

Report of:	To:	Date	Item No.
Cllr. Alan Vincent, Resources Portfolio Holder	Council	22 January 2015	20(b)

Executive Report January 2015: Resources Portfolio Holder
--

1. Purpose of report

- 1.1 To inform Council of progress on key objectives and the current position on issues within the Resources Portfolio, as set out below.

2. Finance

- 2.1 An updated forecast showing our projected spending levels and the recommended council tax for 2015/16 will be presented at the Cabinet meeting on the 18 February. I can confirm that, as in previous years, Budget Briefings will be arranged for the benefit of the two political parties.
- 2.2 Members will be aware that the Council was notified of a provisional grant settlement (including council tax freeze grant) of £5.559m for 2015/16 on the 5 February 2014. This has subsequently been confirmed, as part of the draft local government finance settlement announced in December at £5.550m - £9,000 less than anticipated. This represents a loss in grant of £1,026,000 or 15.6% from that received in 2014/15. The reduction, assuming the council decides to accept the council tax freeze grant for 2015/16, is a loss of £954,000 or 14.5%.
- 2.3 Members will also be aware that the new Localism Act allows local residents to veto excessive council tax rises. The Local Government Minister (Kris Hopkins) has confirmed that the trigger for local referenda on council tax increases will remain at 2% in 2015/16 with the approval of the local electorate being required for any council tax increase above this value. He went on to say that "Parishes are an important part of local government, delivering valuable and valued local services. However that is not a reason for them to impose inflation-busting increases on their taxpayers. The average Band D council tax in England has risen by 2% since 2011 to 2012 – the equivalent figure for the parish element is 14.7% over the same period. That is why I would welcome views on whether the highest spending parishes should be subject to the same referendum principle as the rest of local government." The consultation period closed 15 January 2015.

3. Human resources

- 3.1** The Local Government pay offer has now been agreed and covers a two year period from 1 April 2014 to 31 March 2016, with non-consolidated lump sums payable in December 2014 and April 2015. Following advice from North West Employers, the two-staged non-consolidated payments for those on spinal column points 26 to 49 have been paid in December 2014. Proposed new salaries are effective from 1 January 2015 and provide a minimum increase of 2.2%. Including the lump sum payments, it involves an increase of a minimum of 3.2% over a two year period as a percentage of 2013 pay.
- 3.2** There are currently seven Heads of Service who, whilst within the scope of the NJC (Green Book) conditions, are paid higher than spinal column point 49 which is the highest point of Grade 13. It should be noted that employees who are paid at Grade 14, whilst entitled to the 2.2% increase from 1 January 2015, were not entitled to any 'non-consolidated' lump sum payments. I understand that many local authorities are proposing to award the lump sum non-consolidated payments to those members of staff who are currently paid above spinal column point 49 as part of the Local Government Pay Agreement 2014-16 and I will be recommending that Wyre adopts this approach as part of the Pay Policy Statement which will be considered by Council in March 2015.

4. Procurement

- 4.1** There are no specific issues to report at this time.

5. Asset management

- 5.1** A Cabinet report for the February meeting is currently being prepared to outline the proposals for Poulton Youth and Community Centre and Garstang Business Centre.
- 5.2** Whilst six bids were received for the new lease of Wyreside Café, the wide range of submissions and concerns over the sustainability of the bids has resulted in a further tendering exercise being undertaken.
- 5.3** Since my November report, the internal review of the listing of the Shovels Inn at Hambleton as an Asset of Community Value has been completed, and the original decision has been confirmed. The Shovels therefore remains listed. The owners have a right to appeal to a First Tier Tribunal until 16 January 2015.
- 5.4** The Sandpiper Public House in Cleveleys has also now been listed as an Asset of Community Value.

6. Comments and questions

- 6.1** In accordance with procedure rule 11.3 any member of Council will be able to ask me a question or make a comment on the contents of my report or on any issue, which falls within my area of responsibility. I will respond to any such questions or comments in accordance with Procedure Rule 11.5.