

**MINUTES OF A MEETING OF THE  
SPECIAL BUDGET POLICY AND RESOURCES COMMITTEE  
HELD ON 12<sup>th</sup> FEBRUARY, 2019  
AT NELSON TOWN HALL**

*PRESENT –*

*Councillor P. White (Chairman – in the chair)*

*Nadeem Ahmed  
Musawar Arshad  
W. Blackburn  
M. S. Foxley  
P. J. Foxley  
M. Goulthorp*

*M. Iqbal  
A. Mahmood  
B. Newman  
C. Wakeford  
D. Whalley  
D. M. Whipp*

**Also attending:**

*Councillor K. Turner*

**Officers in attendance:**

<i>Dean Langton</i>	<i>Chief Executive</i>
<i>Philip Mousdale</i>	<i>Corporate Director</i>
<i>Susan Guinness</i>	<i>Chief Financial Officer</i>
<i>Jane Watson</i>	<i>Head of Democratic Services</i>

*(Apologies for absence were received from Councillor Y. Iqbal).*



**143. DECLARATIONS OF INTEREST**

Members were reminded of the requirements of the Member Code of Conduct concerning the declaration of interests.

**144. PUBLIC QUESTION TIME**

There were no questions from members of the public.

**145. MINUTES**

It was agreed that minute number 142(d) Land at Bold Street, Colne be amended to read:

“RESOLVED

That the report be noted.”

**RESOLVED**

That subject to the amendment above, the Minutes of the meeting held on 22<sup>nd</sup> January, 2019 be approved as a correct record and signed by the Chairman.

**146. CAPITAL PROGRAMME AND STRATEGY 2019/20 TO 2021/22**

Management Team submitted a report on the proposed Capital Programme for 2019/20. The report also provided an overview of the Medium Term Capital Programme for the period 2019/20 to 2021/22 along with a draft corporate capital strategy which included the flexible use of capital receipts.

In accordance with the Prudential Code for Capital Investment in Local Authority's, the report also provided various prudential indicators for consideration and approval.

**RESOLVED**

- (1) That the forecast outturn position on the Council's Capital Programme for 2018/19, as shown at Appendix A and detailed in the report, be noted.
- (2) That the draft corporate Capital Strategy, attached to the report at Appendix B, including the flexible use of capital receipts strategy, be noted and referred to Council for consideration.
- (3) That the proposed 2019/20 Capital Programme, as shown in Appendix C attached to the report, be noted and referred to Council for consideration.
- (4) That delegated authority be granted to the Chief Financial Officer to determine the most appropriate method of financing the Capital Programme for 2019/20 to ensure the use of resources was optimised by the Council.
- (5) That the indicative programmes for 2020/21 and 2021/22, as shown in Appendix C attached to the report, be noted and it be acknowledged that these will be subject to further review as part of the development of future years capital programmes.
- (6) That an updated Asset Management Plan be developed, with a view to identifying surplus and under used assets for disposal and that a report on this matter be considered at a future meeting of this Committee.
- (7) That the Prudential Indicators, as shown in Appendix D attached to the report, be approved.

**REASON**

***To approve the revised Capital Programme for 2018/19 and the Capital Programme for 2019/20 together with the flexible use of capital receipts strategy.***

**147. GENERAL FUND REVENUE BUDGET 2019/20**

Management Team submitted a report which provided details of the Local Government Finance Settlement (LGFS) for 2019/20 and the implications this had on the Council.

The Committee were asked to consider the proposed General Fund Revenue budget and other related matters for 2019/20; make a recommendation to Council at its meeting on 26<sup>th</sup> February, 2019 on the level of Council Tax to be set for the financial year 2019/20. The report also provided details of the Council's Medium Term Financial Plan for the period 2019/20 to 2021/22 to highlight

the significant budget deficit and the need to take further action to reduce expenditure to a sustainable level.

