



Policy Development Scrutiny Committee

Date:	Thursday, 13 November 2014
Venue:	Town Hall, St Annes
Committee members:	Councillor Fabian Craig-Wilson (Chairman) Councillor Len Davies (Vice Chairman) Councillors Ben Aitken, Frank Andrews, David Chedd, Maxine Chew, Peter Collins, John Davies, David Donaldson, Barbara Nash, Ed Nash, Elizabeth Oades, Richard Redcliffe, Vivienne Willder
Officers:	Allan Oldfield, Paul O'Donoghue, John Cottam, David Gillett, Lucy Wright and Lance Postings

1. Declarations of interest

Members were reminded of their responsibilities for declaring interests as required by the Council's Code of Conduct for Members.

Councillor David Chedd declared a personal interest in agenda item 7, the nature of the interest being that he was a member of Elswick Parish Council.

Councillor Elizabeth Oades declared a personal interest in agenda item 7, the nature of the interest being that she was a member of Kirkham Town Council.

Councillor Maxine Chew declared a personal interest in agenda item 7, the nature of the interest being that she was a member of Singleton Parish Council.

Councillor Vivienne Willder declared a personal interest in agenda item 7, the nature of the interest being that she was a member of St Annes Town Council.

Councillor Edward Nash declared a personal interest in agenda item 7, the nature of the interest being that he was a member of St Annes Town Council.

Councillor Vivienne Willder declared a personal interest in agenda item 4, the nature of the interest being that she was a Council appointed board member of New Fylde Housing.

Councillor Elizabeth Oades declared a personal interest in agenda item 6, the nature of the interest being that her daughter was in receipt of the 100% council tax discount as her home was empty and undergoing renovations.

2. Confirmation of minutes

RESOLVED: To approve the minutes of the Policy Development Scrutiny Committee meeting held on 9 October 2014 as a correct record for signature by the Chairman.

3. Substitute members

The following substitutions were reported under Council procedure rule 23(c):

Councillor Peter Collins for Councillor Karen Henshaw.

Councillor Barbara Nash for Councillor Susan Ashton.

4. Review of the Housing Allocation Scheme

Mrs Lucy Wright (Senior Housing Officer) and Mr John Cottam (Principle Environmental Health Officer – Housing) presented a review of the housing allocation scheme and a draft of the consultation document for the 2015/16 area lettings plan.

Following a question from Committee, Mrs Wright explained that an example of exception circumstances may be someone who did not qualify for the local connection, due to moving to a neighbouring authority for 1 year after many years resident in Fylde Borough, but had compelling reasons for moving back and for needing social housing. She advised that the applicant's circumstances would be carefully considered before a decision was made.

In response to a question regarding the impact of the bedroom tax, Mrs Wright advised that there was no significant change to the number of applicants, however there had been a change in demand for 2 bedroomed and smaller accommodation.

The Committee enquired about the number of new affordable units due to be built given the number of approved planning applications. Mr Cottam explained that in regards to new units it was difficult to give a firm answer as it was dependent on when developers' commenced building, but he was confident that there would be around 50 new affordable homes this year with the developments currently underway. Mr Cottam undertook to provide the Committee with estimates of future numbers, where those numbers were meaningful.

The Committee raised concerns about designated social housing within new developments, specifically how the social housing elements were not always built with the developers instead opting to pay a commuted sum. Mr Cottam explained that in regards to apartment blocks, the housing association partners found that managing a mixed tenure development was very difficult and could incur costs for the housing associations, particularly in terms of management fees and maintenance of common areas and grounds. It was easier for the housing associations to manage a whole apartment block rather than a number of units within a block of mixed tenure.

The Committee discussed the issues surrounding the access to social housing for under 25 year olds. Officers commented that one issue for young people accessing housing was the mobility of young people searching for work, frequent crossing of authority boundaries would mean they would not satisfy the local connection qualifying criteria of 3 years.

