

Minutes of Economic Development Committee

Meeting Date: Thursday, 24 January 2019 starting at 6.30pm
Present: Councillor S Hirst (Chairman)

Councillors:

P Ainsworth	K Hind
S Bibby	I Sayers
P Dowson	J Rogerson
M Fenton	R Swarbrick
M French	

In attendance: Director of Economic Development and Planning, Head of Cultural and Leisure Services, Head of Regeneration and Housing and Senior Accountant.

601 APOLOGIES

Apologies for absence from the meeting were submitted on behalf of Councillors I Brown, P Elms, R Elms and J Holgate.

Not in Attendance – Councillor D Taylor.

602 MINUTES

The minutes of the meeting held on 15 November 2018 were approved as a correct record and signed by the Chairman.

Councillor K Hind referred to Minute 460 in regard to the market re-development and the recent decision of Policy and Finance Committee to apply to the Future High Street Fund. He requested that the public and interested groups be consulted on any new scheme going forward.

603 DECLARATIONS OF PECUNIARY AND NON-PECUNIARY INTEREST

There were no declarations of pecuniary and non-pecuniary interest.

604 PUBLIC PARTICIPATION

There was no public participation.

605 REVISED CAPITAL PROGRAMME 2018/2019

The Director of Resources submitted a report seeking Committee's approval of the revised capital programme for the current financial year for this Committee. No new capital schemes were planned for this Committee as part of the original estimate capital programme, however the Economic Development Initiative Scheme budget of £100,000 was moved from the 2017/2018 capital programme to the 2018/2019 capital programme because there were no appropriate

development opportunities that required funding from this scheme in 2017/2018. Consequently the 2018/2019 capital programme for this Committee was made up of one scheme with a total budget of £100,000.

RESOLVED: That committee approve the revised capital programme of £100,000 for this Committee as set out in the report.

606 REVISED REVENUE BUDGET 2018/2019

The Director of Resources submitted a report outlining the revised revenue budget for 2018/2019 for this Committee. Members were reminded that at this time of year, the estimates are revised for the current financial year in order to predict the likely outturn. This also assists in preparing the original estimates for the coming financial year.

The original budget for 2018/2019 initially allowed 2% for both pay and price increases, however after the detailed estimates had been prepared, the national pay award was settled which increased the pay bill nationally by 2.707% in 2018/2019 and 2.802% in 2019/2020 with substantial increases in lower pay scales. As well as using data on past performance there had been detailed discussions with budget holders and Heads of Service on past service provision on future plans which played an integral part in the budget setting process. Committee were informed that the revised budget for 2018/2019 showed an increase in net expenditure of £5,100 more than the original estimate after allowing for transfers to and from earmarked reserves. A comparison between the original and revised budgets for each cost centre was included for Committee's information and the significant variances were highlighted.

RESOLVED: That Committee agree the revenue revised estimate for 2018/2019.

607 ORIGINAL REVENUE BUDGET 2019/2020

The Director of Resources submitted a report asking Committee to agree the draft revenue budget for 2019/2020 for this Committee for consideration at Special Policy and Finance Committee.

With regard to the Council's overall financial position, Members were reminded that in September the four year budget forecast had predicted budget gaps of £101k in 2019/2020; £225k in 2020/2021 and £426k in 2021/2022.

Members were also reminded that 2019/2020 was the final year of the multi-year grant settlement which we had signed up to and as such we had not expected our allocations to change from those previously announced. A negative Revenue Support Grant (RSG) from 2019/2020 of £108,866 was anticipated.

On 13 December 2018 the government announced the provisional financial settlement; for Ribble Valley this would mean:

- A negative RSG had been eliminated gaining us £109k;

- The Rural Services Delivery Grant had been increased back to the same level as 2018/2019 gaining us £21k;
- The new homes bonus threshold remains at 0.4%;
- The Lancashire Business Rates Pilot bid had been successful, a gain from this would be dependent on actual Business Rate growth but estimates suggest it would be in the region of £400k; The government are returning to local authorities the levy account surplus which would be £20k.

The government had also announced consultations on the future of Business Rate retention and the Fair Funding Review which may have a significant impact on our financial position beyond 2019/2020.

The Budget Working Group would continue to meet over the coming weeks and would ultimately make recommendation to Policy and Finance Committee on 5 February 2019 in order to achieve a balanced budget. The proposed fees and charges for 2019/2020 had been considered by Committee in October and had been incorporated into the service budgets. Following in-depth service analysis and meetings between accountants, budget holders, Heads of Service and Management Team, the proposed draft budget was now presented to Members.

Estimates had been prepared on current levels of service allowing for the nationally agreed pay award (average increase 2.8%) and price increases at 2%. The budget for each cost centre within the report was presented individually showing the original estimate savings, inflation, variations to the standard budgeted inflation, unavoidable changes to service costs, support services and capital charges, which then culminated in the draft original estimate for 2019/2020.

The report detailed individual budget areas under this committee and comments were provided on the main variances.

The draft budget was also summarised in two ways; one over the cost of the service provided by the Committee (objective) and the other over the type of expenditure and income (subjective).

The net expenditure for this Committee is estimated to increase by £18,750. The main reasons for this net increase were summarised for Committee's information.

RESOLVED: That Committee agree the revenue original estimate for 2019/2020 and submit this to the Special Policy and Finance Committee.

608 RIBBLE VALLEY ECONOMIC PARTNERSHIP LAUNCH EVENT

The Director of Economic Development and Planning submitted a report providing Committee with information relating to plans for a launch of the Ribble Valley Economic Partnership and development of the Council's Economic Plan. At the last Economic Development Committee meeting on 15 November 2018 it had been agreed that the Council would lead on the establishment of a strategic forum to consider local economic issues. It was proposed that the forum would

provide a valuable platform to help develop the Council's economic strategy and get stakeholder input. This would help align a number of partnership groups into an umbrella forum to help joint working,

It was proposed that the plan would be set out in a simple and coherent format and would contain five suggested areas for consideration; people, places, business support and growth, connectivity and tourism. With these areas of consideration in mind, it was suggested that the launch of the Economic Partnership would be an opportunity to consult with local businesses for them to advise on key issues/concerns within each area.

It was intended that the session be interactive following introductions and key note briefings and would encourage business input to help shape the strategy at the start of the process. The launch event was planned to take place on Wednesday, 27 February 2019 in the Council Chamber and all Members of this Committee were invited to attend.

RESOLVED: That the report be noted.

609 REPORTS FROM REPRESENTATIVES ON OUTSIDE BODIES

There were no reports from Representatives on Outside Bodies.

610 EXCLUSION OF PRESS AND PUBLIC

RESOLVED: That by virtue of the fact that the following items of business be an Exempt Information under Category 3 of Part 1 of Schedule 12A of the Local Government Act 1972, the press and public be now excluded from the meeting.

611 EMPLOYMENT LAND

The Director of Economic Development and Planning submitted a report for Members' information in relation to emerging employment land issues. He informed Committee that there had been significant activity on sites with sites being developed out across the borough and there were a number of matters emerging in relation to some sites and commitments that should be monitored.

RESOLVED: That the report be noted.

The meeting closed at 7pm.

If you have any queries on these minutes please contact Marshal Scott (414400).