income in the Enterprise Zone through Joint Venture Partnerships and design and build contractors to support the delivery of Enterprise Zone objectives and potentially reduce borrowing costs and also to authorise the Chief Executive to enter into any supplementary agreements or protocols with the Lancashire Enterprise Partnership and Fylde Borough Council should they be necessary to clarify any elements of the Enterprise Zone Memorandum of Understanding.

Planning s106 and Highways s278 Funding

Each authority will raise funding as appropriate from developments in or around the Enterprise Zone to mitigate the impact(s) of that development. This impact will usually be on public amenity or highway safety grounds and will result in funding to improve many features such as the public realm, highway design or layout, carriageway improvements, junction re-designs, lighting or other public space improvements.

In most cases these funds can be pooled from a number of developments so that a larger improvement scheme can be undertaken. To burden any single development with a very large obligation could potentially result in a lack of viability and risk the development not taking place.

The Enterprise Zone project delivery team, working closely with all planning and highway departments will ensure that these funds are called upon at the appropriate time. The means provide the necessary information to the relevant authority to evidence the funding required and purpose for which the funding will be used. In simple terms this is likely to mean 'calling upon' funds in the year in which they are to be used to fund improvements.

An alternative approach would be for Blackpool Council to collect and potentially pool all related funds once payment had been received by the relevant authority. However this may risk collecting monies years in advance of improvement scheme delivery and involve an additional 'passing over' of responsibility or liability. For these reasons this approach is not recommended.

Retained Business Rates (NNDR)

Each authority is able to retain any growth in business rates which exceed a baseline submitted to government in December 2016. The baseline is as follows;

Local Authority Area	Rateable value of existing buildings (£)	Baseline Business Rates	Above/(Below) Baseline 2017/18
Blackpool Council	£5.02m	£1.503m	£0.591m
Fylde BC	£2.4m	£0.870m	£0.178m
Total	£7.42m	£2.373m	£0.769m

The amount of retained business rates is calculated in May each year as part of the annual NNDR3 process and for 2017/18 this was £591k in Blackpool and £178k in Fylde. These will be paid across to Blackpool Council as the accountable body following completion of the NNDR3 process, but the retained sum can only be spent on enabling infrastructure within the Enterprise Zone in line with the agreed MoU.

Retained Business Rates are not without risk, as there may be periods where properties fall empty, there may be business failure or appeals against the rateable value which may cause this sum to reduce, or even fall below the baseline submitted in December 2016. If the level of business rates income for the EZ falls below the baseline in any one year there is no payment due to the accountable body for the Airport EZ.

Reimbursement to Fylde Council of M55 Link Road Contribution

The delivery of the M55 Link Road is recognised within the Memorandum of Understanding as being key to the development and sustainability of the Airport Enterprise Zone. The reimbursement to Fylde Council of the £1m contribution by the council to the Link Road scheme is included within the list of infrastructure projects to be funded from Business Rates growth that are detailed within the Memorandum of Understanding. It is currently projected that this payment will be received by Fylde Council in 2027/28.

Extra or Additional Capital Payments

Extra or additional capital payments may be necessary between Blackpool Council, Fylde Council and the LEP on an ad hoc basis as and when required as part of the normal delivery of the project. No detailed or specific agreements are in place as part of the MoU and additional agreements may be required to facilitate this.

FURTHER INFORMATION AVAILABLE FROM

Contact Steve Smith, Blackpool Airport Enterprise Zone Delivery Manager, Blackpool Council, 01253 478726, 07917264659, steve.smith2@blackpool.gov.uk