



MINUTES

Finance and Democracy Committee

Date:	Monday, 18 February 2019
Venue:	Town Hall, St Annes.
Committee Members Present:	Councillor Karen Buckley (Chairman) Councillor Neil Harvey (Vice-Chairman) Councillors Alan Clayton, David Donaldson, Tony Ford JP, Angela Jacques, Kiran Mulholland, Linda Nulty, Richard Redcliffe, Vince Settle, Roger Small.
Other Councillors Present:	Councillor Sue Fazackerley MBE
Officers Present:	Allan Oldfield, Paul Walker, Paul O'Donoghue, Marie Percival, Sharon Wadsworth.
Other Attendees:	One member of the public was present.

Public Platform

There were no speakers under the public platform arrangements 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. There were no declarations of interest on this occasion.

2. Confirmation of Minutes

RESOLVED: To approve the minutes of the Finance and Democracy Committee meeting held on 28 January 2019 as a correct record for signature by the Chairman.

3. Substitute Members

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

Councillor Alan Clayton for Councillor Elaine Silverwood.

Decision Items

4. Medium Term Financial Strategy Update, Including General Fund, Capital Programme and Treasury Management for 2018/19 to 2022/23

Paul O'Donoghue, Chief Financial Officer, presented the Council's Medium Term Financial Strategy (MTFS) for the five years 2018/19 to 2022/23. He explained that the report represented the penultimate stage of the 2019/20 budget setting process, with the recommendation from committee going forward to Council on 5th March. In presenting the report, Mr. O'Donoghue focused on each of the recommendations.

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In relation to recommendation 1(a) he explained that appendix E provided the revised estimates for 2018/19 and the revenue budget for 2019/20 with the recommended transfers to reserves of £1.399m for 2018/19 and £0.955m in 2019/20. Recommendation 1(b) was to adopt the budget proposals and changes to reserves, as set out in appendices F and H.

Recommendation 1(c) referred to the Capital Strategy 2019-22 as set out at appendix G in accordance with the revised reporting arrangements under the CIPFA Prudential Code 2018.

Mr. O'Donoghue explained that recommendation 1(e) proposed an average Band D Council Tax of £206.60 which was a 2.48% increase. Recommendation 1(f) detailed the special expenses policy and the charging of such whilst recommendation 1(g) outlined the schedule of fees and charges, which Mr. O'Donoghue advised that each committee had received a draft schedule for consideration.

In conclusion Mr. O'Donoghue, as Chief Financial Officer, offered his opinion that the council's finances were robust based on the assumptions set out within the report.

Following no questions the committee RESOLVED to:

1. Request Council to approve and adopt:

- (a) The revised estimates for 2018/19 and the revenue budget for 2019/20 as set out in Appendix E, which included recommended transfers to the Capital Investment Reserve in 2018/19 and 2019/20 equivalent to the balance of the revenue surplus for those years, currently estimated at £1.399m in 2018/19 and £0.955m in 2019/20;
- (b) The budget proposals and changes to Reserves and Balances as set out in Appendices F & H;
- (c) The Capital Strategy 2019-22, including Prudential Indicators and Limits, set out in Appendix G; which incorporated the Treasury Management Policy, the Capital Programme, the Treasury Management Strategy, the Investment Strategy and the Minimum Revenue Provision Statement;
- (d) The updated Useable Reserves & Balances Policy as detailed in Appendix H;
- (e) An average Band D Council Tax of £206.60 for 2019/20 (excluding Town and Parish precepts), which was a 2.48% increase from the 2018/19 average Band D charge;
- (f) The Special Expenses policy as set out in Appendix I; which included 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 would each be aggregated and the Council Tax charge per property at each band level would be the same across the whole area; and
 - the annual special expense charge per property would be set for 2019/20 at the 2018/19 level plus 2.64%, that being £75.92 per band D property; and
 - the annual borough wide charge per property would be set for 2019/20 at the 2018/19 level plus 2.64%, that being £161.81 per band D property; and
 - the budget resource to be allocated to delivering concurrent services and chargeable as special expenses for 2019/20 would be set at a sum equivalent to the annual special expense charge per property (band D equivalent) multiplied by the tax base for the special expense area;
- (g) The schedule of fees and charges for 2019/20 as detailed in Appendix J.

5. Exclusion of the Public

IT WAS RESOLVED: That under Section 100A (4) of the Local Government Act 1972, that the public be excluded from the meeting for the following item of business, on the grounds that it involved the likely disclosure of exempt information as defined under paragraphs 1 and 3 of schedule 12A of the Act.

6. Public Offices Site

Paul Walker, Director of Development Services, and Marie Percival, Estate and Assets Manager, presented a report on the latest proposals for the disposal of the Public Offices site following the completion of due diligence.

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Miss. Percival took members through the details of the proposals that had been received and the current position with the covenants and the company holding the freehold interest on the site.

Various members commented/sought clarification on a variety of aspects of the proposals and the position with the covenants. All questions were addressed in turn by Miss. Percival and Mr. Walker.

Following detailed consideration it was unanimously RESOLVED to:

1. Approve a 20 year lease for the Public Offices site and outbuildings to the company as detailed in the report;
2. Approve the disposal of the Council's leasehold interest in the land and property known as the T&L Building at 288-290 Clifton Drive South, Lytham St Annes to the second developer as set out in the report;
3. Authorize the Director of Development Services to approve the details within the various contracts to be drawn up between the parties, consistent with the principles as described within the report, following consultation with the Chairman and the Vice Chairman of the Finance and Democracy Committee.
4. The committee notes the advice from counsel with regards to the enforceability of the covenants by the company holding the freehold interest of the Public Offices site. The committee also notes progress in discussions with the company in respect of the level of the consent fee to develop which would be payable. However members consider the revised consent premium demanded is still unreasonable and instructs officers (1) to continue to negotiate with the company and (2) in the event that the negotiations do not achieve a reduction in the consent fee which officers feel, having regard to the advice received from Counsel, can be properly accepted, that proceedings be commenced with a view to testing the enforceability of the covenants.
5. Provide regular updates to the Chairman and Vice-Chairman of the Finance and Democracy committee on the disposal of the Public Offices site as part of the scheduled briefing sessions.

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