

Minutes of Policy & Finance Committee

Meeting Date: Tuesday, 21 January 2020, starting at 6.30pm
Present: Councillor S Atkinson (Chairman)

Councillors:

S Bibby	S Hirst
A Brown	S Hore
S Carefoot	A Knox
J Clark	D Peat
S Fletcher	J Rogerson
J Hill	R Thompson
M Hindle	

In attendance: Chief Executive, Director of Resources, Director of Community Services, Director of Economic Development and Planning and Senior Accountant.

513 APOLOGIES

Apologies for absence from the meeting were submitted on behalf of Councillor M French.

514 MINUTES

The minutes of the meeting held on 19 November 2019 were approved as a correct record and signed by the Chairman.

515 DECLARATIONS OF PECUNIARY AND NON-PECUNIARY INTEREST

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

516 PUBLIC PARTICIPATION

There was no public participation.

517 REVISED CAPITAL PROGRAMME 2019/2020

The Director of Resources submitted a report seeking Committee's approval of the Revised Capital Programme for the current financial year for this Committee. The Original Capital Programme for 2019/20 had been approved by the Special Policy and Finance Committee in February 2019 and since then regular reports had been presented to this Committee on progress with the Capital Programme.

In February 2019, 4 new capital schemes with a total approved budget of £112,200 were approved; since then the following changes had been made:

- £84,050 of budget and one scheme was moved from 2018/19 Capital Programme to the 2019/20 Capital Programme.
- 3 schemes in the 2018/19 Capital Programme were not completed by 31 March 2019 and had unspent budget available at that date. The total unspent balance on these schemes, £60,950 is known as slippage. This

slippage was transferred into the 2019/20 Capital Programme after approval by this Committee in June 2019.

- In September 2019 2 new schemes totalling £23,340 were approved by this Committee.

As a result of the above, the total approved budget for this Committee's Capital Programme of 8 schemes was £280,540.

Following discussions on each of the schemes in the Capital Programme with budget holders, the revised estimate is £162,720 for 7 schemes, which is a reduction of £117,820 from the total approved budget. The reasons for this reduction were outlined to Committee.

The Director of Resources reported that the expenditure and commitments to the end of December 2019 represented 71.8% of the Revised Capital Programme budget for this Committee. The report outlined the full Capital Programme by scheme including the budget and expenditure to date for Committee's information.

She reported on progress on the schemes with the largest remaining 2019/20 budgets.

RESOLVED: That Committee approve the Revised Capital Programme of £162,720 for this Committee as set out in the report.

518 REVISED REVENUE BUDGET 2019/2020

The Director of Resources submitted a report outlining the Revised Revenue Budget for 2019/20 for this Committee. She reminded Members 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 2019/20 included provision for pay increases at 3% and price increases at 2%. As well as using data on past performance there had been detailed discussions with budget holders and Heads of Service on past service provision and on future plans which played an integral part in the budget setting process.

She informed Committee that the revised budget for 2019/20 showed a decrease in net expenditure of £118,610 after allowing for movements 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 2019/20.

519 ORIGINAL REVENUE BUDGET 2020/2021

The Director of Resources submitted a report asking Committee to agree the draft Revenue Budget for 2020/21 for this Committee for consideration at Special Policy and Finance Committee.

With regard to the Council's overall financial position, she reminded Members that in September the 4-year budget forecast had predicted the following budget gaps; £0k in 2020/21, £372k in 2021/22, £410k in 2022/23, after allowing for the use of general fund balances.

She also reminded Members that 2019/20 was the final year of the multi-year grant settlement from the Government. The Government had also announced a delay to the implementation of 75% business rate retention and the fair funding review until April 2021.

On 20 December 2019 the Government announced the provisional financial settlement; for Ribble Valley this would mean:

- A business rates baseline of £1,354,393;
- Our negative revenue support grant will be reset to zero;
- A provisional New Homes Bonus allocation of £1,758,302;
- Rural services delivery grant of £107,921;
- Revocation of the Lancashire 75% Business Rate Pilot but designation of a new Lancashire 50% Business Rate pool.

The Budget Working Group would continue to meet over the coming weeks and would ultimately make recommendations to Special Policy and Finance Committee on 4 February 2020 in order to achieve a balanced budget.

The proposed fees and charges for 2020/21 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 Committee.

Estimates had been prepared on current levels of service allowing for pay increases at 3% 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 budget inflation, unavoidable changes to service costs, support services and capital charges which then culminated in the draft original estimate for 2020/21.

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 was estimated to increase by £24,710 after allowing for associated movements on earmarked reserves. The main reasons for the net increase were summarised for Committee's information.

RESOLVED: That Committee agree the revenue original estimate for 2020/21 and submit this to Special Policy and Finance Committee.

520 LOCAL TAXATION WRITE-OFFS

Committee were asked to approve the write-off of business rate debts relating to one case where a company had gone into administration. Reasonable steps by various means had been taken to collect this debt.

RESOLVED: That Committee approve the writing-off of £2,488.61 business rates and £60 costs, where it had not been possible to collect the amount due.

