



# MINUTES

## Finance and Democracy Committee

<b>Date:</b>	Tuesday, 16 February 2021
<b>Venue:</b>	Remote meeting via Zoom
<b>Committee Members Present:</b>	Councillor Karen Buckley (Chairman) Councillor Vince Settle (Vice-Chairman)  Councillors Peter Anthony, Peter Collins, Ellie Gaunt, Matthew Lee, Linda Nulty, David O'Rourke, Richard Redcliffe, Elaine Silverwood, John Singleton JP, Michael Withers.
<b>Officers Present:</b>	Allan Oldfield, Ian Curtis, Paul O'Donoghue, Lyndsey Lacey-Simone

### Public Platform

There were no speakers on this occasion.

#### 1. Declarations of Interest

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

Councillor John Singleton declared a personal interest in item 4 (Appendix F) in so far as it related to Staining Drainage Improvement Scheme.

#### 2. Confirmation of Minutes

RESOLVED: To approve the minutes of the Finance and Democracy Committee meeting held on 25 January 2021 as a correct record for signature by the Chairman.

#### 3. Substitute Members

The following substitution was reported under Council procedure rule 23 (c):

Councillor Mathew Lee for Councillor Liz Oades.

### Decision Items

#### 4. Medium Term Financial Strategy Update, including General Fund, Capital Programme and Treasury Management for 2020/21 to 2024/25

The Chairman invited Paul O'Donoghue (Chief Financial Officer), to present the Medium-Term Financial Strategy (MTFS) Update for the five years 2020/21 to 2024/25. In doing so, he stated that this was the penultimate stage in the budget setting process before the MTFS was considered for approval by Budget Council on 4<sup>th</sup> March 2021.

Mr O'Donoghue explained that the MTFS was designed to provide a strategic link between available financial resources and the Council's corporate policy priorities, and to ensure that the Council sets a budget which is robust and sustainable in order to deliver its strategic objectives.

In summary, the report detailed the estimated financial resources available to the Council and identified how they would be utilised to support the achievement of the Council's priorities. The report also identified the key financial risks facing the Council over the life of the forecast. The Council's Revenue Budget, Expenditure Forecast, Capital Programme, Treasury Management Strategy and Useable Reserves and Balances Policy together with the Budget Working Group recommendations and the draft fees and charges which had previously been considered by the programme committees were also set out in the report.

Members were advised that the forecast included the impact of the 2021/22 Local Government Finance Settlement (announced in December 2020) which was a single-year only settlement. Particular reference was made in the report to the delayed implementation of the Fair Funding Review and similarly, the planned reform of the Business rates system. In addition, details with regard to the continuation of the Lancashire-wide Business Rates Pool and proposals to consult on reforms to the New Homes Bonus scheme were set out in the report. The additional grants announced for 2021/22 as part of the Settlement and details of the various Covid Support grants were also highlighted in the report.

Mr O'Donoghue highlighted the fact that staff across the Council had been diverted from regular duties to respond to the pandemic and as such less budget monitoring had been carried out than would ordinarily have been the case. As such, it was possible that there would be more budget variances at outturn than usual. He went on to confirm as the Council's Section 151 Officer that he was satisfied, having due regard to the risks identified in the report, that the budget proposals (as presented) represented a robust financial position for the Council for the next few years.

The Chairman, Councillor Buckley then went to further outline matters associated with the proposed Council Tax increase as detailed on Appendix E of the report and the Revenue and Capital items detailed in Appendix F of the report. She also went on to highlight the details of the distribution of the Covid Support grant funding and key investments made since Budget Council in March 2020.

Following on from the above, the Chairman invited questions. In summary, these related to the following areas: the availability of access control measures to other parks in the borough and arrangements for the provision of the Mersey Internal Audit Agency. These were addressed by the Chairman and Mr O'Donoghue as appropriate.

In conclusion, the Chairman on behalf of the Committee passed on her sincere thanks and appreciation to Mr O'Donoghue and his team and all budget holders for the hard work undertaken on the production of the comprehensive report and in supporting the development of budget proposals during a very challenging year.

A copy of the Medium-Term Financial Strategy 2020/21 to 2024/25 was included as an appendix to the report.

Following consideration of this matter, it was RESOLVED (1) to request Council to approve and adopt:

- a) The revised estimates for 2020/21 and the revenue budget for 2021/22 as set out in Appendix E of the report, which includes recommended transfers to the Capital Investment Reserve in 2020/21 and 2021/22 equivalent to the balance of the revenue surplus for those years, currently estimated at £1.813m in 2020/21 and £1.706m in 2021/22;
- b) The budget proposals and changes to Reserves and Balances as set out in Appendices F & H, to include approval that the Council will act as the accountable body for any of the new capital schemes (as indicated) in Appendix F of the report;
- c) The proposed distribution to town and parish areas of a proportion of the government covid grant support that has been provided to Fylde Council for 2021/22 (as shown at Appendix Fi to the report), with the authority being delegated to the Director of Resources, in consultation with the Fylde Council elected members for the non-parished areas of the borough, with regard to how those funds may be used in those areas;
- d) The Capital Strategy 2021-24, including Prudential Indicators and Limits, set out in Appendix G of the report; which incorporates the Treasury Management Policy, the Capital Programme, the Treasury Management Strategy, the Investment Strategy and the Minimum Revenue Provision Statement;
- e) The updated Useable Reserves & Balances Policy as detailed in Appendix H of the report;

- f) An average Band D Council Tax of £214.91 for 2021/22 (excluding Town and Parish precepts), which is a 1.99% increase from the 2010/21 average Band D charge;
- g) The Special Expenses policy as set out in Appendix I of the report; which includes that:
- for the purposes of charging special expenses, both the special expense costs and the tax bases relating to the areas of Lytham and St Annes will each be aggregated and the Council Tax charge per property at each band level will be the same across the whole area; and
  - the annual special expense charge per property will be set for 2021/22 at the 2020/21 level plus 2.08%, that being £79.21 per band D property; and
  - the annual borough wide charge per property will be set for 2021/22 at the 2020/21 level plus 2.08%, that being £168.83 per band D property; and
  - the budget resource to be allocated to delivering concurrent services and chargeable as special expenses for 2021/22 will be set at a sum equivalent to the annual special expense area charge per property (band D equivalent) multiplied by the tax base for the special expense area; and
- h) The schedule of fees and charges for 2021/22 as detailed in Appendix J of the report.

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