

POLICY COMMITTEE

11th February 2014

Present – The Vice-Chairman, Councillor Foster in the Chair and Councillors, Barrett, Beck, Jaquin (substitute for Wheeler), Lis, Harbron, Heseltine, Ireton, Myers, Place, Staveley (substitute for Knowles-Fitton), Sutcliffe, Turner and Welch.

Officers – Chief Executive, Director of Services, Monitoring Officer, Corporate Head of Financial Management, Corporate Head of Business Support, Strategic Manager for Planning and Regeneration, IT Shared Services Manager, Project Manager, Interim Finance Manager, Asset and Property Manager, Legal Services Manager and Committee Administrator.

Apologies for absence were received from Councillors Beck, Knowles-Fitton and Wheeler.

Start: 6:30pm

Finish: 8:25pm

Councillor Barrett left the meeting at 8:15pm.

Councillor Place left the meeting at 8:20pm.

The minutes of the Committee's meeting held on 21st January 2014 were confirmed and signed by the Chairman.

Minutes for Report

POL.571

COMPLYING WITH DATA PROTECTION – REPORT OF THE SELECT COMMITTEE

The Chairman of the Select Committee presented the findings and recommendations of the Committee following its review and consideration of a business case for the supply of IT equipment to Members of the Council as a means of addressing data security concerns and ensuring compliance with the requirements of the Data Protection Act.

In addition, officers had also identified a need to review how they communicated electronically with Members to ensure that the Council met information assurance controls required by the Public Services Network(PSN) to enable the Council to be able to connect to the PSN to deliver its revenue and benefits service. An additional benefit presented by this review was the potential to enable a move towards paperless meetings.

During the review, the Select Committee accepted that the status quo was not an option available to the Council and had taken into consideration the Internal Auditor's audit of data handling by Members which had identified various concerns, particularly with regard to the current unsecure methods being used to send and receive Council information.

Having considered all the various options, the Select Committee made the following recommendations:

(a) That, the conclusion within the business case now presented should be accepted ie. that the best solution to addressing current data security risks, delivering efficiencies and enabling progression to paperless working is to supply Members with cravencd.gov.uk e-mail addresses and iPad 2 tablet devices.

(b) That, all Members who are currently e-mail users should be supplied with iPad tablets and all Members should be provided with, and undertake training to bring them to a position where they are able to operate within a paperless environment.

(c) That, a training needs analysis of each Member's training requirements is undertaken to inform the preparation and delivery of a training plan.

(d) iPads supplied to Members should be used for Council business only.

(e) That, implementation of this project should be subject to a review after a 12 month period.

Resolved – That, the report of the Select Committee is accepted and that the recommendations therein are approved.

POL.572

**MINUTES OF SUB-COMMITTEES : CRAVEN SPATIAL
PLANNING SUB-COMMITTEE**

The Chairman presented the minutes of the Craven Spatial Planning Sub-Committee held on 27th January 2014 and re-produced as Appendix A to these minutes.

Resolved – That the minutes are received.

POL.\$573

LAND TRANSFER REQUEST : 9 HIGH STREET, SKIPTON

The Director of Services submitted a report seeking Members' approval for the transfer of a small narrow strip of land to Maple Grove to rectify an anomaly between the land transfer plan and the Land Registry title plan.

Resolved – (1) That approval is granted to transfer the area of land to Maple Grove as illustrated on the plan at Appendix A of the report now submitted.

(2) In accordance with Minute No.\$POL.545, that the consent to lease to Next Group PLC in accordance with the Development Agreement is noted.

Minutes for Decision

POL.574

COUNCIL PLAN 2014/2018

The Corporate Head of Financial Management submitted a report presenting the Council Plan 2014-2018 for approval. The Plan set out the Council's agenda for improving service delivery to Craven's communities and organisational change. The Plan had been made into a more succinct and easy to read document which focussed on the Council's top priorities for improvement and set out the Council's vision and priorities for the next four years. It also detailed the actions and projects to be delivered by the Council against its priorities in delivering and improving services.

RECOMMENDED – (1) That, subject to an amendment shown below under the 'Enterprising Craven', priority, the Council Plan 2014-2018 is approved:

"Facilitate the development of business and employment sites subject to planning approval".

(2) That delegated authority is given to the Chief Executive to agree milestone dates for each action and performance indicators that will be used to measure progress.

REVENUE BUDGET 2014/15

The Corporate Head of Financial Management submitted a report identifying a fully funded budget for 2014/15 together with recommending a prudent level of General Fund Reserve Balances for the financial year.

The Corporate Head of Financial Management reported that, in preparing the draft revenue budget for 2014/15, a number of assumptions had been made; including:

Council Tax frozen with a compensatory grant of £34,350
 1% allowance made for pay inflation with price inflation applied at cost centre level.
 General fund revenue balance amounting to £1,030k as at 31st March 2014.
 Section 31 (Business Rates) grant is estimated at £477k.

Members were advised that the Government had confirmed that the freeze grant funding for the previous two years and the next two years would be incorporated into the local government settlement spending review baseline. This provided the necessary assurance that authorities would not face a cliff edge effect from the freeze grant being withdrawn in future years.

