

Minutes of Policy and Finance

Meeting Date: Tuesday, 27 September 2022, starting at 6.30 pm
Present: Councillor S Atkinson (Chair)

Councillors:

D Berryman	J Hill
S Bibby	M Hindle
A Brown	S Hore
S Fletcher	K Horkin
M French	R Newmark
G Hibbert	D Peat

In attendance: Chief Executive, Director of Resources, Director of Community Services, Director of Economic Development and Planning, Head of Revenues and Benefits, Head of Financial Services, Head of Legal and Democratic Services and Head of HR.

Also in attendance: Councillors T Austin, G Mirfin and R Sherras

309 APOLOGIES FOR ABSENCE

Apologies for absence from the meeting were received from Councillors L Edge and R Thompson

310 TO APPROVE THE MINUTES OF THE PREVIOUS MEETING AND OF EMERGENCY COMMITTEE DATED 3 AUGUST 2022

The minutes of the meeting held on 21 June 2022 and the Emergency committee held on 3 August 2022 were approved as a correct record and signed by the Chairman.

The Director of Economic Development and Planning gave an update on Minute 130 – Household Support Fund informing committee that the £90 payments to pensioners in receipt of Council Tax Support (as of 1st September 2022) had been paid out and the remaining allocation had been used for families with children on Council Tax Support who had been offered a £50 food voucher.

311 DECLARATIONS OF DISCLOSABLE PECUNIARY, OTHER REGISTRABLE AND NON REGISTRABLE INTERESTS

Councillor D Peat declared an interest in Agenda Items 6 and 9 – Armed Forces Covenant and Concurrent Functions Grants.

Councillor S Fletcher declared an interest in Agenda item 27 – Review of Voluntary Organisation Grants.

Councillor K Horkin declared ownership of businesses in Clitheroe.

312 PUBLIC PARTICIPATION

There was no public participation.

The Director of Resources submitted a report for members to consider the Council's latest budget forecast and decide what action needs to be taken to meet the financial challenges that lie ahead.

In preparing the budget forecast both national and local circumstances are considered. The forecast would be particularly challenging because of major issues such as the Covid pandemic, a new Prime Minister and team, changes to Government and major funding streams, cost-of-living impact on demand for services, fast moving inflation and the potential recession and impact on income.

The Director of Resources reminded members that the forecast was based on many assumptions that were difficult to predict. Though expected, no information had been received regarding a two year finance settlement and it was highlighted that almost half the budget was funded from uncertain streams, namely Business Rate Retention, New Homes Bonus and other Government grants.

The election of Liz Truss to Prime Minister and changes to her team had already produced a mini budget with tax cuts, a turnaround on National Insurance payments, and changes to stamp duty. Since the mini budget there had been much volatility with the value of the pound falling significantly against the dollar and an increase in interest rates, with further increases mooted.

There is also to be a re-evaluation of all Business Rated premises from April 2023, the outcome of which is currently unknown.

She informed members that the impact of inflation was already having a serious impact on the current year's budget with a significant increase in council expenditure. This was currently projected to be £737k over the base budget which included the impact of the pay award offer which adds £370k to the base budget. After allowing for the contingency of £140k which had been added to our budget at the beginning of the year the net impact of inflation so far was £600k. However, the Director of Resources stressed that the position was fast moving and had just been notified of higher gas cost which would push this figure even higher.

As part of the process to prepare our budget for next year an exercise to review each budget head was currently being undertaken.

The Director of Resources reminded members that we currently rely on £795k from Business Rate Growth to fund the revenue budget plus £296k this year to fund the cost of the new pay-line. Some was also used to finance the capital programme. The Council had recently been asked by DHLUC to inform them of its preferred pooling preferences for next year.

She informed members of the New Homes Bonus allocation in 2022/23 of £1.2m, however the future of the scheme was under consultation, although the assumption was that it would continue for 2023/24 and 2024/25 but with no legacy payments for previous years so £420k had been included for those years.

An assumption had also been made that core government funding would continue for the next 2 years with a 5% increase to reflect inflation along with a transition grant in some form to reflect reduced New Homes Bonus.

Other assumptions made in the latest forecast included the use of balances and the Government raising the cap on Council Tax increases to £10 in 2023/24 and thereafter £5pa.

