



**Council  
20 February 2014  
Agenda Item 7A**

**Draft Minute Extract from Cabinet 4 February 2014  
CAB/011/13-14 Adur Overall Budget Estimates 2014/15 and Setting of 2014/2015  
Council Tax**

The Cabinet had before it a report by the Executive Head of Financial Services, copies of which had been circulated prior to the meeting and a copy of which is attached to the signed record of these decisions as item 7.

The report represented the culmination of the annual budget exercise and asked the Cabinet consider the following:

- The final revenue estimates for 2014/15;
- An updated outline 5-year forecast; and
- The provisional level of Council Tax for Adur for 2014/15,

prior to its submission to the Council for approval on 20 February 2014, subject to any proposals to change the draft revenue budget following the consideration of the budget proposals by Cabinet.

The budgets as presented reflected the decisions taken by Members to date in relation to agreed savings proposals. The report also updated Members of the Cabinet about the impact of the draft 2014/15 settlement.

The major points raised within the report included:

- The Council would benefit from surplus business rates in 2014/15 of £142,000 (paragraph 3.9.7);
- The Council expected to receive £198,000 more in New Homes Bonus in 2015/16 due to principally to the removal of the top-slice to the New Homes Bonus (paragraph 3.10.3);
- The referendum criterion had yet to be announced he referendum criterion had yet to be announced, speculation within the press suggested that this would be set at a rate lower than 2%, probably around 1.5%. Consequently, the maximum Council Tax increase that the Council could approve without triggering a referendum had been judged by officers as 1.5% when writing the report (paragraph 3.11); the most up to date information from the Executive Head was that she expect to know the criteria for a referendum around 12 February.

- The Cabinet would need to consider whether to increase Council Tax by 1.5% or to freeze Council Tax for the fourth successive year and accept the Council Tax freeze grant (paragraph 5.12); and, finally
- The Cabinet needed to consider the growth items in appendix 2

The budget was analysed by Cabinet Member portfolio. In addition, the draft estimates for 2014/15 had been prepared, as always, in accordance with the requirements of the Service Reporting Code of Practice for Local Authorities 2014/15 (except in relation to pension costs adjustments that do not impact either on the Budget Requirement or the Council Tax Requirement)

The report indicated that the Police and Crime Commissioner (PCC) had consulted on an increase to the Council Tax for 2014/15 of 3.6% and the proposed 2014/15 budget was due to be considered by the Sussex Police and Crime Panel (PCP) on 24 January 2014. If the proposals are vetoed by the PCP, revised proposals will be considered by the Panel on the 21 February 2014 at which point the Commissioner will be in a position to confirm the Council Tax for 2014/15. If the proposals for the PCC's share of the Council Tax are not confirmed until 21 February, then the planned Council date of the 20 February will be rearranged to the 27 February 2014.

The precept for West Sussex County Council has not yet been finalised and will not be confirmed until 14 February 2014. Therefore the formal detailed resolution setting the overall Council Tax for next year will be presented direct to the Council Meeting on 20 February 2014.

The Executive Head informed Cabinet of a budget surplus of £600K however she drew members attention to Page 254 which illustrated the declining RSG. Business Rates were strong with a number of larger projects, the Football Academy being one, that would generate revenue in the future.

Until the referendum criteria was announced the PCC was unable to confirm the level of its budget which was necessary prior to the Council Tax being set in Adur. Regarding the Council Tax freeze grant, there was a small financial impact in accepting the grant.

The Leader informed the Cabinet of the decisions of the Worthing Cabinet the previous evening relating to the growth items in Appendix 2; two items had been removed from the list – of which only one affected Adur (the Information Security Officer increased hours). Members discussed whether this item should also be removed from the Adur budget but decided to continue to support it but that the extension of hours should be delayed until such time as Worthing Borough Council were in a position to fund their share of the post.

The Cabinet Member for Resources spoke on the level of Council Tax making a recommendation that the Council tax increase be 0% for a Band D property the rate to remain at the same as in 2013/14

#### **Decision** the Cabinet

- i. Considered which of the growth items detailed at appendix 2 should be included within the revenue budget and funded from the budget surplus in 2014/15.

Supported:

Human Resources – computerisation of recruitment process

Legal Services – increase in hours of Senior Information Officer

Supported and starred items for which a further report to the Executive, with more details was required:

Estates – internal or external appointment; details of monitoring of the output of the appointment

Engineers - details of monitoring of the output of the appointment

Event Co-ordinator – details of the duties and salary

- ii. Agreed to recommend to Council for approval the following:
  - a. the draft budgets for 2014/15 at Appendix 7 as submitted in Cabinet Member Portfolio order, and the transfer to Reserves leading to a net budget requirement of £9,700,430, subject to any changes arising from the inclusion of the supported items in (i) above and the approved Council Tax increase;
  - b. the Band D Council Tax for Adur District Council's requirements in 2014/15 be as required in 2013/14 as set out in paragraph 12.3 of the report amounting to a 0% Council Tax increase;
  - c. the special expenses of £17.55 per band D equivalent charged in all areas of the District except Lancing;