Resolved - (1) That the revenue budget assumptions, as detailed within the Corporate Head of Financial Management's report are noted.

RECOMMENDED – (2) That, the revenue budget for 2014/15 at £6,502,690 is approved.

(3) That, contributions to specific reserves are made as follows:

| | £'000 |
|---------------------------------------|-----------------------|
| New Homes Bonus Reserve | 796.5 |
| Business Rates Contingency | 120.0 |
| Insurance Fund | 30.0 |
| Building Reserve | 50.0 |
| IT Reserve | 50.0 |
| Vehicle Reserve | 130.0 |
| Enabling Efficiencies Fund | 20.0 |
| Total Contribution to Reserves | <u>1,196.5</u> |

(4) That funding sources are approved as follows:

| | £'000 |
|------------------------------------|----------------------|
| New Homes Bonus | -984 |
| Contribution from planning reserve | -14 |
| Revenue Support Grant | -1,522 |
| Redistributed NNDR | -1,448 |
| S31 Grant | -477 |
| 2014/15 Freeze Grant | -34 |
| Council Tax | -3,224 |
| Collection Fund Surplus | -40 |
| Sparse Grant | -33 |
| Total Funding | <u>-7,777</u> |

(5) That the estimated sum of £1,030k identified as the General Fund Balance as at 31st March 2014 is approved.

(6) That the savings incorporated into the budget (£415k) and the schedule of growth bids (£85k) as identified in appendices C and D as now submitted, are approved.

POL.576

CAPITAL PROGRAMME 2014/2015

The Corporate Head of Financial Management submitted a report seeking approval for the 2014/15 capital programme subject to there being sufficient capital resources.

Following a bidding process, the capital expenditure of £1.608m proposed for 2014/15 included a disabled facilities grant commitment, various IT projects, a Skipton depot project and a vehicle replacement programme.

Capital receipts had predominately been used to fund the capital programme but as they were a finite resource consideration had been given to various options available to the Council to reduce the reliance on capital receipts.

The Council had £637k of borrowing capacity carried forward from 2013/14 and £311k would be generated in 2014/15 giving a total of £966k for use in the capital programme or to repay external loans. This borrowing capacity had arisen through the Minimum Revenue Provision (MRP) charge to the revenue account each year and it was proposed that £450k of the MRP capacity was utilised to fund the programme. Expected revenue savings would be put into reserves which would then be used to support the capital programme.

RECOMMENDED – (1) That, the capital programme for 2014/15 of £1.608m is approved.

(2) That, the final allocation of funding for the 2014/15 capital programme is confirmed once the outturn position of the 2013/14 revenue budget is finalised

POL.577

MEDIUM TERM FINANCIAL STRATEGY

The Corporate Head of Financial Management submitted a report presenting the Council's medium financial strategy (MTFS) which had been updated to take account changes to the key assumptions within the strategy and the 2014/15 revenue budget decisions to be submitted to Council for approval on 25th February 2014.

The indications were that whilst a balanced budget for 2014/15 had been possible, the challenges for 2015/16 and beyond would continue. Estimates within the MTFS showed that the Council would need to continue in 2015/16 with its savings plan and achieve savings of at least £316k, rising by £174k to £490k in 2016/17 and £152k to £642k in 2017/18.

RECOMMENDED – That the Medium Term Financial Strategy 2014-15 to 2017-18 as set out in the report now submitted, is approved.

POL.578

**TREASURY MANAGEMENT – TREASURY MANAGEMENT
STRATEGY STATEMENT 2014/15, MINIMUM REVENUE POLICY
STATEMENT 2014/15, ANNUAL INVESTMENT STRATEGY
2014/15 AND PRUDENTIAL INDICATORS 2014/15**

The Corporate Head of Financial Management submitted a report presenting the proposed Treasury Management Strategy together with the Minimum Revenue Provision Policy Statement, 2014/15 Prudential Indicators and the Annual Investment Strategy for 2014/15 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 the priority rather than investment return.

Members were given the latest estimated funding sources that would be available to support the Council's capital 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 borrowing limit for 2014/15 is set at £6.0m.
- (2) That, the authorised borrowing limit for 2014/15 is set at £8.250m.
- (3) That, delegated authority is given to the Corporate Head of Financial Management to effect movement within the agreed authorised boundary limits for long-term borrowing for 2014/15 onwards.
- (4) That, delegated authority is given to the Corporate Head of Financial Management to effect movement within the agreed operational boundary limits for long term borrowing for 2014/15 onwards.
- (5) That, the treasury management strategy statement for 2014/15 is approved.
- (6) That, the minimum revenue provision policy statement for 2014/15 is approved.
- (7) That, the treasury management investment strategy for 2014/15 is approved.
- (8) That, the prudential indicators for 2014/15 which reflect the capital expenditure plans which are affordable, prudent and sustainable are approved.

POL.579

PAY POLICY STATEMENT 2014/15

The Corporate Head of Business Support submitted a report seeking approval to implement a 2014/14 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 2014/15 Pay Policy Statement as set out in Appendix A to the report now submitted.

Chairman