

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
FINANCE	FINANCE AND DEMOCRACY COMMITTEE	20 NOVEMBER 2017	4
NEW HOMES BONUS: PROPOSED POLICY ON THE PROVISION OF GRANTS TO TOWN AND PARISH COUNCILS			

PUBLIC ITEM

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

SUMMARY

This report summarises the proposed policy on the provision of grants to town and parish councils, to be funded from a portion of the New Homes Bonus, which is appended to this report. The purpose of this new 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 recommended to:

1. Recommend to Council the adoption of a new policy on the provision of grants to town and parish councils which is appended to this report.

SUMMARY OF PREVIOUS DECISIONS

The grants to be paid to town and parish councils in respect of the Council Tax Reduction Scheme 2017/18 were approved at the Council meeting of 5th December 2016. This report arises out of an undertaking that was given during the debate on that item to consider further grants to town and parish councils to be funded from a portion of the New Homes Bonus.

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 Council meeting of 5th December 2016, during debate on the item 'Council Tax Reduction Scheme – Grants to Town & Parish Councils 2017/18' Councillor Oades proposed an amendment to the recommendations, that:

"A modest amount be set aside from the New Homes Bonus to replace this grant so the Town and Parish Councils, particularly those taking excessive amounts of development will benefit from the funding as was envisaged when the funding was first put in place." Councillor Silverwood seconded the amendment.

Although the amendment was lost following a debate, Councillor Buckley acknowledged the concerns raised by Councillor Oades and undertook to discuss the issue at a future meeting of the Budget Working Group.

2. The Proposed Policy on the provision of grants to town and parish councils.

- 2.1 Those discussion have now taken place and have resulted in a proposed scheme for the distribution of a portion of New Homes Bonus to those town and parish councils which had experienced the highest growth in housing numbers.
- 2.2 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.
- 2.3 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.
- 2.4 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.
- 2.5 It is proposed that the scheme will commence with effect from the 2018/19 financial year.
- 2.6 For 2018/19 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 £65,500.
- 2.7 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.
- 2.8 The proposed policy is shown in full at Appendix A.
- 2.9 Subject to the agreement of this committee, adoption of the policy will be sought at the Council meeting of 4th December 2017.

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 2017

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

Attached documents

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