

## POLICY COMMITTEE

18<sup>th</sup> November 2014

**Present** – The Vice-Chairman (Foster) and Councillors Barrett, Beck, Harbron, Heseltine, Kerwin-Davey, Moorby, Mulligan, Place, Sutcliffe and Turner.

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

Apologies for absence were received from Councillors Knowles-Fitton and Myers.

Start: 6:30pm

Finish: 8:13pm

The minutes of the Committee's meeting held on 16<sup>th</sup> September 2014 were confirmed and signed by the Chairman.

### Minutes for Report

POL.626

#### REVENUE BUDGET MONITORING Q2 2014/15

The Strategic Manager for Financial Services submitted a report informing Members of the revenue budget position of the Council based on the second quarter review of income and expenditure to the end of September 2014.

The Council's overall performance against revenue budget was a projected underspend of £111k for the full financial year, which was an increase of £12k from quarter 1.

The 2014/15 budget included a contribution of £77k to parishes to assist them with the impact of the localisation of council tax, a New Homes Bonus grant of £796k; net contributions to earmarked reserves of £994k; and a corporate contingency of £75k which had been adjusted to £25k by utilising surpluses generated in 2013/14.

The general fund reserve balance stood at £1,030k and this would assist in mitigating against the risk of unplanned movements from budgeted net expenditure levels as well as the impact of changes in local government funding.

**Resolved** – (1) That, the revenue budget monitoring position as at 30<sup>th</sup> September 2014 is noted.

(2) That, £72k of the savings expected to be achieved this year as identified in Appendix B to the report now submitted are noted and that these savings are to be carried forward for support to the 2015/16 budget and beyond.

(3) That, the Council's Long Term Financial Plan is amended to take account of the savings at (2) above in 2015/16 and beyond where these are not currently allowed for in the budget.

POL.627

#### CAPITAL BUDGET MONITORING Q2 2014/15

The Strategic Manager for Financial Services submitted a report informing Members of the capital programme position of the Council based on the second quarter review of income and expenditure to the end of September 2014.

The 2014/15 capital programme of £2,530k included a supplementary estimate of £49k for work at Skipton bus station conveniences together with £873k of slippage from 2013/14. Phase 2 of the

Town Hall project added a further £774k to the programme as well as lending £5k for repairs assistance to private householders, giving a total capital programme of £3,309k.

The current forecast was for expenditure of £3,300k and the report summarised the programme and provided an update on the various projects. The Council was forecasting £650k in capital receipts during 2014/15 with £1,767k of receipts being carried forward from previous years. It was estimated that £1,247k would be required to support the capital programme with the balance being carried forward to support future years.

**Resolved** – That, the capital budget monitoring position as at 30<sup>th</sup> September 2014 is noted.

POL.628

## PERFORMANCE MONITORING Q2 2014/15

The Strategic Manager for Financial Services submitted a report presenting the Council’s second quarter performance monitoring report for the 2014/15 financial year as determined by arrangements set out in the Council’s performance management framework. Members were informed of progress and details of current performance against the Council Plan and priority indicators.

Monitoring against the Council Plan showed that good progress had been made on implementing the Council Plan actions. Twenty two of the twenty five had been assessed as on target by those completing the updates. Two actions had been classified as amber i.e. some elements of the project were behind schedule. Eleven of the twelve Council Plan indicators were collated at the half year point; five were on target, two indicators were below target, one indicator did not have a quarterly target. The remaining three which related to unemployment rates, vacant retail premises and new business formation were viewed as context information.

**Resolved** – That, the progress and outcomes achieved are noted.

POL.629

## FEES AND CHARGES 2015/16

The Strategic Manager for Financial Services submitted a report presenting for approval the Council’s fees and charges for the 2015/16 financial year together with an updated fees and charges policy.

In accordance with minute POL.552-13/14, a review of the fees and charges policy had been undertaken and the revised document as now submitted had been expanded to include more detail and improve transparency.

The Council generated around £5m in income from levying fees and charges for the provision of certain services and it was the Council’s policy to ensure that any surplus income was used to support the Council’s general fund reserve account and the medium term financial strategy. Certain fees had to be set in accordance with statute, whilst other services such as car parking and leisure facilities were at the discretion of the Council.

A benchmarking/comparison exercise of the Council’s fees and charges had been undertaken against other comparable local authorities and a number of changes had been suggested including the following additional new charges for 2015/16:

Building Control	Completion certificates (12-24 months) - £50
	Completion certificates (over 24 months) - £100
Development Control	Environmental statement on CD to accompany planning application - £10
Financial Services	Sundry debtor admin penalty - £60.00
Partnerships & Communications	Bikeability sessions (bike proficiency) – range from £20 to £45

**Resolved** – (1) That, the updated policy in relation to fees and charges as set out in Appendix A to the report now submitted, is approved.