## **RESOLVED**

- (1) That the proposal to maintain the General Fund Minimum Working Balance at £1.0m be noted.
- (2) That the projected outturn position in the current financial year be noted.
- (3) That in relation to Pendle Leisure Trust, and subject to consideration of the residual saving proposals for 2019/20, a grant to the Trust of £1,208,020 in 2019/20 be noted and referred to Council for consideration.
- (4) That the General Fund Budget Requirement for 2019/20, as set out in Appendix I attached to the report, be noted and referred to Council for consideration.
- (5) That subject to consideration of the budget proposals, as set out in the report, a recommended Band D Council Tax for 2019/20 of £265.34 being an increase of £7.70 (2.99%) on the current level of council tax be noted and referred to Council for consideration.
- (6) That each service area be required to operate within its budget for 2019/20 once approved, and that these budgets be cash limited and subject to regular monitoring and control.
- (7) That the uncertainty attached to the current assumptions and financial modelling to 2021/22 and in view of the forthcoming national Fair Funding Review of local government needs and resources, combined with the implementation of 75% local business rates retention during this period be acknowledged.
- (8) That a further report updating the Financial Strategy and Medium Term Financial Plan for 2020/21 to 2022/23 be submitted to a future meeting of this Committee.

## **REASON**

***To comply with the statutory requirements to determine a balanced budget and council tax for the forthcoming financial year.***

### **148. REFORMS TO LOCAL GOVERNMENT FINANCE SYSTEM RESPONSE TO CONSULTATION**

The Chief Executive submitted a report on recent consultations on reforms to the Local Government Finance System along with draft response to the consultations:

#### **(a) Fair Funding Review**

This Review included setting new baseline funding allocations for each local authority, provide an up-to-date assessment of each authority's relative needs and relative resources and consider what transitional arrangements may be necessary between the current and new funding allocations.

It was noted that, at this stage, the consultation was based on the principles of the Fair Funding Review and no information was available to enable the Council to model the financial impact of the proposals to determine future funding levels for the Council.

**(b) Business Rate Retention Reform**

It was noted that there was to be a full reset of the Business Rates Retention System in 2020/21 and this was not part of the consultation. The proposal was that this reset would be done in conjunction with the Fair Funding Review.

The Government was consulting on the frequency and extent of subsequent resets and a response was to balance the certainty of funding allocations with the need to ensure that baselines did not become too dated.

Again there was no information at this stage that allowed the Council to model specifically what the impact of the proposed changes might be on future funding levels.

**RESOLVED**

- (1) That the consultations on the Fair Funding Review and Business Rate Retention Reforms be noted.
- (2) That delegated authority be granted to the Chief Executive, in consultation with the Leader of the Council, to finalise the Council's response to the consultations referred to in (1) above.
- (3) That the Council's final response to the Consultations be shared with Pendle's Member of Parliament and his support be sought in lobbying Government to ensure that the Council's funding position from 2020/21 is maximised.

**REASON**

***To continue with the implementation of the Council's Financial Strategy and to inform the development of the Council's budget for 2020/21.***

**149. BUSINESS RATES – DISCRETIONARY RATE RELIEF**

The Chief Financial Officer submitted a report which provided an update on the Business Rates Discretionary Rates Relief.

It was reported that changes had been made that would be effective from 2019/20 which included a one third discount for retail properties that had a rateable value below £51k for two years. In some cases there was a cost to discretionary relief and it was noted that the award of reliefs was an area that should be reviewed to ensure it remained appropriate and in line with the Council's objectives.

A year's notice was required if the Council wished to revoke any previous decisions to award discretionary relief.

**RESOLVED**

That the report be noted.

**REASON**

*It was felt that the timing was not right and that this action should be deferred for 6 to 12 months.*

**150. EMPTY HOMES PREMIUM POLICY**

The Chief Executive submitted a report which sought approval to policy guidelines for the application of the Council Tax Empty Homes Premium.

A draft set of policy guidelines was attached to the report at Appendix A. These guidelines set out when the Premium would be applied along with those circumstances where, subject to agreement by the Council, the Council would defer the application of the Premium.

The proposal was that upon submission of a successful application, a property owner could have their liability to the Premium deferred for a period of up to 12 months.

**RECOMMENDATION**

That Council be recommended to approve the Council Tax Empty Property Premium Policy Guidelines, attached to the report at Appendix A.

**REASON**

*To implement a further measure aimed at encouraging owners of empty homes to bring them back into use.*

**151. PERFORMANCE INDICATORS UPDATE  
1<sup>st</sup> APRIL TO 31<sup>st</sup> DECEMBER, 2018**

The Chief Financial Officer submitted a report on performance monitoring information on the key performance indicators delivered by and on behalf of the Council for the period 1<sup>st</sup> April to 31<sup>st</sup> December, 2018.

**RESOLVED**

That the report be noted.

