

Worthing Borough Council

Record of the Decisions taken by the Executive at its meeting held at the Town Hall,
Chapel Road, Worthing on

31 January 2022
at 6.30 pm

Present:

Councillor Kevin Jenkins (Chairman)
Councillor Edward Crouch (Vice Chairman)

**Councillor Sean McDonald Councillor Elizabeth Sparkes
Councillor Edward Crouch Councillor Nicola Waight
Councillor Dr Heather Mercer

**** Absent**

W EX/1/21-22 Declarations of Interest

There were no declarations of interest made.

W EX/2/21-22 Public Questions

There were no questions received from the public.

W EX/3/21-22 Items Raised Under Urgency Provisions

There were no urgent items raised.

W EX/4/21-22 Budget Estimates 2022/23 and Setting of 2022/23 Council Tax

The Executive had before it a report by the Director for Digital, Sustainability and Resources, attached to the signed record of these decisions as item 4.

The report was the final budget report of the year, the culmination of the annual budgeting exercise, and asked members to consider:

- The final revenue estimates for 2022/23 including any adjustments arising from settlement;
- An updated outline 5-year forecast; and
- The provisional level of Council Tax for 2022/23, prior to its submission to the Council for approval on the 22nd February 2022. This would be subject to any proposals to change the draft revenue budget following the consideration of the budget by the Executive.

The report outlined the medium term financial challenge through to 2026/27, discussed the continued impact that the pandemic was having on the Council's finances over the next year, and set out performance in the key strategic areas of commercialisation, digital

transformation and strategic asset investment. This had been updated to include the latest information regarding the impact of the pandemic on the Council financial position. The current budget strategy was having a significant effect on how the Council would be funded in the future with increasing income generated from commercial income and rents. Following the delay to the fairer funding review, the challenge still remained significant for 2023/24, however the delivery of the budget strategy would ensure that this was met.

These budgets reflected the Councils' ambitions set out in Platforms for our Places: Going Further and 'And Then', and agreed savings proposals contributing to the financial sustainability of the Councils. The report also updated members about the impact of the draft 2022/23 settlement.

The major points raised within the report included:

- A full update on the impact of settlement. The Council should prepare itself for a continuation of the reduction in Government resources for 2023/24 and beyond;
- Highlighted the proposed funding for initiatives to support the Councils' ambitions set out in Platforms for our Places: Going Further and And Then;
- The proposals to invest in services outlined in Appendix 2;
- The Executive was asked to consider whether to increase Council Tax by 2.0% or by a lower amount.

The budget was analysed by Executive Member portfolio. In addition, the draft estimates for 2022/23 had been prepared, in accordance with the requirements of the Service Reporting Code of Practice for Local Authorities (except in relation to pension costs adjustments that did not impact either on the Budget Requirement or the Council Tax Requirement).

The Police and Crime Commissioner (PCC) had already been informed that the referendum criteria for this year was an increase of £10.00 per Band D property which would be equivalent to an increase of 4.65%. The proposed 2022/23 budget was due to be considered by the Sussex Police and Crime Panel (PCP) on 28th January 2022. If the proposals were vetoed by the PCP, revised proposals would be considered by the Panel on the 14th February 2022 at which point the Commissioner would be in a position to confirm the Council Tax for 2022/23, just in time for Council on the 22nd February 2022.

The draft Local Government Settlement allowed Councils to increase core Council Tax by up to 2%. Those Councils with responsibility for Adult Social Care could increase Council Tax by up to a further 1% which could be increased by up to 3% where they opted to defer the flexibility that was available to them in 2021/22. Therefore, a Council Tax increase of between 3% and 6% for Councils with social care responsibilities was allowed for 2022/23.

The precept for West Sussex County Council had not yet been finalised and would not be confirmed until 18 February 2022. The formal detailed resolution setting the overall Council Tax for next year would be presented directly to the Council Meeting on 22 February 2022.

