

Worthing Borough Council

Record of the Decisions taken by the Cabinet at its meeting held on 3 February 2014

Present: Councillors Paul Yallop (Chairman); Bryan Turner (Vice-Chairman), Daniel Humphreys, Mary Lermitté, Clive Roberts and Tom Wye

Also present: Councillors A Rice and K Sunderland

Officers: *Chief Executive, Strategic Director (AG), Executive Head of Financial Services, Financial Services Manager, Executive Head of Corporate and Cultural Services, Democratic Services Manager.*

CAB/001/13-14 Declarations of interest

There were no declarations of interest made in the meeting.

CAB/002/13-14 Questions by the public

There were no questions by the public.

CAB/003/13-14 Items raised under Urgency Provisions

None.

CAB/004/13-14 Worthing Overall Budget Estimates 2014/15 and Setting of 2014/15 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 4.

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

- The final revenue estimates for 2014/15;
- An updated outline 5-year forecast;
- The provisional level of Council Tax for 2014/15, prior to its submission to the Council for approval on the 18 February 2014, subject to any proposals to change the draft revenue budget at the meeting.

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

The major points raised within the report included:

- The Council would benefit from surplus business rates in 2014/15 of

£172,000 (paragraph 3.9.7);

- The Council expected to receive £566,000 more in New Homes Bonus in 2015/16 due to a combination of the removal of the top-slice to the New Homes Bonus and the considerable number of new homes that are being built within the Borough (paragraph 3.10.3 and 3.10.4);
- The 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 needed 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 5.11);

The Cabinet needed to consider the growth items in appendix 2 to the report.

The budget was analysed and presented 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 Police and Crime Commissioner 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 were vetoed by the PCP, revised proposals will be considered by the Panel on the 21 February 2014 at which point the Commissioner would be in a position to confirm the Council Tax for 2014/15. The report went on to explain that if the proposals for the PCC's share of the Council Tax were not confirmed until 21 February, then the planned Council date of the 18 February will be rearranged to the 25 February 2014.

The precept for West Sussex County Council had not yet been finalised and would not be confirmed until 14 February 2014. Therefore the formal detailed resolution setting the overall Council Tax for next year would be presented direct to the Council Meeting on 18 February 2014.

The Joint Overview and Scrutiny Committee considered the Council's budget at its meeting on Thursday 30 January, its comments were reported at the meeting by the Executive Head of Financial Services, as a recommendation that the Council Tax be frozen for another year, making a 0% Council Tax increase and that the growth bids be determined by the Cabinet.

Cabinet Members thanked the Executive Head for the clear report and the guidance she had offered in the previous weeks for their consideration.

The Executive Head was asked the cost of a referendum, the likely timing of such an event and incidental costs; in response – the cost of a referendum would be around £76,000 based on the cost of a local election, however this could be linked with the elections in May which would significantly reduce the cost. There would also be the re-billing costs for the despatch of amended Bills which the Council would incur.

Comments were made on the effect of any schools achieving Academy status and their eligibility for mandatory rate relief on the likely income from Business Rates.

The benefit of consultation with the residents and businesses was discussed and the value that the results of the exercise bring to the budget process was acknowledged.

The Cabinet Member for Resources spoke to the growth items in Appendix 2, indicating his support or not for the items listed; each were determined by the Cabinet members as detailed and explained in the decision below.

In considering the overall requirements for 2014/15 the Cabinet balanced the future needs of the Council, accepting the Council Tax Support Grant for a fourth year and setting a 0% increase in the budget. In affect this was keeping the Council Tax at the same level as 2011/12 with savings found from budgets and keeping reductions in service delivery to a minimum, whether this level of Council Tax and service delivery could be maintained in future years would have to be considered in future years.

Decision the Cabinet

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

Supported:

Human Resources – computerisation of recruitment process

Not supported:

Legal Services – increase in hours of Senior Information Officer

Museum and Art Gallery – consideration of a rolling programme of valuation within existing resources. Officers to come back to members later in the year with a further report detailing options for how the collection could be valued,

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 £14,003,510 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 Worthing Borough Council's requirements in 2014/15 be as required in 2011/12, as set out in paragraph 12.3 of the report amounting to a 0% Council Tax increase making the requirement £216.00;

Reason for Decision

Statutory requirement to set a budget

Alternative Options considered

As detailed in the report; growth bids were considered, increasing the Council Tax was considered against the availability of the Council Tax support Grant and costs of a Referendum.

Call-in

There is no call-in for this decision as it is a recommendation to Council.

The meeting ended at 6.31pm having commenced at 6pm.

Leader