

POLICY COMMITTEE

14th February 2017

Present – The Chairman (Foster) and Councillors Barrett, Brockbank, Dawson, Hull, Ireton, Lis, Madeley, Morrell, Mulligan, Myers, Place and Welch.

Officers – Chief Executive, Director of Services, Solicitor to the Council (Monitoring Officer), Strategic Manager – Financial Services (S.151 Officer), Strategic Manager – Planning and Regeneration, Senior HR Officer and Committee Administrator.

Apologies for absence were received from Councillors Heseltine and Jaquin.
Councillor Myers arrived at 6.34pm.

Start: 6.30pm

Finish: 7:08pm

The minutes of the Committee's meeting held on 17th January 2017 were confirmed and signed by the Chairman.

EXCLUSION OF THE PUBLIC

That, in accordance with the Council's Access to Information Procedure Rules, the public is excluded from the meeting during consideration of Minute POL.809 marked\$) below on the grounds that it is not in the public interest to disclose the Category 3 exempt information (financial or business affairs of any particular person including the Council) and Category 5 exempt information (information in respect of which a claim to legal professional privilege could be maintained in legal proceedings).

Minutes for Report

POL.808 AMENDMENT TO THE FEES AND CHARGES 2017/18

The Strategic Manager – Financial Services submitted a report presenting an amendment to the trade waste fees and charges for the 2017/18 financial year together with details of adjustments needed in order to correct the fees and charges at Craven Pool and Fitness Centre.

Resolved – (1) That, the increase in the trade waste fees and charges is approved.

(2) That, the amended fees and charges for car parking are approved.

\$POL.809 EXPRESSION OF INTEREST TO THE ACCELERATED CONSTRUCTION FUND

A separate excluded Minute has been prepared for this item. It is published (on pink paper) for Members, relevant officers and other agencies only, who are entitled to know the outcome. This version is for all those who are not entitled to the exempt version of the Minute.

Minutes for Decision

POL.810 PAY POLICY STATEMENT 2017-2018

The Senior HR Officer submitted a report seeking approval to implement a 2017/18 Pay Policy Statement in accordance with Section 38 of the Localism Act 2011. The statement articulated the Council's policy towards the pay of the workforce, particularly senior staff and the lowest paid employees. The relevant provisions in the Act ensured increased

accountability, transparency and fairness in the setting of pay and the statement would be published on the Council's website and considered annually by full Council.

RECOMMENDED – That, approval is given to implement the 2017/18 Pay Policy Statement as set out in Appendix A to the report now submitted.

POL.811

COUNCIL PLAN 2017-2020

The Strategic Manager – Financial Services submitted a report presenting the Council Plan 2017/2020 for approval. The Plan set out the Council's agenda for improving service delivery to Craven's communities and organisational change. The Plan focussed on the Council's top priorities for improvement and set out the Council's vision for the next three years. It also detailed the actions and projects to be provided by the Council against the priorities in improving service delivery.

RECOMMENDED – (1) Approve the Council Plan 2017/2020 and give delegated authority to the Chief Executive to:

- a) revise delivery mechanisms and amend timescales for delivery as necessary;
- b) agree performance indicators and associated targets that will be used to measure progress against the achievement of the priorities and objectives set out in the Plan.

POL.812

REVENUE BUDGET 2017/18 AND MEDIUM TERM FINANCIAL PLAN 2017/18 TO 2019/20

The Strategic Manager – Financial Services submitted a report identifying a fully funded budget for 2017/18 together with recommending a prudent level of general fund reserve balances for the financial year. The report also outlined the medium term financial plan (MTFP) to 2019/20.

As the final settlement had not been confirmed, the 2017/18 budget is based on the draft grant settlement announcement on 15 December 2016 which were expected to change little. Permission was given for shire districts charging less than £250 at Band D to increase their charge by £5 without triggering a referendum. This was equivalent to 3.18% for Craven.

A £5 increase gave a Council Tax of £161.21 at Band D compared to a 2% increase in Council Tax giving a Band D charge of £160.35. Put into context, Council Tax was frozen for the 5 years prior to 2016/17, and that the Council Tax freeze grant of £189k was being removed with the loss of RSG.

In accordance with Section 25 of the Local Government Act 2003, the Strategic Manager – Financial Services made a specific personal statement that the revenue budget as submitted, was robust and would deliver a balanced budget in 2017/18.

RECOMMENDED – (1) That, the revenue budget assumptions, as detailed within the Strategic Manager – Financial Services report are noted.

(2) That, the revenue budget for 2017/18 of £6,962,165 is approved.

(3) That, the schedule of growth bids of £282k as identified in Appendix C to the report now submitted are approved.

(4) That, the savings of £317k as identified in Appendix D to the report now submitted, are incorporated into the budget.

(5) That, a contribution from the New Homes Bonus Reserve of £197K is made to support the 2017/18 budget, in addition to £279k for approved projects, giving a total of £476K.