The Committee discussed the number of owner occupiers on the waiting list for social housing. Mr Cottam advised that there was no means testing currently in place for over 55 year olds, in relation to their capital.

Mr Cottam encouraged members to use the consultation on the Area Lettings Plan to raise any concerns they may have regarding criteria, including means testing, for housing allocation.

Following a discussion it was RESOLVED

1. To note the summary of activity over the last 12 months;
2. To note the proposed Area Lettings Plan for consultation; and
3. To request the results of the consultation were reported to a future meeting of the committee.

5. General Fund Budget Monitoring Report 2014/15 – Position as at Quarter ended 30 September 2014

Paul O'Donoghue (Chief Financial Officer) presented a report giving the updated position on the General Fund Revenue Budget monitoring to 30th September 2014.

The report set out those areas that had been highlighted through the monthly budget monitoring as requiring further attention. These included employee costs, crematorium income, planning application fee income, sand-winning, landfill levy and tipping charges, IT reserve –funded expenditure, planning appeal costs and council tax and housing benefits.

Mr O'Donoghue provided the Committee with an update regarding the ongoing risks which included the localisation of business rates, the New Homes Bonus, the reducing Government Grant Support, the waste recycling cost sharing arrangements with Lancashire County Council, planning appeals costs, the reduction in housing benefit administration grant, grounds maintenance contracts, the introduction of universal credit, and changes in council tax and capping regulations.

Concerns were raised in regards to the waste recycling cost sharing. Mr Oldfield provided an update on the current discussions between the County Council and the district councils, including the Lancashire wide waste review. He advised that a way forward would be found, not without a cost to the Council, but hopefully not to the extent that was currently forecast.

Following consideration, it was RESOLVED that the current position and comments outlined in the report be noted.

6. Review of Council Tax Discounts and Premiums 2015/16

Paul O'Donoghue (Chief Financial Officer) presented a review of Council Tax Discounts and Premiums. The report before Committee was to review the current regime of Council Tax discounts and premiums and to make any recommendations to amend the scheme for 2015/16.

Mr O'Donoghue advised that following the introduction of premium charging on properties that had remained vacant for two years or longer, the number of long term empty properties had reduced from 581 in October 2013 to 514 in July 2014. As the premium was having the intended effect in reducing the number of long term empty properties, officers were recommending no change to the current premium.

Mr Postings provided the Committee with information regarding the checks the Council Tax team undertook to ensure that properties were indeed empty or had been brought back into use. For example the team liaised with credit reference agencies and utility providers.

Following a discussion it was RESOLVED

1. To note the report and to recommend to Cabinet and Council to continue the current Council Tax discounts and premiums regime for 2015/16.

7. Council Tax Reduction Scheme 2015/16 including Grants to Town and Parish Councils

Paul O'Donoghue (Chief Financial Officer) presented an overview of operation of the scheme to date, and the options available to the Council for the 2015/2016 scheme.

The Council's latest Financial Forecast assumed that the full cost of the Council Tax Reduction Scheme would be met by a reduction in support to claimants such that there would be no residual cost borne by Fylde Borough Council and other major preceptors.

Mr O'Donoghue outlined the recommendation was to retain the key features of the current scheme and maintain the current 22.7% reduction in support to working-age claimants which would have a neutral financial impact on the Council and the other major preceptors. The major preceptors had been consulted and were in favour of this approach. Pensioner claimants would be protected under national arrangements and would not be subject to any reduction in support. Mr O'Donoghue further advised it was recommended to retain the Discretionary Hardship Relief Fund.

In regards to the grants to Town and Parish Councils, Mr O'Donoghue explained that the change in 2013/2014 from Council Tax Benefit to a Council Tax Reduction Scheme affected the Council's tax-base and also the tax-base of Town and Parish Councils. In order to mitigate the impact on Town and Parish Councils, the Government had allocated a grant to borough councils such as Fylde with an expectation that this would be passed on to Town and Parish councils. It was further expected by the government that Town and Parish Councils would reduce their total precept amounts correspondingly. Mr O'Donoghue drew particular attention to Appendix D of the report which showed that only one of the Parish Councils within the Borough had reduced its precept in line with government expectations, and that on average total funding available to Town and Parish Councils, including the grant passed on by Fylde Borough Council, had increased overall by 17.7% over the last two years.

