
COUNCIL

Thursday, 25th February, 2016

Present: Councillor Marlene Haworth (Mayor), Councillors Judith Addison, Lisa Allen, Mohammad Ayub, Noordad Aziz, Peter Britcliffe, Clare Cleary, Loraine Cox, Paul Cox, Munsif Dad, Bernard Dawson, Tony Dobson, Wendy Dwyer, Diane Fielding, Melissa Fisher, June Harrison, Eamonn Higgins, Terry Hurn, Abdul Khan, Julie Livesey, Gareth Molineux, Kerry Molineux, Ken Moss, Jenny Nedwell, Tim O'Kane, Bernadette Parkinson, Miles Parkinson, Bill Pinder, Joyce Plummer, Kath Pratt, Malcolm Pritchard and Paul Thompson

Apologies: Councillors Chris Fisher and Harry Grayson

415 Apologies for absence

Apologies for absence were submitted on behalf of Councillors Chris Fisher and Harry Grayson.

416 Declarations of Interest and Dispensations

It was noted that all Councillors had been granted a dispensation to speak and vote in relation to setting Council Tax or a precept under the Local Government and Finance Act 1992.

417 Announcements

- 1) The Mayor referred to a letter which had been circulated at the meeting, from the Regional Director of HSBC Bank, advising the Council of the closure of the Accrington, Nelson and Rawtenstall branches, with effect from 29th April 2016.
- 2) In January, the Mayor had been asked to nominate a young person from Hyndburn to be considered for the High Sheriff of Lancashire's Young Citizen Award. She was now delighted to announce that her nominee, David Reid, from West End, Oswaldtwistle, had been selected for the final heat and invited to a special ceremony at Lancashire Police Headquarters on 17th March 2016. David's achievement was to instigate a campaign to improve West End play area, on Blackburn Road, Oswaldtwistle, with £100,000 of investment.
- 3) The Leader of the Council referred to the announcement that the owners of the Arndale Shopping Centre intended to introduce car parking charges. In view of concerns about the proposal, the Leader had requested discussions with the owners which would be taking place imminently.

418 Confirmation of Minutes

The minutes of the Council meeting held on 21st January 2016 were submitted.

Resolved - That the minutes of the Council meeting held on 21st January 2016 be approved as a correct record.

419 Prudential Indicators and Treasury Management and Investment Strategy 2016/17 - 2018/19

The Leader of the Council presented a report, which set out the Council's policy and objectives in respect of treasury management and which sought agreement to an investment strategy for 2016/17 to 2018/19. The Prudential Code for Capital Finance in Local Authorities required the Council to set prudential indicators annually for the next three years to demonstrate that the Council's capital investment plans were affordable, prudent and sustainable.

The Council was also required to set out its Treasury Management and Investment Strategy for borrowing and cash investment, in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice. In order to demonstrate compliance, the Council also needed to approve a Treasury Management Policy Statement, Treasury Management Practices Statement and a Minimum Revenue Provision Policy Statement, setting out how the Council would seek to achieve its treasury management policies together with details of how those activities would be managed and controlled.

The aspects addressed in the report included:-

- Capital expenditure and the capital financing requirement
- External debt overall limits
- External v internal borrowing
- Debt rescheduling
- Investment strategy
- Treasury management practices

Resolved

- (1) That the prudential indicators and limits detailed in the report be adopted.**
- (2) That the treasury management strategy, and associated indicators, as set out in section 8 of the report, be approved.**
- (3) That the investment strategy set out in section 13 of the report be approved.**
- (4) That the Minimum Revenue Provision Policy Statement for year 2016/17, set out in appendix 1, be approved.**
- (5) That the Treasury Management Policy Statement 2015/16, set out in appendix 2, be approved; and**
- (6) That the Treasury Management Practices Statement 2016/17 (Appendix 3) be approved.**

420 Medium Term Financial Strategy 2016/17 - 2018/19

The Leader of the Council presented an updated Medium Term Financial Strategy for the next three years, 2016/17 to 2018/19. The objectives of the Medium Term Financial Strategy were:

- to be the financial expression of the Corporate & Performance Plan, providing the resources to deliver the plan,
- to ensure that commitments did not exceed forecasted anticipated resources over the period and for each year,
- to ensure that expenditure was increasingly focused on those areas which the Council had determined as its priority areas,
- to ensure that the level of Council Tax was planned in line with what the Council and the community as a whole regarded as being acceptable, albeit within the context of guidelines from Central Government,
- to review the effectiveness of delivery of additional resources into priority areas, to ensure that the objectives set for these target areas were actually being achieved,
- to ensure that the Council was in a strong financial position as measured by size of balances and reserves (consistent with the Chief Financial Officer's recommendations), and
- to improve value for money assessments in all services by delivering increased efficiency savings.

The key elements of the strategy were:-

- Forecasting resources
- Budget monitoring and forecasting commitments
- Corporate strategic direction and priorities
- Integrated resource planning with service plans
- Links with human resource and IT resource plans
- Capital strategy and asset management plan

Resolved - **That the report and the accompanying Medium Term Financial Strategy be approved.**

421 General Revenue Budget, Council Tax Levels and Capital Programme 2016/17

The Leader of the Council presented the proposed revenue and capital budget and council tax levels for 2016/17. Proposals for the 2016/17 general fund revenue budget and capital programme had been put forward at Cabinet on 3rd February 2016 and had been recommended to Council for approval. The Leader of the Council now put forward an updated report, with just one amendment, to reduce the savings required on the Culture and Leisure Services budget by £50,000 and to insert a corporate savings target of £50,000 instead. The revenue budget for 2016/17 would require a net expenditure of £11,283,000, with no increase in Council Tax.

