



Minutes

FINANCE AND DEMOCRACY COMMITTEE

Date:	Monday, 20 February 2017
Venue:	Town Hall, St Annes.
Committee Members:	Councillor Karen Buckley (Chairman) Councillor Roger Small (Vice-Chairman) Councillors David Donaldson, Sue Fazackerley, Karen Henshaw, Angela Jacques, Linda Nulty, Liz Oades, Richard Redcliffe, Vince Settle.
Officers Present:	Allan Oldfield, Paul O'Donoghue, Katharine McDonnell
Other Attendees:	One member of the public

Public Platform

One member of the public addressed the meeting, with a number of questions regarding the accounting for green waste income. The matters raised were addressed by the Chief Financial Officer during his presentation of agenda item 4.

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 none on this occasion.

2. Confirmation of minutes

RESOLVED: To approve the minutes of the Finance and Democracy Committee meeting held on 23 January 2017 as a correct record for signature by the Chairman.

3. Substitute members

The following substitutions were reported under Council procedure rule 24(c):

Councillor Karen Henshaw for Councillor Tony Ford

Councillor Sue Fazackerley for Councillor Richard Taylor

Decision Items

4. Medium Term Financial Strategy Update, Including General Fund, Capital Programme and Treasury Management for 2016/17 to 2020/21

Paul O'Donoghue, Chief Financial Officer, presented the Council's Medium Term Financial Strategy (MTFS) for the five years 2016/17 to 2020/21. He advised that the report would go forward to the Council meeting on 2 March 2017 for approval. He further explained that the MTFS detailed the impact of the Local Government Financial Settlement including a reduction of the New Homes

Bonus; entry into the Lancashire Business Rates Pool; and the implementation of a subscription green waste service. The report provided an overall summary position of the Council's finances. It highlighted the key risks and the robustness of the Council's finances.

Mr O'Donoghue provided detail for each of the recommendations, directing the committee to the relevant parts of the report. He concluded his presentation stating that in his professional opinion the Council was in a robust financial position for the next few years, based on the assumptions and risks outlined in the report.

At the Chairman's request, Mr O'Donoghue responded to questions raised under the Public Platform, stating that the green waste subscription would be treated in the same way as other fees and charges introduced by Council. He advised that income from the green waste subscription would be identifiable in the budget book as an additional line under the Fylde Waste cost centre.

Allan Oldfield, Chief Executive, advised that the Bartec system used by the Operational Services teams would be able to provide collection data to the detail of collection round or postcode. He further advised that the IT team were working on an upgrade to the system which may also allow parish or ward level data.

In response to questions from committee, Mr O'Donoghue advised that in retaining 100% business rates, the Government had indicated that Local Authorities may need to undertake additional responsibilities, but to date there no further details were available regarding what these additional responsibilities may be.

Mr O'Donoghue advised that the Valuation Office had not yet undertaken an assessment of the Shale Gas exploration site, and that there was no clarity as to where any income arising from exploration/extraction sites may go, whether to Fylde Council as the billing authority or Lancashire County Council, as the authorising authority. He advised that the council had been in contact with the Valuation Office for an indication of when an assessment may be undertaken.

In response to a question regarding staffing and budget right sizing, Mr O'Donoghue advised that budget right sizing was not applied to the staffing establishment. However he advised that there had for number of years been an in-year vacancy saving target of £100k per annum. He further advised that there had been annual overachievements on this target for a number of years, so the target had been increased for 2016/17 onwards to £200k, and that vacancy savings for the current year were currently forecast to exceed even this revised target by a further £110k.

In regards to increased income for the Planning Department, and the budget for planning appeal costs Mr O'Donoghue advised that in recent years any underspend on the planning appeals budget, had been slipped into the following year's budget to meet the costs of appeals and that some of that increased budget had now been released into general reserves following discussions with Planning colleagues. Mr O'Donoghue advised he was not aware of any resource issues within the Planning Department.

A question was asked in regards to the four year settlement and the efficiency statement required by the Department of Communities and Local Government. Mr O'Donoghue advised that 98% of Local Authorities had submitted an efficiency statement to receive a four year settlement. He was not aware of any Local Authorities who had had their efficiency statement rejected by Government.

It was RESOLVED to

1. Request Council to approve and adopt:
 - (a) The revised estimates for 2016/17 and the revenue budget for 2017/18 as set out in Appendix E, which includes recommended 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, currently estimated at £441k in 2017/18 and £286k in 2018/19;

- (b) The budget proposals and changes to Reserves and Balances as set out in Appendices F & H;
- (c) The updated Five Year Capital Programme as set out in Appendix G;
- (d) The updated Useable Reserves & Balances Policy as detailed in Appendix H;
- (e) An average Band D Council Tax of £195.76 for 2017/18 (excluding Town and Parish precepts), which is a 2.62% increase from the 2016/17 average Band D charge; The Special Expenses policy as set out in Appendix I; 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 2017/18 at the 2016/17 level plus 2.76%, that being £71.77 per band D property; and
 - the annual borough wide charge per property will be set for 2017/18 at the 2016/17 level plus 2.76%, that being £152.98 per band D property; and
 - the budget resource to be allocated to delivering concurrent services and chargeable as special expenses for 2017/18 will 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 2017/18 as detailed in Appendix J;
- (h) The Treasury Management Policy set out in Appendix K;
- (i) The Treasury Management Strategy set out in Appendix L, which incorporates the Minimum Revenue Provision Statement, the Council's Borrowing Strategy, Investment Strategy, and Treasury Prudential Indicators and Limits.

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