Mr O'Donoghue further explained that whilst the government had not separately identified a specific grant allocation for this purpose for either 2014/15 or 2015/16, they still expected that borough councils such as Fylde would pass on funding to Town and Parish Councils.

Mr O'Donoghue outlined a number of options proposed regarding funding for the Town and Parish Councils. He advised that the options presented did not represent an exhaustive list.

Option 1: Fylde Borough Council could agree to fund Town and Parish Councils to compensate them for losses in income as a consequence of CTRS for 2015/16 at a level equivalent to that for 2014/15 i.e. in a total sum of £72k.

Option 2: Fylde Borough Council could agree to fund Town and Parish Councils to compensate them for losses in income as a consequence of CTRS impact in a total sum which reflects the overall central funding reductions that have been suffered by Fylde Borough Council. Based on the settlement figures and new homes bonus provisional allocations notified to date, the reduction would equate to 4.4%, leaving a sum of approximately £68.8k to be distributed.

Option 3: Fylde Borough Council could determine that due to the uncertainty surrounding central grant funding and the expectation that the current grant reduction trajectory will continue in the future (thus reducing the grant amount available for distribution to Town and Parish Councils still further) the option which provides greatest clarity for future years for Town and Parish Councils is that funding relating to CTRS impacts will be distributed for 2015/16 in the sum of either £72k or £68.8k, but that no such payments will be made at all in any future years. This would allow Parish Councils to determine their own financial environment without having to take regard of the actions of the Borough Council.

The Committee discussed the three options in detail and the implications for the Town and Parish Councils, especially in regard to the pressures, and conflicting priorities, on their resources.

Following debate it was RESOLVED

1. to recommend to Cabinet and Council that the currently implemented key features of the Council Tax Reduction Scheme be retained for 2015/16, with a projected nil cost to the Council and the major preceptors and the 22.7% maximum reduction in the level of support also be retained for the 2015/16 Council Tax Reduction Scheme;
2. to recommend to Cabinet and Council option 2 as set out in Section 5 of the report for payments of grants to Town and Parish Councils. That is, in 2015/16 for Fylde Borough Council to agree to fund

Town and Parish Councils to compensate them for losses in income as a consequence of the Council Tax Reduction Scheme impact in a total sum which reflected the overall central funding reductions that had been suffered by Fylde Borough Council. Based on the settlement figures and new homes bonus provisional allocations, the reduction would equate to 4.4%, with approximately £68,800 to be distributed;

3. to recommend to Cabinet and Council that the distribution methodology for payment of grants to Town and Parish Councils relating to the introduction of the Council Tax Reduction Scheme as described in section 5.10 of the report would be such that the grant allocation would be calculated by reference to the tax-base of each Town and Parish Council excluding the impact of Council Tax Reduction Scheme and the revised tax-base under the 2015/16 Council Tax Reduction Scheme regime, which was consistent with the methodology applied in respect of 2014/2015 grant allocations; and

4. to recommend to Cabinet and Council that the Council Tax Reduction Scheme continues to provide funding for Discretionary Hardship Relief in accordance with S13A (1) (a) or S13A (1) (c) of the Local Government Finance Act 2012 as detailed in section 4 of the report.

8. Overview and Scrutiny Work Plans - update

The Committee considered the overview and scrutiny committee work plans. Mrs McDonnell drew the Committee's attention to the large number of items scheduled for the 9 February 2015 meeting.

It was RESOLVED

1. To note the Overview and Scrutiny Committee work plans; and
2. To hold an additional meeting of the Policy Development Scrutiny Committee on 12 March 2015 to balance the workload of the Committee.

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