(2) That, the discretionary fees and charges to operate from 1<sup>st</sup> April 2015 as set out in Appendix B to the report now submitted are approved and that the statutory charges are noted.

(3) That, the statutory planning charges as set out in Appendix C to the report now submitted are noted.

(4) That, with the exception of fees and charges in relation to licensing and car parking, delegated authority is given to the Corporate Leadership Team following consultation with the relevant Lead Member and Chairman of Policy Committee, to approve prior / in year changes to service charges where circumstances arise resulting in a required change to the level of fee/charge currently proposed to be applied from 1<sup>st</sup> April 2015; and that such changes are reported for information to the next scheduled meeting of Policy Committee

POL.630

### **TREASURY MANAGEMENT MID-YEAR REPORT 2014/15**

The Strategic Manager for Financial Services submitted a report informing Members of the treasury activity undertaken in the first half of 2014/15. It was the Council's priority to ensure security of capital and liquidity and in the current difficult investment market and the prolonged Eurozone sovereign debt crisis, interest rates were very low and in line with the 0.5% bank rate. It was, therefore proposed that no change was made to the investment strategy for the remainder of 2014/15.

The report stated that no additional borrowing was undertaken in the first half-year and external debt remained at £5.988m. The Council held £11.5m of investments as at 30<sup>th</sup> September 2014 and a current account balance of £0.23m. The total of investment income received from all sources (including a discount of £13,000 for making an up-front payment on the annual pensions' contribution) was £28,470 at 30<sup>th</sup> September 2014.

**Resolved** – (1) That, the treasury management mid-year report for 2014/15 is noted.

POL.631

### **FEASIBILITY OF INTRODUCING KERBSIDE FOOD WASTE COLLECTIONS**

The Director of Services submitted a report setting out the results of a report that had been commissioned looking to identify opportunities to increase kerbside recycling levels throughout the predominantly rural Craven district by introducing food waste collections. An EU target had been set in that, by 2020, local authorities were expected to recycle 50% of compostable waste. Craven currently recycled/composted 42.6% of its total waste.

The report acknowledged that the Council was operating the current service as efficiently as it could within existing resources and that there would be an additional cost to introducing a separate waste collection service. The current waste service shared resources between different collection types and rounds, avoiding the requirement for a dedicated service, thereby reducing revenue costs.

The various options were summarised in the report indicating that, unless Central Government committed significant infra-structure investment, there would be considerable additional costs to the Council if separate kerbside food recycling was introduced at this time.

**Resolved** – That, the findings of the report to help identify opportunities to increase kerbside recycling levels are noted and that food waste collections are not introduced at this time

### Minutes for Decision

#### POL.632 CONFIRMATION OF THE COUNCIL TAX BASE – 2015/16

The Corporate Head of Business Support submitted a report seeking approval of the Council Tax Base for the 2015/16 financial year. The Committee was advised that the formula used to calculate the base had been updated to take account of both the technical changes to council tax discounts and exemptions and the change from council tax benefit to local council tax reduction schemes i.e. council tax support. The recommended tax base reflected the decision made at Council on 11<sup>th</sup> December 2012 to abolish the second home discount and to amend the exempt classes A and C.

**RECOMMENDED** – (1) That, in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992 (as amended) the amount calculated by Craven District Council as its tax base for the whole of the area for 2015/16 financial year is set at 21366.82.

(2) That, in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992 (as amended) the amount calculated by Craven District Council as the tax base for each of its parishes for the 2015/16 financial year is that as set out in Appendix A to this report.

#### POL.633 COUNCIL TAX SUPPORT FROM APRIL 2015

The Corporate Head of Business Support submitted a report asking Members to retain the 2014/15 council tax support scheme for 2015/16. Each local authority was required to make a localised tax scheme by 31<sup>st</sup> January 2015 setting out the classes of person entitled to a reduction.

As at 1<sup>st</sup> September 2014, the expected award of council tax reduction scheme in 2014/15 was £2.6m of which 63.3% is being paid to claimants of pensionable age. The amount paid to those of working age was £955,458.

The caseload had declined steadily over the past two years; from a high of 3550 claimants in 2012 to a current figure of 3072.

The council tax collection rate was holding steady and, significantly, the Council had collected at 1<sup>st</sup> September 2014, £643,872 more than the same time last year.

**RECOMMENDED** – That the Council confirms that the Council Tax Support Scheme for 2015/16 and 2016/17 is exactly the same as the scheme for 2014/15, with maximum support for working age claimants remaining at 90%.

Chairman