

Minutes of Policy & Finance Committee

Meeting Date: Tuesday, 25 October 2016, starting at 6.30pm
Present: Councillor S Hirst (Chairman)

Councillors:

J Alcock	S Hore
S Bibby	A Knox
P Elms	G Mirfin
M French	I Sayers
R Hargreaves	D T Smith
T Hill	R J Thompson
K Hind	

In attendance: Chief Executive, Director of Resources, Director of Community Services, Head of Revenues and Benefits.

Also in attendance: Councillor M Fenton.

338 APOLOGIES

Apologies for absence from the meeting were submitted on behalf of Councillor J Rogerson.

The Chief Executive informed Committee that Mr Eric Bracewell had died. He was a long-standing Member of the Council many years ago, including a Member of this Committee. Committee held a minute's silence in memory of Mr Bracewell.

339 MINUTES

The minutes of the meeting held on 6 September 2016 were approved as a correct record and signed by the Chairman.

Clarification was sought with reference to Minute 213 – Clitheroe Market Redevelopment Progress Report – regarding the body that was to undertake the consultation – Infusion Research.

340 DECLARATIONS OF PECUNIARY AND NON-PECUNIARY INTEREST

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

341 PUBLIC PARTICIPATION

There was no public participation.

342 LOCAL COUNCIL TAX SUPPORT SCHEME 2017/18

The Director of Resources submitted a report updating Members on the outcome of the recent consultation exercise undertaken regarding proposed changes to our local Council Tax Support Scheme for 2017/18 and asking Members to agree

to the amendments outlined. The scheme had been updated by minor amendments each year to maintain the link with Housing Benefit and the previous Council Tax Benefit Scheme. In the last couple of years, the Government have proposed welfare reforms that will result in significant changes to housing benefit. These changes can be summarised as follows:

- To reduce the period that a person can be absent from Great Britain and still receive housing benefit.
- To limit the number of dependent children within the calculation of housing benefit to a maximum of 2.
- To reduce the element of a Work-Related Activity Component in the calculation of housing benefit for new Employment and Support Allowance applicants.
- To remove entitlement to the Severe Disability Premium where another person is paid Universal Credit (Carers Element) to look after them.
- To remove the Family Premium for all new working age claimants (NB: this was introduced in Housing Benefit from 1 May 2016).

A consultation exercise was launched at the beginning of August which closed on 30 September 2016. The majority of respondents had either strongly agreed or agreed to each of the proposals put forward to maintain the links to housing benefit.

*** RESOLVED: That Committee recommend to Full Council the approval of our local Council Tax Support Scheme for 2017/18 as set out in the report and having regard to the Equality Impact Assessment included at Appendix 2. ***

343 REVIEW OF FEES AND CHARGES

The Director of Resources submitted a report seeking Committee's approval on proposals to increase this Committee's fees and charges with effect from 1 April 2017. These proposals were the first stage in the review of this Committee's budget for the forthcoming 2017/18 financial year. The Council's latest budget forecast allows for a 1.5% increase in the level of income raised from fees and charges and this review aims to increase budgeted income for 2017/18 by this amount as a minimum. After applying this percentage increase, proposed charges have generally been rounded up or down to minimise any problems with small change which inevitably impacts on the individual percentage rise for each separate charge.

With regard to the charge for issuing of summonses, there is no proposed increase in the charge. This charge is required to be set on a basis that reflects our costs associated with issuing a summons and the current charge of £60 is seen to reflect this. Excluding summonses the current budgeted income to be received from fees and charges which are set by this Committee is £103,230. A 1.5% increase on this total would therefore generated £1,548.

Discussions had been held between budget holders and financial services to enable the budget holder to propose a set of fees and charges for their services. The proposed set of fees and charges were set out for Committee's information in Annex 1 to the report.

RESOLVED: That Committee approve the charges as set out in Annex 1 to the report for implementation with effect from 1 April 2017.

344 LOCAL TAXATION WRITE-OFFS

Committee were asked to approve the write-off of National Non-Domestic Rate Debts relating to one company that had been dissolved. Reasonable steps by various means had been taken to collect these debts.

RESOLVED: That Committee approve the writing-off of £7,491.30 of NNDR debts where it had not been possible to collect the amount due.

345 REVIEW OF FINANCIAL REGULATIONS AND CONTRACT PROCEDURE RULES

The Director of Resources submitted a reporting asking Committee to consider a recommendation that Council accept the updated 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.

The report highlighted only a minor change that had been made to the Financial Regulations describing the role of Public Sector Appointments Ltd in the appointment of External Audit.

With regard to the Contract Procedure Rules the main changes were around clarification on advertising of tendering opportunities and the provision of tender documents electronically. There was also an update to the listed EU procurement thresholds.