(6) That, the assessment of the robustness of the budget and adequacy of reserves in Paragraph 10 and Appendix F of the report now submitted are approved.

(7) That, the estimated sum of £995k as identified as the General Fund Balance as at 31st March 2016 in Paragraph 10 and Appendix F of the report now submitted is approved.

(8) That, the Council Tax is increased at Band D by £5 to £162.21.

(9) That, the revenue budget incorporates the net contributions to/(from) earmarked reserves as detailed on tables 2 and 3, Paragraph 7.8, Appendix A and Appendix F (annex 1).

(10) That, should additional resources be available through the retained business rates scheme, a matching contribution to the business rates contingency reserve is made to mitigate against future uncertainties.

(11) That, the Section 25 report on the robustness of the budget contained at Section 10 of the report and Appendix F is noted.

(12) That, the funding sources identified in the report and Appendix A now submitted are approved:

| | | £'000 |
|----|--|--------------|
| a) | Revenue Support Grant | 353 |
| b) | Rural Services Grant | 225 |
| c) | Transition Grant | 21 |
| d) | New Homes Bonus | 816 |
| e) | Retained Business Rates | 1,450 |
| f) | Business Rates Collection Fund (Deficit) | (484) |
| g) | Council Tax Collection Fund Surplus | 98 |
| h) | Council Tax | 3,584 |
| i) | Contribution from General Fund Balance | 0 |
| j) | Contributions (to)/from Earmarked Reserves | 899 |
| | Total Funding | 6,962 |

(13) That, in the event of the final settlement having a positive or negative variance of not more than £200k then this will be reflected in a transfer to / from the New Homes Bonus Reserve.

POL.813

CAPITAL PROGRAMME 2017/18

The Strategic Manager – Financial Services submitted a report seeking approval for the 2016/17 capital programme, subject to there being sufficient capital resources.

Following a bidding process, the capital expenditure of £1.545m proposed for 2017/18 included a vehicle replacement programme, disabled facilities grant, and facilities improvements and refurbishments.

The programme included slippage from two 2016/17 projects, the first was £60k for Planning software replacement and the second was the refurbishment and remodelling of Aireview House in the sum of £400k. The capital proposals also included £72 of projects which had been placed on a reserve list pending further funding becoming available.

RECOMMENDED – (1) That, £460k of slippage and £455k of continuing projects from the 2016/17 programme for projects identified in the report now submitted is approved.

(2) That, new capital programme projects of £1,544,807 are approved.

(3) That, a total capital programme for 2017/18 of £2,459,807 is approved.

(4) That, the final allocation of funding for the 2017/18 capital programme is confirmed once the outturn position of the 2017/18 revenue budget is finalised.

POL.814

2017/18 TREASURY MANAGEMENT STRATEGY
STATEMENT, MINIMUM REVENUE PROVISION STATEMENT
AND ANNUAL INVESTMENT STRATEGY

The Strategic Manager – Financial Services submitted a report presenting for approval the proposed Treasury Management Strategy together with the Minimum Revenue Provision Statement, Prudential Indicators and the Annual Investment Strategy for 2017/18 as required by the Department of Communities and Local Government and CIPFA.

The Council was required to operate a balanced budget and part of treasury management was to ensure that cash flow was adequately planned with cash being available when needed. Surplus monies were invested in low risk counterparties with security of capital and liquidity of funds being considered before investment return. The counterparty lending limits enabled the Council to take full advantage of investment opportunities whilst maintaining a sufficient level of security of capital.

The strategy ensured that the required funding sources would be available to support the Council's capital spending plans and longer term cash flow planning was necessary to ensure capital spending obligations were met.

The strategy also determined the limits to borrowing and investments that officers would apply over the next 12 months in order to ensure the Council's capital investment plans were affordable, prudent and sustainable.

RECOMMENDED – (1) That, the operational boundary for 2017/18 is set at £10.5m.

(2) That, the authorised boundary for 2017/18 is set at £12.75m.

(3) That, delegated authority is given to the Strategic Manager – Financial Services to effect movement within the agreed authorised boundary limits for long-term borrowing for 2017/18 onwards.

(4) That, delegated authority is given to the Strategic Manager – Financial Services to effect movement within the agreed operational boundary limits for long-term borrowing for 2017/18 onwards.

(5) That, the Treasury Management Strategy Statement for 2017/18, incorporating the Minimum Revenue Position Policy Statement and the Annual Investment Strategy, is approved.

(6) That, the Prudential Indicators for 2017/18, which reflect that the capital expenditure plans are affordable, prudent and sustainable, are approved.

(7) That, Councillors note the exclusion of the UK from country limits which had retrospective implications on the 2016/17 investment strategy and approve the amendment.

(8) That, enhanced cash funds with a fund rating of AAA and a limit of £2m/20% are added to the list of approved investments and that the Treasury Management Strategy Statement and the Annual Investment Strategy are amended accordingly for 2016/17 and 2017/18.

Chairman