**REASON**

*To inform the Committee of performance monitoring information relating to the Council's key performance indicators.*

**152. VOLUNTEERING UPDATE**

The Corporate Director submitted a report which provided an update on Employee Volunteering and Skill Sharing Policy and the use of volunteers across the Council's Service areas.

It was acknowledged that there had been some proactive volunteering work within service areas and with local groups. In 2017/18 7,700 hours undertaken by volunteers had been recorded just from the activities the Council monitored. It was acknowledged that, in reality, the actual number of hours was much higher. Therefore it was difficult to assess the full extent of the number of volunteers within the local community.

The report provided details of the volunteering activities the Council was engaged in. It was noted that there was little the Council did to thank volunteers who gave their time to improve their neighbourhood with the exception of the following three Mayoral receptions:

- (a) Pendle's success in In Bloom/Best Kept Village Competitions – the Mayor hosts a Community Pride Reception;
- (b) Pendle Walking Festival leaders and backstops; and
- (c) Friends of the Parks.

## **RESOLVED**

- (1) That the report be noted.
- (2) That the Employee Volunteering and Skill Sharing Policy be re-launched.
- (3) That the volunteering undertaken in our neighbourhoods be acknowledged and celebrated.

## **REASON**

**To increase the contribution to two of the Council's Strategic Objectives:**

- **Help to create and sustain resilient communities.**
- **Maintaining a sustainable, resilient and efficient organisation.**

**153.**

## **REGULATION OF FIREWORKS**

The Chief Executive submitted a report on the current regulation of the use, possession, storage, manufacture and sale of fireworks.

There were four categories of fireworks:

- |             |  |
|-------------|--|
| Category F1 | Very low hazard and negligible noise level – intended for use in confined areas including inside domestic buildings.                                 |
| Category F2 | Low hazard and low noise level – intended for outdoor use in confined areas e.g., garden.  |
| Category F3 | Medium hazard – intended for outdoor use in large open areas – noise level not harmful to human health e.g., firework display in a field.            |
| Category F4 | High hazard – intended use only by persons with specialist knowledge – noise level not harmful to human health e.g., professional fireworks display. |

It was illegal to use F2 and F3 fireworks in a street or public place at any time and it was illegal to use them between 11.00 p.m. and 7.00 a.m. other than on the specific dates relating to Bonfire Night, New Year, Chinese New Year and Diwali.

It was noted that over the past two years complaints to the Police and the Council had not been limited to the Bonfire Night period and had started with the wedding season in late spring and early summer. However, in 2018 the Fire Service, Police, Trading Standards and the Council sent out messages ahead of the wedding season to better engage residents in providing information about potential events where fireworks may be used in public and outside permitted hours.

The number of firework nuisance reports in 2018 was reported to be 108 compared with 118 the previous year. The main area of concern was Brierfield where 45 reports had been made in 2018 compared with 54 the previous year.

It was noted that fireworks were being purchased from outside the Borough as there was currently no premises in Pendle with a year round licence to sell fireworks.

## **RESOLVED**

- (1) That the report be noted.
- (2) That the report be referred to the Pendle Community Safety Partnership Steering Group for consideration.

## **REASON**

***To seek to improve the quality of life of those adversely affected by the unauthorised use of fireworks in Pendle.***

### **154. 17 MANCHESTER ROAD, NELSON**

The Chief Executive submitted a report following receipt of a request from the lessee to purchase the freehold or to extend the lease term of 17 Manchester Road, Nelson.

This property formed part of a larger freehold site owned by the Council which also included numbers 15,19 and 21 Manchester Road. The leases for the four properties ranged from 86 to 88 years and were due to expire at the same time. The Committee were advised that an extension of the lease term could cause a problem if the area was redeveloped in the future as number 17 would have a number of years remaining on the lease. However, if there was no intention to redevelop then the extension could result in the long term occupation of a town centre property.

## **RESOLVED**

That the request to purchase the freehold be refused but the request to extend the lease with a premium to be negotiated by the Chief Executive be approved.

## **REASON**

***A decision to dispose of the freehold would take away control from the Council and may affect future town centre redevelopment. An extension of the lease would allow the Council to maintain some control and a premium would be received.***

**155.**

**TENDERS**

The Corporate Director submitted, for information, a report on tenders which had been received and accepted.

Chairman \_\_\_\_\_