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

346 BOUNDARY COMMISSION PARLIAMENTARY BOUNDARY REVIEW

The Director of Resources submitted a report outlining the review of the Parliamentary Constituencies within England by the Boundary Commission. The Parliamentary Boundary Review examines the existing constituencies and makes recommendations for any changes that might be needed to make sure constituencies comply within legal requirements. The Commission had published initial proposals for new constituencies in England which outlined two new Parliamentary Constituencies for the Ribble Valley which would consist of two constituencies, Clitheroe and Colne, and North Lancashire. Under the new formula Lancashire was entitled to 14.06 constituencies and this results in a reduction from 16 to 14 constituencies. Although the existing Ribble Valley constituency with an electorate of 75,348 did not need to be altered, it was considered that it would have to change in order to accommodate change elsewhere and the reduction of 2 constituencies in the County. It was therefore proposed that the parts of the existing Pendle Constituency be included with a number of wards from the existing Ribble Valley Constituency to form a geographically smaller constituency which is proposed to be named Clitheroe and Colne. This constituency extends along the A59 towards the town of Bamber Bridge. The physical geography geographically large ward sizes and

small ward electorates in the northern part of the county had led the Boundary Commission to propose a new constituency stretching from the borders with Cumbria and North Yorkshire to the estuary of the River Lune and to the outskirts of the city of Preston and encompassing the remainder of the borough of Ribble Valley. This constituency would be called North Lancaster.

The Chief Executive reported that following the Council meeting on 27 September 2016, an initial response had been provided to the Commission that:

- rejects the Boundary Commission's proposals for Ribble Valley;
- urges the Commission to consider counter proposals that keep the Ribble Valley borough in one parliamentary constituency to be called Ribble Valley;
- the Borough Council would be submitting proposals that:
 - are based upon community interest, keeping the new constituency within the borough;
 - will avoid the new constituency covering more than two local authority areas;
 - will keep the numbers in the new constituency within the tolerance level of 71,031 and 78,507;
 - will minimise the amount of change and voter movement from the existing Ribble Valley Parliamentary Constituency to the proposed new one.

The Boundary Review Working Group had met to consider the proposals of the Boundary Commission.

Councillor Fenton was given permission to speak on this item and reported that the Labour Party were supportive of the proposals of the Boundary Commission with regard to the Clitheroe and Colne Constituency, however it did acknowledge that the size of the North Lancashire Constituency was such that it would be difficult for constituents to have an equal share of an MP's time.

The views of the Conservative Party across Lancashire were given with their view that the main issues were keeping the Ribble Valley as a whole and within a constituency of no more than 2 local authorities; matching the numbers required; keeping change to a minimum and keeping community ties. Their proposal included the whole of Ribble Valley and parts of Hyndburn rather than parts of South Ribble that currently exists.

RESOLVED: That Committee respond to the Boundary Commission that their preferred Parliamentary Constituency for the Ribble Valley would be to include the whole of Ribble Valley, together with parts of West Hyndburn (Baxenden, Church, Immanuel, Netherton, Overton, Rishton, St Andrew's and St Oswald's) that would bring the new constituency within the right tolerance level at 77,634, and the Boundary Commission be informed that it should be known as Ribble Valley and Hyndburn West.

347 **PREVENT**

The Chief Executive submitted a report informing Members of the Council's statutory responsibilities under the Government's Counter Terrorism Strategy

Contest and particularly under the PREVENT strand of that Strategy and to recommend to Members the actions the Council should take as part of these responsibilities.

PREVENT operates in the pre-criminal space and local authorities have a statutory responsibility to assess the risk of radicalisation in their area and prepare an Action Plan accordingly. This should not place any additional burden on the day-to-day activities of the Council as it should form part of their safeguarding procedures. However there may be some initial effort in establishing processes. All Lancashire District Councils including Ribble Valley are classed as Tier 3 (low risk) with the exception of Blackburn and Burnley which are Tier 2 (medium risk).

Although Ribble Valley is low risk there is still the requirement to assess the risk and use this assessment to prepare an Action Plan. The Council is responsible for ensuring its staff can recognise the signs of a vulnerable person being radicalised under its safeguarding procedures and if needed to refer them to Chanel – a multi-agency panel that discusses individual cases of potential radicalisation and puts in place a plan to counteract it.

The Risk Assessment had been produced and used to form an Action Plan which was included for Members' information.

RESOLVED: That Committee agree the actions contained within the Action Plan.

348 REFERENCES FROM COMMITTEE

There were no references from Committee

349 EFFICIENCY PLAN 4 YEAR SETTLEMENT GUARANTEE

The Director of Resources submitted a report for Committee's information on the Government's 4 year funding offer and the submission of an Efficiency Plan for Ribble Valley Borough Council in order to achieve this. The Budget Working Group had considered a plan that had now been submitted to the DCLG to take up the multiyear settlement offer. The Council's plan to meet the funding shortfall is:

- encouraging growth in the tax base;
- encouraging business expansion and enterprise in our area;
- continuing to deliver cost effective and efficient services;
- and reviewing the major sources of income available to the Council.

Although the Government had acknowledged receipt of our submission there was no further information at this stage.

Committee felt there was a need to focus on economic growth in the borough.

RESOLVED: That the report be noted.