Councillor Noordad Aziz, Chair of the Resources Overview and Scrutiny Committee, submitted a report of the Committee's consideration of the budget proposals, to which the Leader responded.

A **motion** was proposed by Councillor Miles Parkinson and seconded by Councillor Gareth Molineux:-

“That the recommendations for the General Fund Revenue and General Fund Capital Programme Budget and Council Tax Levels for 2016/17, now submitted by the controlling group, be approved.”

A debate on the motion then followed, after which it was put to the vote. In accordance with The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 a recorded vote was taken. The votes were recorded as follows:-

For the motion: Councillors Mohammad Ayub, Noordad Aziz, Clare Cleary, Loraine Cox, Paul Cox, Munsif Dad, Bernard Dawson, Wendy Dwyer, Diane Fielding, Melissa Fisher, June Harrison, Eamonn Higgins, Abdul Khan, Gareth Molineux, Kerry Molineux, Ken Moss, Jenny Nedwell, Tim O’Kane, Bernadette Parkinson, Miles Parkinson, Bill Pinder, Joyce Plummer, Malcolm Pritchard, Paul Thompson (24)

Against the motion: none

Abstentions: Councillors Judith Addison, Lisa Allen, Peter Britcliffe, Tony Dobson Julie Livesey, Marlene Haworth, Terry Hurn, Kath Pratt, (8)

The motion was therefore carried.

Resolved

- (1) That the recommendations of Cabinet on the Revenue and Capital Budgets for 2016/17 be approved, subject to approval of one amendment, to reduce the savings required on the Culture and Leisure Services budget by £50,000 and to insert a corporate savings target of £50,000 instead.**
- (2) That Council Tax rates for Hyndburn Borough Council will remain the same, £230.52 for the year for a Band D property, for example.**
- (3) That the Council commits to continuing to strengthen its reserves during the year and requires the Chief Executive and the Deputy Chief Executive to take appropriate action to protect the Council’s overall financial position and further strengthen its reserves during the forthcoming year.**
- (4) That the Council delegates authority to the Chief Executive to take such action as he considers necessary to implement the measures contained in this budget.**
- (5) That it be noted that on 6th January 2016 the Council at its Cabinet calculated:**
 - the Council Tax Base 2016/17 for the whole Council area as 19,089 (Item T in the formula in Section 31B(3) of the Local Government Finance Act 1992, as amended (the “Act”)) and,
 - for dwellings in those parts of its area to which a Parish precept relates as 301.

- (6) That Council agrees that the Council Tax requirement for the Council's own purpose for 2016/17 (excluding Parish precepts) is £4,400,396.
- (7) That Council agrees that the following amounts be calculated for the year 2016/17 in accordance with Sections 31 to 36 of the Act:
- a) £52,325,000 the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
 - b) £47,913,085 the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - c) £4,411,915 the amount by which the aggregate at 7(a) above exceeds the aggregate at 7(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year (Item R in the formula in Section 31A(4) of the Act).
 - d) £231.12 the amount at 7(c) above (Item R), all divided by Item T (5 above), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
 - e) £11,519 the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Appendix B).
 - f) £230.52 the amount at 7(d) above less the result given by dividing the amount at 7(e) above by Item T (5 above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its

area to which no Parish precept relates.

- (8) That Council note that the County Council, the Lancashire Police & Crime Commissioner and the Fire Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.
- (9) That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the table below as the amounts of Council Tax for 2016/17 for each part of its area and for each of the categories of dwellings.

	2015/16	2016/17	Increase
	£	£	
Hyndburn Borough Council	230.52	230.52	0.00%
Lancashire County Council	1,129.78	1,174.86	3.99%
Lancashire Police & Crime Commissioner	159.06	162.22	1.99%
Lancashire Fire & Rescue Authority	64.86	65.50	0.99%
Sub Total	1,584.22	1,633.10	3.09%
Altham Parish Council	38.27	38.27	0.00%
Total	1,622.49	1,671.37	3.01%

- (10) That the Council note the basic amount of Council Tax for 2016/17 is not considered excessive in accordance with principles approved under Section 52 ZB Local Government Finance Act 1992.
- (11) That the Deputy Chief Executive be given delegated authority to amend the budget (following consultation with the Leader of the Council) for technical reasons or to comply with legal requirements, such as the restructuring of cost centres, the re-apportionment and re-allocation of overheads etc., so long as these changes have an overall neutral impact on the budget.
- (12) That any continuing balances on Revenue or Capital previously earmarked for Area Councils continues to be set aside for use by these or their successor bodies.

- (13) That the Chief Executive is given delegated authority to use the unallocated surplus generated in 2015/16 to fund any future shortfall in income or additional expenditure, to support “Invest to Save” projects that will help reduce the Council’s long term costs(including additional payments to the Pension Fund as outlined below), or support specific capital projects, or finance other commitments that he deems to be in the best long term interest of the Council or to transfer funds to Reserves as required.**
- (14) That the Chief Executive be given delegated authority following consultation with the Leader to make a payment to the Lancashire Pension Authority to help reduce the extent of the Council’s pension liabilities that have amassed from previous years (£45.8m as at the 31st March 2015); and**
- (15) That the Council renews its short term loan to Barnfield & Hyndburn Ltd of £150,000 if required to assist our joint venture, manage its short term loan position with its Bank, while it continues to develop its site at Mill Gardens Great Harwood pending the arrival of receipts from sales.**

Signed:.....

Date:

Chair of the meeting
at which the minutes were confirmed