

COUNCIL – 12th February 2015

RECOMMENDATIONS OF THE EXECUTIVE

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SCHEDULE OF MEETINGS 2015-16

The Deputy Leader of the Council, Councillor A.J. Kay, presented a report with a proposed schedule of meetings for 2015/16. It set out background and factors for consideration. The draft schedule drew upon past experience and had regard to comments from both Members and Officers. It had been considered by the Overview and Scrutiny Committee at its meeting on 11 December 2014.

The Chief Executive agreed to discuss the options for the date of the Annual Council Meeting in 2015 with the Leader and Deputy Leader of the Council, the Mayor, Deputy Mayor, Mayor Elect and Deputy Mayor Elect and report the outcome of those discussions to the February Council meeting.

RECOMMENDED that the Schedule of Meetings for the 2015-16 Municipal Year be approved as set out in Annex 1 of the report.

Reasons for decision: To establish a timetable to ensure the efficient and effective conduct of Council business for the forthcoming municipal year.

Alternative option: None.

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BUDGET 2015/16

The Executive Member for Finance, Councillor G. Knight, introduced the proposed Budget for 2015/16 which included a 1.9% increase in Council Tax for recommendation to Full Council. The report also included an updated Capital Programme.

A consultation exercise had been undertaken on the savings and growth proposals that had been considered by the Executive in November 2014. These proposals had been the subject of review by the Budget Scrutiny Panel and the Overview and Scrutiny Committee and the Portfolio Holder thanked them for their hard work in ensuring that the proposals were sound.

Councillor G.J. Knight indicated that the proposed Council Tax increase would mean that the average Council Tax charge would increase by £3.91 per year (or less than 8 pence per week), which equated to a charge of £205.45 per year for all the Council's services.

It was noted that the Council's base budget grant had decreased further and this pattern was expected to continue for the foreseeable future. However, the savings proposed, which exceeded £1m, coupled with the proposed modest tax increase, would allow the Council to

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maintain and to continue to deliver its services to a high standard. To ensure that the Council continued to achieve sustainable budgets for future years work would continue to optimise income from non traditional sources such as property and partnership related opportunities.

The Executive noted the Chief Finance Officer's statement on the proposed budget which pointed out the risks and uncertainties associated with the budget proposals. This included economic factors, future government funding levels and a continuation of the austerity programme.

The Leader and Executive Member responded to questions in relation to the following:

- The minimal impact of the Reigate and Banstead Council tax increase on charge payers;
- Reductions in Government Grant;
- Implications of the possible referendum to consider the Surrey Police precept if a 24% increase was proposed; and
- Managing the Capital Programme.

RECOMMENDED that:

- (i) a budget of £15.670m including the savings and growth previously reported, a provision for a pay award and an increase in Council Tax of 1.9% be approved;**
- (ii) the updated Capital Programme (shown at Annex 1 of the report) be approved; and**
- (iii) the statement of the Chief Finance Officer (at Annex 2 of the report) be noted;**

RESOLVED that the Chief Finance Officer be authorised to make any necessary technical adjustments to the budget and Council Tax demand proposed to Council arising from final budget refinements or changes to government grant.

Reasons for decision: The Council is required to set a budget by 11th March each year.

Alternative options: Amend or reject the budget proposals.

COUNCIL TAX SETTING 2015/16

NOTE: Although there is no change to the Council Tax Recommendations from the Executive, it should be noted that the precepts expected to be set by the Surrey Police Authority and the Surrey County Council are now 1.99% for each. In the circumstances the Recommendations and revised Annexes are set out as part of this Recommendation document for consideration by Council.

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COUNCIL TAX SETTING 2015/16

A report was submitted on the level of Council Tax for 2015/16. It set out relevant statutory powers, issues (the proposed Council Tax increase and information relating to precepting authorities), legal, financial and equalities implications, risk management considerations, consultation undertaken and policy framework factors.

The Executive Member for Finance, Councillor G.J. Knight informed the Executive that the proposed Council Tax would be the subject of a recommendation to the February Council meeting which would receive confirmation of the final precept levels from the County Council and the Police together with any necessary adjustments required.

It was noted that when the report was produced a 1.99% increase was assumed for the County Council and 1.99% - or 24% - increase for the Police Authority. The latter would involve a County-wide referendum if it exceeded the 2% limit announced by the Government.

RECOMMENDED:

- (i) to note that on 18 December 2014 the Council calculated:
- (a) the Council Tax base 2015/16 for the whole Council as 57,629

[Item T in the formula in Section 31B(3) of the Local Government Finance Act 1992, as amended (the "Act")] and,

- (b) for dwellings in those parts of its area to which a Parish precept relates:

Horley Town Council	8,745
Salfords & Sidlow Parish Council	1,363

- (ii) to calculate that the Council Tax requirements for the Council's own purposes for 2014/15 (excluding Parish precepts) is £11,839,599;

- (iii) that the following amounts be calculated for the year 2015/16 in accordance with Sections 31 to 36 of the Act:

(a) £68,494,177 – being the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.

(b) £56,819,798 – being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.

(c) £12,174,379 – being the amount which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year (item R in the formula in Section 31A(4) of the Act).