Based on all the assumptions the budget shortfall would be as shown:

	£
2023/24	1,040,966
2024/25	1,394,296
2025/26	2,412,914

The Director of Resources informed committee that the Budget Working Group had met to consider the latest forecast in detail and recognised that it needed to be kept under close review. They had made a number of recommendations for the committee to consider.

Members thanked the Director for her report and recognised that careful monitoring would be required. They supported the move to remain in the Lancashire Business Rate Pool.

RESOLVED THAT COMMITTEE:

1. Agree the Budget working groups recommendations to
 - Council tax - increase the council tax by the maximum permissible
 - Expenditure - advise committees to examine their budgets carefully to see if any savings can be identified
 - Income - increase fees and charges by the rate of CPI in September and present reports to service committees alongside their budget reports in January
 - Capital – recommend that the Council prepares a 5-year capital programme that asks committees to review their existing approved capital schemes in line with inflation; review the capital bids put on hold last year in line with inflation and analyse between essential and other categories; ask committees to identify any new bids and analyse between essential and other categories
 - Reserves – recognise that it was likely that reserves would be needed to fund the budget shortfall next year before decisions could be made to produce a sustainable base budget going forward based on projected inflation etc
2. Agree that the pooling preference for 2023/24 was to remain a member of the Lancashire Business Rate Pool.

ARMED FORCES COVENANT

The Chief Executive submitted a report seeking committee's endorsement of the updated Ribble Valley Borough Council Armed Forces Covenant for it's referral to Council for approval.

The updated version was of a simpler format but still required a commitment from the Council to support the Armed Forces community, both past and present wherever possible.

Section 2.1 of the Covenant would be a 'live' section and updated as and when the Council adds further measures to support the Armed Forces community in the Ribble Valley.

The Defence Employer Recognition Scheme was also highlighted as something the Council could work towards achieving.

Councillor R Sherras, as the Council's Armed Forces Champion was given permission to speak on this item and highlighted the great work of the Lancashire Armed Forces Hub whose meetings he attended regularly.

*** RESOLVED THAT COMMITTEE:

1. Endorse the Armed Forces Covenant as outlined and refer it to Council for approval;
2. Authorise the Head of Legal and Democratic Services to update Section 2.1 of the Covenant to include any amendments to the measures which the Council takes to support the Armed Forces in the future; and
3. Authorise the Head of Legal and Democratic Services to explore recognition for the Council under the Defence Employer Recognition Scheme and report back to committee upon this.

315

COUNTER FRAUD, BRIBERY AND CORRUPTION POLICY

The Director of Resources submitted a report seeking committee approval for the fully reviewed and revised Counter Fraud, Bribery and Corruption Policy Statement and Strategy.

The document covered both operational activity to detect and investigate fraud, bribery and corruption and proactive deterrence and prevention of fraud, bribery and corruption through to the development of a counter fraud, bribery and corruption culture.

Once approved, the policy would be circulated to all staff, and there would be training covering the policy. It would be reviewed on an annual basis.

RESOLVED THAT COMMITTEE:

Approve the new Counter Fraud, Bribery and Corruption Policy Statement and Strategy.

316

CORPORATE DEBT WRITE OFF POLICY

The Director of Resources submitted a report seeking committee's approval for the reviewed and updated Corporate Debt Write Off Policy.

The policy must be followed in respect of all debts which are to be considered for write off and compliments the Council's Financial Regulations and the Corporate Debt Policy. The review had been undertaken, with few changes other than to clarify detail. It would be reviewed on an annual basis.

RESOLVED THAT COMMITTEE:

Approve the reviewed Corporate Debt Write Off Policy.

(Councillor D Peat declared an interest in the next item of business and left the meeting)

317 CONCURRENT FUNCTIONS GRANTS 2022/2023

The Director of Resources submitted a report for committee to consider the allocation of concurrent function grants for 2022/23.

Concurrent functions are services provided in some parts of the borough by the borough or county council and in others by a parish or town council. The council supports parish and town councils with net revenue expenditure on these functions with reimbursement of 25% of the expenditure.

RESOLVED THAT COMMITTEE:

Approve the payment of grants to parish and town councils under the grant scheme conditions and totalling £19,195.

(Councillor D Peat returned to the meeting)

318 COVID19 ADDITIONAL RELIEF (CARF) UPDATE

The Director of Resources submitted a report updating members on the Covid 19 Additional Relief Fund (CARF) and asking for a decision on what to do with the remaining funding.

