

**MINUTES OF FINANCE AND AUDIT COMMITTEE AND UNIONS CONSULTATION MEETING
- FRIDAY, 13 FEBRUARY 2015**

Present:

Councillor Callow (in the Chair)

Councillors

I Coleman
Galley

Hunter
Hutton

O'Hara
Smith

In Attendance:

Ms S Johnson, Chairman of the Federation of Small Businesses and Ms E Ormand, Blackpool BID.

Also present:

Mr N Jack, Chief Executive

Mr S Thompson, Director of Resources

Mr M Towers, Director of Governance and Regulatory Services

Mr A Cavill, Director of Place

Mr P Redmond, Chief Accountant

Bernadette Jarvis, Democratic Services Senior Adviser

1 CHAIRMAN

It was noted that the Chairman of the Finance and Audit Committee, Councillor Callow would preside over the meeting.

2 DECLARATIONS OF INTEREST

There were no declarations of interest on this occasion.

3 GENERAL FUND REVENUE BUDGET 2015/2016 CONSULTATION WITH NON-DOMESTIC RATEPAYERS

Mr Thompson, Director of Resources, commenced his presentation of the budget by reporting on the extent of the required budget savings. The savings required over the previous four years had been £68m with a further requirement for savings of £58m over the next three years. He reported on the significant challenges that the Council had faced as a result of the continued cuts in the Council's budget.

The steps that had been taken to mitigate against the year-on-year reductions in the budget included the adoption of different methods of service provision and the sharing of services with other local authorities. The extent of the reduction in staffing of back office services was reported. Mr Thompson advised of the increasing difficulties in the Council's ability to continue to deliver services in light of the continuing budget cuts and the potential for more radical changes to service provision in the future.

**MINUTES OF FINANCE AND AUDIT COMMITTEE AND UNIONS CONSULTATION MEETING
- FRIDAY, 13 FEBRUARY 2015**

Mr Thompson reported on the localisation of business rates initiative that had been introduced by Central Government with the aim of encouraging economic development. He explained how the changes in the way that the rates were now collected impacted on the budget. He reported on the positive impact on the budget from the new developments such as the Central Business District, Sainsburys and The Harbour. However, the Council's liability in funding 49% of successful business rate appeals determined by the Valuation Office placed a significant pressure on the budget and a requirement for earmarked reserves. The full actual cost would not be known until all appeals had been processed.

Mr Thompson reported on the disproportionate funding cuts for the Council compared with other local authorities in England. He advised that the budget gap for the financial year 2015/2016 was £25.2m and that bridging this gap was a statutory requirement. It was expected that the levels of budget gap for the subsequent two financial years would be approximately £20m and £13m respectively. The latest forecast overspend for the current financial year was approximately £700,000 which was considered to be an acceptable tolerance level within the context of the gross budget of c. £500m. It was expected that the overspends would further reduce by the end of the year which would result in the working balances being closer to the target of £6m.

A reduction in income from car parking, despite the increase in tourism, was reported. This was mainly attributed to the loss of car park sites and increased competition. A review of parking services was underway with the aim of improving accessibility to car parks to attract visitors to the town and promote local businesses, whilst at the same time optimising income for the Council.

Mr Thompson concluded his presentation by providing assurances that one of the Council's key aims was to promote economic development in the town.

The Chairman invited the Representatives from the Non-Domestic Ratepayers to ask questions and respond to the budget presentation.

In response to concerns relating to the impact on the Private Sector from the reduction in Council's budget and staff redundancies, the numerous interventions to mitigate the impact and reduce risk to businesses were reported. These included investment in the transport network, development of the illuminations, investment in tourist attractions and extending the holiday season.

Responding to a question from the Committee, it was confirmed that the small business rate relief had been extended to the financial year 2015/2016 but there were no guarantees that the Government would continue this in the future.

The Chairman thanked the representatives for attending the meeting and provided assurances that their comments would be passed to the Executive for consideration.

**MINUTES OF FINANCE AND AUDIT COMMITTEE AND UNIONS CONSULTATION MEETING
- FRIDAY, 13 FEBRUARY 2015**

The Committee agreed:

1. To note the outcome of the consultation with representatives of the Non-Domestic Ratepayers.
2. To request that the observations from this meeting be forwarded to the Executive for consideration at its meeting on 23rd February 2015.

Chairman

(The meeting ended 11.57am)

Any queries regarding these minutes, please contact:

Bernadette Jarvis

Tel: (01253) 477212

E-mail: bernadette.jarvis@blackpool.gov.uk