521 REVIEW OF FINANCIAL REGULATIONS AND CONTRACT PROCEDURE RULES

The Director of Resources submitted a report asking Committee to consider the acceptance of the reviewed Financial Regulations and Contract Procedure Rules. These are key components of the Council's Constitution and Corporate Governance arrangements and apply to every Member and officer of the Council and anyone acting on the Council's behalf.

A full review of the existing Financial Regulations had been carried out and no changes were required.

Following the recent review of the Contract Procedure Rules there were several changes and clarifications that were recommended.

- Clarification that exemptions from the Contract Procedure Rules should always be sought from Committee in the first instance. Agreement must continue to be sought from the Head of Legal Services and the Director of Resources where time constraints or urgency restrict the ability to seek committee approval and in such circumstances this should continue to be reported to committee retrospectively. (CPR5 (5.4)).
- Clarification on the arrangements that should be put in place for the scoring of tenders and the parties to be involved. (CPR18 (18.2))
- Specific requirement to include the financial services section in the calculation of any amounts due for liquidated damages under a contract and its inclusion in the contract documentation where relevant. (CPR27 (20.1v))
- Amended percentage at which contract variations must be reported to the Head of Legal Services and the Director of Resources from 10 per cent of tender sum to 5 per cent of tender sum. (CPR22 (22.1a))

With regard to the EU Procurement Directives as the UK leaves the EU on 31 January 2020, a transition period would be entered until the end of December 2020. During this period the EU Procurement Directives would continue to apply by default and after the transition period the Procurement Regulations would also continue to apply as they are now part of UK law.

*** RESOLVED: That Committee recommend to Full Council the acceptance of the revised Contract Procedure Rules. ***

522 FREEDOM MARCH – DUKE OF LANCASTER’S REGIMENT

The Chief Executive submitted a report to Committee seeking their agreement for the Duke of Lancaster’s Regiment to exercise their right as Freeman of the Borough to march through Clitheroe on 28 April 2020. A budgetary provision was required for this and the exact route and timing would be made public nearer the time.

RESOLVED: That Committee welcome the Regiment’s request to march through the borough and agree a budgetary provision of £7,500 for this event.

523 CORPORATE PEER CHALLENGE REVIEW FEEDBACK LETTER

The Director of Resources submitted a report presenting to Committee the feedback letter received from the LGA Corporate Peer Challenge Review.

In summary the peer team felt that the Council had made clear progress in taking forward the recommendations made by the peer team in 2017 and that the challenge was now for the Council to ensure ambitions and values are fully embedded and understood and that succession planning was critical for future continued success.

Members were pleased with the feedback letter and reiterated the need for succession planning to ensure the continued success of the Council.

RESOLVED: That Committee

1. receive the LGA Corporate Peer Challenge feedback letter; and
2. agree the recommendations as set out in the report for an action plan to be brought to a future meeting.

524 REFERENCES FROM COMMITTEES

There were no references from Committees.

525 TREASURY MANAGEMENT MONITORING 2019/20

The Director of Resources submitted a report for Committee’s information on the Treasury Management activities for the period 1 April 2019 to 31 December 2019. The report outlined the following topics:

- Public Works Loan Board;
- borrowing requirements;
- temporary investments;
- Prudential indicators;
- approved organisations;
- recent events; and
- exposures to risk.

RESOLVED: That the report be noted.

526 REVENUES AND BENEFITS GENERAL REPORT

Committee considered a report which covered the following:

- National Non-Domestic Rates (NNDR);
- Council Tax;
- Sundry debtors;
- Housing Benefit and Council Tax support performance;
- Housing Benefit overpayments.

RESOLVED: That the report be noted.

527 CHRISTMAS LUNCHEON CLUB PROJECT - UPDATE

The Director of Economic Development and Planning submitted a report for Committee's information with an update on the success of the luncheon clubs Christmas grants.

21 applications had been received which were estimated to have supported 929 beneficiaries and the total amount paid out was £3,165.

Going forward opportunities would be developed on how the Council can best support needs in relation to activities that support wellbeing for older persons throughout the borough. The Christmas lunch programme was very well received and the feedback had been very positive.

RESOLVED: That the report be noted.

528 REPRESENTATIVES ON OUTSIDE BODIES

There were no reports from Representatives on Outside Bodies.

529 EXCLUSION OF PRESS AND PUBLIC

RESOLVED: That by virtue of the fact that the following item of business be exempt information under Category 1 of Schedule 12A of the Local Government Act 1972 the press and public be now excluded from the meeting.

530 LOCAL TAXATION AND HOUSING BENEFIT WRITE-OFFS

Committee considered a report asking them to approve the writing-off of a Council Tax debt relating to an individual that was deceased and a housing benefit debt relating to an overpayment of benefit.

RESOLVED: That Committee approve the writing-off of £1,571 of Council Tax debts plus £180 costs and £1,006.50 of housing benefit debt where it had not been possible to collect the amounts due.

The meeting closed at 7.15pm.

If you have any queries on these minutes please contact Jane Pearson (425111).