Members were reminded that the fund was intended to be available to support businesses adversely affected by the pandemic that were ineligible for the existing support linked to business rates. Ribble Valley Borough Council's allocation totalled £1,239,191.

Three application windows had taken place with 52 grant payments of 50% of the net rates payable for 2021/22 being made. Any balance on the relief monies would need to be returned to the Government.

Members discussed the options available to make use of the remaining fund monies.

RESOLVED THAT COMMITTEE:

1. Agree to award 100% of the net rates payable for the eligible applicants detailed in appendices 1,2 and 3 to the report;
2. Agree to write to DLUHC requesting that the balance of the relief be retained to help businesses adversely impacted by the cost-of-living crisis.

319 REPORT FROM OMBUDSMAN

The Chief Executive submitted a report informing committee of the Annual Review letter from the Local Ombudsman and its report following an investigation.

The letter related to the year ending 31 March 2022 where the Ombudsman had investigated 4 complaints, one of which had been upheld. The report found fault in that the Council had not provided evidence that it had carried out all the recommendations it had agreed with the Ombudsman in April 2021 regarding a new policy on Reasonable Adjustments for disabled people, keeping adequate records and training of officers.

The evidence requested had now been provided and the Council could demonstrate that two of the recommendations had been complied with. Details of refresher training had also been provided to the LGO with regard to the 3rd recommendation, and once this had taken place full compliance would be confirmed.

It was suggested that for the Council to ensure its equality duties were embraced at all levels of the organisation further actions should take place.

Members felt it was important that the Council had acknowledged its failure in this issue and that appropriate measures were now in place. A better focus on strategic risks was requested.

Councillor G Mirfin was given permission to speak on this item.

RESOLVED THAT COMMITTEE:

Approve the proposed actions set out in the report to

- Include training on the Equalities Act 2010 in the induction training for new officers – to be reviewed annually or whenever amendments are made to the Act
- Include training on the Equalities Act 2010 in the induction programme for new members – to be reviewed annually or whenever amendments are made to the Act
- Present a report to committee setting out how the Council meets the steps for promoting good practice set out in the LGO guidance and /or how it proposes to ensure that it does
- Set up an Equalities working group consisting of Councillors S Bibby, A Brown, S Fletcher, S Hore, G Mirfin, S O'Rourke and R Thompson to carry out a comprehensive review of all aspects of the Council's Equality Act duties and make recommendations to committee

320 REFERENCES FROM COMMITTEES

321 COMMUNITY SERVICES - RIBBLESDALE POOL FILTERS

The Director of Resources submitted a report asking committee to consider a request from Community Services committee to amend the Ribblesdale Pool Filter and Pipework Replacement capital scheme to enable filter refurbishment and tiling work to take place.

RESOLVED THAT COMMITTEE:

1. Approve the £44,000 budget on the Ribblesdale Pool Filter and Pipework Replacement capital scheme to be used for the replacement of pool filter media and refurbishing pool tiles at Ribblesdale Pool, and
2. Change the capital scheme title to 'Ribblesdale Pool Filter and Tile work'.

322

HEALTH AND HOUSING - REPLACEMENT OF PEST CONTROL VAN AND DOG WARDEN VAN

The Director of Resources submitted a report asking committee to consider a request from Health and Housing committee to approve additional budget for the Pest Control Van and Dog Warden Van replacement capital schemes.

The request was for budget amendments for updated specification diesel vehicles, however the Health and Housing committee had discussed other options including for replacement electric vehicles (including installation of charging points and a power supply).

RESOLVED THAT COMMITTEE

Approve the additional capital budget, funded from Capital Earmarked Reserve for the purchase of:

- Electric replacement of the Pest Control van PK13 FJP = £21,890
- Electric replacement of Dog Warden van PE64 EYC = £22,110

323

LOCAL TAXATION WRITE OFFS

The Director of Resources submitted a report seeking committee's approval to write off Business Rates debts.

There was one case where the company was dissolved and one where the company had been liquidated.

RESOLVED THAT COMMITTEE

Approve the writing off total £17,325.92 in business rates with £180.00 costs where it has not been possible collect the amount due.

324

COUNCIL TAX ENERGY REBATE UPDATE

The Director of Resources submitted a report for information updating members regarding progress with the Council Tax Energy Rebate payments.

The £150 non-repayable rebate for households in England in council tax bands A to D with a deadline of 30 September had now been paid either by request to bank accounts or directly to council tax accounts.