Members were informed of an erroneous figure in the recommendations of the report at 2.1 (b). The net budget requirement figure of £13,784,570 should have read £13,784,650.

The Executive Member for Resources thanked Officers for their work in preparing the budget, acknowledging this had been achieved in the most difficult of circumstances.

The report set out the final revenue estimates for 2022/23 and the medium term financial challenge to 2026/27. As discussed in previous years, the Council needed to be self-funding and as a result, had forged ahead in the key strategic areas of commercialisation, digital transformation and strategic asset investment, in order to deliver the budget strategy. The Council's ambitions were set out in Platforms and in order to achieve these, the Council needed to plan carefully.

New income and savings had been identified for the next 5 years, including regeneration projects to increase employment space and additional housing and the service redesign programme which would deliver the digital strategy.

The Strategic Property Investment Fund continued to deliver with the December quarter rents paid in full. The diligent work undertaken to acquire these properties had proven to be transformational around the Council's budgets, enabling the delivery of services and growth. Work would continue to be undertaken with the commercial programme and the affordable homes working group would continue to lead on initiatives to improve the supply of affordable homes.

The report set out the details of the local government finance settlement, which was for 1 year, and confirmed the referendum principles and the Council's ability to increase Council Tax.

The Executive was asked to consider the level of increase in Council Tax for 2022/23 in view of the Council's requirements to balance its budget. The report detailed the financial implications of a Council Tax increase for the coming year and the years following to 2026/27. An increase of 2% would allow the Council to set a balanced budget, which was a statutory duty. In addition, the cumulative effect of steady rises in Council Tax would provide the Council with significant additional income over the longer term.

It should be noted that the Council was able to raise Council Tax by either 2% or £5 per annum. The Executive Member for Resources was recommending the lower figure of 2%. When comparing the increase with inflation, it was highlighted that over the last 10 years, Council Tax had increased by 14.5% in comparison to CPI over the equivalent period of 18.66%.

The Executive Member for Resources also confirmed that she was happy to support the service investment proposals at Appendix 2 to the report.

The Executive Member for Resources proposed the following:-

- 2.1(a) - that the Executive approve, the proposals to invest in services outlined in Appendix 2;
- 2.1(b) - that the Executive recommend to Council the draft budgets for 2022/23 at Appendix 5 as submitted in Executive Member Portfolio order, and the transfer to

Reserves leading to a net budget requirement of £13,784,650, which included provision for the proposals in Appendix 2;

- 2.1(c) - that the Executive recommend to Council a Council Tax increase of 2% for the municipal year 2022/23, equating to an average Council Tax bill for a Band D property of £252.36; and
- 2.1(d) - that the Executive approve a Council Tax Base of 39,610.50 for 2022/23.

The Leader seconded the proposal.

A recorded vote was taken, the results of which, are set out below:-

For: (5) - Councillors E Crouch, K Jenkins, H Mercer, E Sparkes and N Waight

Against: (0)

Abstentions: (0)

Decision

The Executive

- (a) approved the proposals to invest in services outlined in Appendix 2;
- (b) recommended to Council the draft budgets for 2022/23 at Appendix 5 as submitted in Executive Member Portfolio order, and the transfer to Reserves leading to a net budget requirement of £13,784,650 which included provision for the proposals in Appendix 2;
- (c) recommended to Council an increase of 2% in Council Tax, making Band D £252.36 per annum for Worthing Borough Council's requirements in 2022/23, as set out in paragraph 5.10; and
- (d) approved the Council Tax base of 39,610.50 for 2022/23 as set out in paragraph 12.3.

Reason for Decision

Statutory requirement to set a budget.

Alternative Options considered

As detailed in the report.

Call-in

The call-in deadline for decision (a) and (d) will be 5.00pm on the 10th February 2022.

There is no call-in for recommendations to Full Council, (b) or (c).

The meeting ended at 6.44 pm