350 TREASURY MANAGEMENT MONITORING 2016/17

A report of the Director of Resources was submitted for Committee's information on the Treasury Management activities for the period 1 April 2016 to 30 September 2016. Covering areas such as public works loan board, borrowing requirements, temporary investments, Prudential indicators, Local Government Bonds Agency, approved organisations and recent events.

RESOLVED: That the report be noted.

351 REVENUES AND BENEFITS GENERAL REPORT

Committee considered a report which covered the following areas:

- National Non-Domestic Rates;
- Council Tax;
- Sundry Debtors
- Housing Benefit and Council Tax Support Performance;
- Housing Benefit overpayments;
- Business Rates Revaluation 2017;
- the Government's Consultation on Transitional Arrangements – the Budget Working Group had requested that a response be sent to the consultation supporting Option 2 on the grounds that more medium sized businesses would benefit from reductions in rates sooner than Option 1.

RESOLVED: That the report be noted.

352 REVENUE MONITORING 2016/17

Committee received a report showing the position for the first six months of this year's revenue budget as far as this Committee was concerned.

RESOLVED: That the report be noted.

353 OVERALL REVENUE MONITORING 206/17

Committee received a report outlining the position on the revenue budget for the current financial year.

RESOLVED: That the report be noted.

354 CAPITAL MONITORING 2016/17

Committee considered a report on the progress of the approved Capital Programme for the period to the end of September 2016 with regard to schemes which fall under the remit of this Committee.

RESOLVED: That the report be noted.

355 OVERALL CAPITAL MONITORING 2016/17

Committee received an update report on the progress of the overall approved capital scheme for the period to the end of September 2016.

RESOLVED: That the report be noted.

356 FAIR FUNDING REVIEW CONSULTATION

The Director of Resources submitted a report informing Members of the recent response to the Fair Funding Review consultation paper. This was with regard to what the relative needs assessment formula should be following the implementation of 100% business rate retention and considered issues including the approach to measuring relative need; the treatment of growth in local taxes; transitioning to a new distribution of funding; the geographical level at which need is measured; resetting the needs assessment; and incentives within the Local Government Finance system. A copy of the consultation response was included for Members' information.

RESOLVED: That the report be noted.

357 100% BUSINESS RATE RETENTION CONSULTATION

The Director of Resources informed Committee of the recent response to the 100% Business Rate Retention consultation paper. This included issues such as the devolution of responsibilities; the operation of the system including how growth is rewarded and risk is shared; local tax flexibilities; assessment of Council's needs and redistribution of resources; accountability and accounting in a reformed system; and how and what local government behaviours should be incentivised through the assessment of Council's relative needs. A copy of the consultation response submitted was included for Members' information.

RESOLVED: That the report be noted.

358 LOCAL GOVERNMENT FINANCE SETTLEMENT 2017/18 – TECHNICAL CONSULTATION PAPER

The Director of Resources submitted a report for Committee's information of a recently issued Technical Consultation Paper on the Local Government Finance Settlement 2017/18. The consultation invited views on proposals on multiyear settlements; improved better care fund; Council Tax referendum principles; business rates revaluation adjustment, adjustments to business rates in areas piloting 100 per business rates retention and voluntary transfers of funding to Mayoral combined authorities. A response would be prepared to this consultation based on the assessment of the various options and would be reported to the next meeting of the Budget Working Group.

RESOLVED: That the report be noted.

359 BUDGET WORKING GROUP

Committee received the minutes of the Budget Working Group meetings held on 14 September 2016 and 3 August 2016.

360 REPORTS FROM REPRESENTATIVES ON OUTSIDE BODIES

Committee received a report submitted by Councillor Jim White on the Armed Forces Community Covenant and a report from Councillor Ian Sayers on the Little Green Bus – Community Transport in Lancashire. Verbal reports were also given from Councillor P Elms on the Police and Crime Panel and Councillor G Mirfin on Ribble Valley Homes.

361 EXCLUSION OF PRESS AND PUBLIC

RESOLVED: That by virtue of the next item of business being exempt information under Category 3 of Schedule 12A of the Local Government Act 1972 the press and public be now excluded from the meeting.

362 DISCUSSION PAPER ON BUSINESS RATES COLLECTION

A report was submitted by the Director of Resources updating Members on issues faced by the Revenues Section regarding business rates avoidance and bad debtors. She reported that the in-year collection rate exceeds 98% which eventually rises to approximately 99% but that difficulties are encountered when recovering business rates from some debtors.

A discussion took place regarding some of the difficulties currently being experienced. Examples including phoenix companies, empty properties that are difficult to relet, sham tenancies, ratepayers with no assets and struggling businesses in properties with high rateable values. Members discussed several examples and the means of recovering such debts including Court action, bankruptcy proceedings and the potential costs involved and praised the Head of Revenues and Benefits and his team for achieving such outstanding results.

RESOLVED: Members endorsed the actions currently being taken with regard to the collection of Business Rates.

The meeting closed at 8.15pm.

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