The discretionary fund payment of £150 to those council taxpayers in receipt of Local Council Tax Support in band E to H was underway with a deadline of 30 November 2022.

The discretionary fund payment to those council taxpayers in receipt of Local Council Tax Support of a top up of £30 was also being done.

325 REVENUE OUTTURN 2021/22

The Director of Resources submitted a report for information on the outturn for the financial year 2020/21 in respect of the revenue budget for this committee.

There had been a number of variations in both income and expenditure during the year, that had given rise to an overall overspend of £68,980 on the net cost of services. After transfers to and from reserves the overall overspend was £94,792.

326 OVERALL REVENUE OUTTURN 2021/22

The Director of Resources submitted a report for information on the overall revenue outturn for the year ending 31 March 2022.

There had been a final outturn of a surplus of £426,993 rather than the £198k surplus forecast at the revised estimate.

There had also been £483k more (revenue only) added to earmarked reserves than forecast at revised estimate, which was largely due to the accounting treatment required for grants received but yet to be spent. There was also a large movement in earmarked reserves due to the setting aside of funding for the Local Plan (£270k).

The large movements in the earmarked reserves in respect of Covid were expected to be held in the short term, particularly the £1.641m in respect of the Business Rates S31 funding which would offset the collection fund deficit in 2022/23.

327 REVENUE MONITORING 2022/23

The Director of Resources submitted a report for information on the position for the period April to July 2022 of this year's revenue budget for this committee.

The comparison between actual and budgeted expenditure showed an underspend of £279,683 for the April to July period of the financial year 2022/23. After allowing for transfers to and from earmarked reserves there was an underspend of £278,997.

328 CAPITAL MONITORING 2022/23

The Director of Resources submitted a report for information on the progress on this committee's capital programme for the period to the end of July 2022.

At the end of July 2022 £17,474 had been spent or committed. This was 4.9% of the total approved capital programme budget for this committee.

Of the eight schemes in the capital programme at the end of July 2022, four schemes were currently on-track to be completed in-year and it was unclear whether four of the schemes would be completed in-year.

329 OVERALL CAPITAL MONITORING 2022/23

The Director of Resources submitted a report for information on the progress on the Council's approved 2022/23 capital programme for the period to the end of July 2022.

At the end of July 2022 £696,433 had been spent or committed. This was 10.9% of the overall capital programme budget for 2022/23.

A summary of progress on the thirty-nine schemes in the capital programme at the end of July 2022 was as follows:

- Three schemes were complete
- Twenty schemes were currently expected to be completed in-year
- There was no certainty that ten of the schemes would be completed in-year
- One scheme was on hold
- Two schemes would not be completed in-year
- Three schemes were on-going Housing related grants schemes.

330 TREASURY MANAGEMENT MONITORING 2022/23

The Director of Resources submitted a monitoring report for information on the treasury management activities for the period 1 April 2022 to 31 July 2022. This included temporary investments, interest on investments, prospects on interest rates, local government bonds agency, borrowing, borrowing requirements, prudential indicators, approved organisations, recent events and exposure to risk.

331 TREASURY MANAGEMENT ACTIVITIES AND PRUDENTIAL INDICATORS 2021/22

The Director of Resources submitted a report for information on the 2021/22 treasury management operations and the outturn calculations of the council's capital and treasury management prudential indicators.

Through careful investment of sums in line with the council's treasury management strategy the level of risk in the investments has been kept to a minimum.

The base rate remained at 0.10% throughout the majority of the financial year, resulting in a decrease to the amount of income received from investments when compared to the original revenue budget estimate.

Debt and investment transactions undertaken during the 2021/22 financial year were within authorised prudential limits and approved treasury management policies and practices.

332 TIMETABLE FOR BUDGET SETTING

The Director of Resources submitted a report informing committee of the timetable for setting the 2023/24 budget. The timetable was considerably detailed and clearly indicated who was responsible for which actions. This would be monitored in order to hit deadlines required.

333 REVENUES AND BENEFITS GENERAL REPORT

The Director of Resources submitted a report for information on debts outstanding for business rates, council tax and sundry debtors. It also updated members on benefits performance, including benefits processing times and overpayment recovery.

Committee was informed that the Council ranked 4/270 authorities in England for its collections rates of council tax and 13/270 for business rates.

334 MINUTES OF WORKING GROUPS

335 BUDGET WORKING GROUP 18 MAY 2022

The minutes of the Budget working group held on 18 May 2022 were submitted for committee's information.

336 LONGRIDGE ASSETS WORKING GROUP - 5 JULY 2022

The minutes of the Longridge Assets working group held on 5 July 2022 were submitted for committee's information.

337 REPORTS FROM REPRESENTATIVES ON OUTSIDE BODIES

There were no reports from representatives on outside bodies.

338 EXCLUSION OF PRESS AND PUBLIC

RESOLVED: That by virtue of the next items of business being exempt information under Paragraphs 1 and 3 of Schedule 12A of the Local Government Act 1972 the press and public be now excluded from the meeting.

(Councillor S Fletcher declared an interest in the next item of business and left the meeting)

339 REVIEW OF VOLUNTARY ORGANISATION GRANTS 2022/23

The Director of Resources submitted a report asking committee to consider the allocation of remaining voluntary organisation grants funds for the 2022/23 financial year.

Following the allocation of grants in March 2022 there had been a balance of £22,710 remaining in the budget.

Since then, an approach had been made from the Ribble Valley Citizens Advice Bureau asking for additional financial assistance for them to be able to continue operating beyond December 2022. The Voluntary Organisation Grant working group had considered this request and made several recommendations to Policy and Finance committee.

RESOLVED THAT COMMITTEE:

1. Agree to award the remaining unallocated funding for this financial year (£22,710) to the RV Citizen's Advice Bureau as a one-off grant subject to the following conditions:
 - That the RVCAB investigate a merger with other providers in the region;
 - That the RVCAB investigate additional funding from other bodies;
 - That the service provided by the RVCAB continues at the same level through to the end of March 2023;

- That the Council's policy that no more than 1/3rd of the grant fund will be awarded to any single organisation will continue to apply from the 2023/24 financial year onwards.
- 2. That a letter be sent to the Manager and Trustees of the RVCAB setting out clearly the conditions of any grant allocation that is approved by this committee.

(Councillor Fletcher returned to the meeting)

340

UK SHARED PROSPERITY FUND

The Director of Economic Development and Planning submitted a report updating members on the UK Prosperity Fund.

She reminded members of the background to this fund and the various stages already completed. She advised that whilst waiting for confirmation from DLHUC that the Investment Plan was acceptable, members should consider which projects they would like to utilise the UKSPF allocation for. Given the short timescales involved with procurement requirements there would be a lead in time for delivering projects so it was important to determine the projects members wished to support.

RESOLVED THAT COMMITTEE:

1. A working group consisting of Councillors L Edge, S Atkinson, B Buller, K Horkin, S Fletcher, D Peat and R Thompson be set up to consider project options for the UKSPF allocation, and make recommendations back to the Policy and Finance committee, and
2. The suggestions of the working group be shared with the Partnership group to seek their input to the suggested projects.

341

COUNCIL OWNED ASSETS

The Director of Economic Development and Planning submitted a report informing committee of the current position regarding Council owned assets and seeking approval to dispose of these assets.

She outlined the assets that required action now they were back in the possession of the Council and the interest that had been shown in one of them.

Members discussed the assets and in particular how 16/18 Lowergate could be utilised in the future.

Councillor T Austin was given permission to speak on this item.

RESOLVED THAT COMMITTEE:

1. Agree to rent the former ticket office to the organisation in the report subject to negotiating a suitable rental value and a suitable rental agreement;
2. Authorise the Director of Development and Planning to obtain an updated valuation of the Over 60s club in Longridge and procure services to market it for rent;

3. Authorise the Director of Economic Development and Planning to obtain a valuation for rent, sale and cost of renovation for 16/18 Lowergate, Clitheroe; and
4. Authorise the Chief Executive to agree a suitable rental value for the Over 60s Club to take it to market and to agree to a reasonable offer for the property.

342

LOCAL TAXATION WRITE OFFS

The Director of Resources submitted a report seeking committee's approval to write off certain Council Tax and Housing Benefit debts relating to individuals.

RESOLVED THAT COMMITTEE:

Approve writing off £3,165.77 of Council Tax debts plus £120.00 costs and £1,074.94 of Housing Benefit debt where it had not been possible to collect the amount due.

The meeting closed at 8.55 pm

If you have any queries on these minutes please contact the committee clerk, Olwen Heap 01200 414408 olwen.heap@ribblevalley.gov.uk.