(d) £211.25 – being the amount at 3(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).

(e) £334,779 - being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Annex 1).

(f) £205.45 - being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.

(g) Horley Town Council- £240.07

Salfords & Sidlow Parish Council - £228.92

Being the amounts given by adding to the amount at 3(f) above the amounts of the special items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 1(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.

(iv) it be noted that the figures in the attached Annex 1 being the amounts given by multiplying the amounts at 3(f) and 3(g) above by the number which, in the proportions set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of dwellings listed in different valuation bands.

(v) it be noted that for the year 2015/16 Surrey County Council and Surrey Police have stated amounts in precepts issued to the Council, in accordance with Section 40 of the Act, for each of the categories of dwellings shown in Annex 2.

(vi) having calculated the aggregate in each case of the amounts 1 to 5, above, the Council, in accordance with Section 30(2) of the Act, hereby sets the amounts of Council Tax for the year 2015/16 for each of the categories of dwellings shown in Annex 3.

(vii) that the Chief Finance Officer be authorised to make any amendments to the Council Tax demands as might prove necessary as the result of changes to the estimated demands issued by preceptors on the Council's Collection Fund.

Reasons for decision: The Local Government Finance Act 1992 sets out the requirement for local authorities to set a budget for the next financial year. This report provides the information to fulfil that requirement. Under the Constitution the Executive considers a proposed budget and Council Tax, before then making a recommendation on the appropriate level of Council Tax to full Council. Following consideration, Council may then authorise the budget and Council Tax.

Alternative options: None

COUNCIL TAX 2015/16

REIGATE AND BANSTEAD'S AND PARISH/TOWN COUNCILS' BASIC AMOUNTS OF TAX

	RBBC average including parishes	RBBC excluding parishes	Horley Town Council area	Salfords & Sidlow Parish Council area
Tax base	57,629	57,629	8,745	1,363
	£	£	£	£
Gross expenditure (Borough)	68,159,397	68,159,397	68,159,397	68,159,397
Income (Borough)	-52,989,200	-52,989,200	-52,989,200	-52,989,200
	<u>15,170,197</u>	<u>15,170,197</u>	<u>15,170,197</u>	<u>15,170,197</u>
Contribution to Capital	500,000	500,000	500,000	500,000
NET BOROUGH BUDGET	<u>15,670,197</u>	<u>15,670,197</u>	<u>15,670,197</u>	<u>15,670,197</u>
Horley TC precept	302,780	0	302,780	0
Salfords & Sidlow PC precept	32,000	0	0	32,000
BUDGET REQUIREMENT	<u>16,004,977</u>	<u>15,670,197</u>	<u>15,972,977</u>	<u>15,702,197</u>
General government grant	-3,547,090	-3,547,090	-3,547,090	-3,547,090
Council Tax freeze grant	-283,508	-283,508	-283,508	-283,508
Local Council Tax Support grant	0	0	0	0
TOTAL	<u>12,174,379</u> *	<u>11,839,599</u>	<u>12,142,379</u>	<u>11,871,599</u>
BASIC AMOUNT OF TAX	<u><u>211.25</u></u>	<u><u>205.45</u></u>	<u><u>240.07</u></u>	<u><u>228.92</u></u>
* Demand on Collection Fund				

COUNCIL TAX 2015/16

SETTING OF TOTAL COUNCIL TAX (INCLUDING BOROUGH & ALL PRECEPTING AUTHORITIES) - BASIC AMOUNT (BAND D)

AUTHORITY	AREA		
	Reigate & Banstead	Horley TC	Salfords & Sidlow PC
	£	£	£
Reigate & Banstead *	205.45	240.07	228.92
Surrey County Council	1,219.63	1,219.63	1,219.63
Surrey Police	215.89	215.89	215.89
TOTAL	1,640.97	1,675.59	1,664.44

* Including Parish and Town Council where appropriate

COUNCIL TAX 2015/16

COUNCIL AREA	VALUATION BANDS							
	A £	B £	C £	D £	E £	F £	G £	H £
1. AMOUNTS OF TAX FOR REIGATE AND BANSTEAD BOROUGH COUNCIL, HORLEY TOWN COUNCIL AND SALFORDS AND SIDLOW PARISH COUNCIL								
Horley Town Council area	160.05	186.72	213.40	240.07	293.42	346.77	400.12	480.14
Salfords and Sidlow Parish Council area	152.61	178.05	203.48	228.92	279.79	330.66	381.53	457.84
Rest of Borough	136.97	159.79	182.62	205.45	251.11	296.76	342.42	410.90
2. AMOUNTS OF TAX FOR SURREY COUNTY COUNCIL AND SURREY POLICE								
Surrey County Council precept	813.09	948.60	1,084.12	1,219.63	1,490.66	1,761.69	2,032.72	2,439.26
Surrey Police precept	143.93	167.91	191.90	215.89	263.87	311.84	359.82	431.78
3. TOTAL AMOUNTS OF COUNCIL TAX FOR 2015/16								
Horley Town Council area	1,117.07	1,303.23	1,489.42	1,675.59	2,047.95	2,420.30	2,792.66	3,351.18
Salfords and Sidlow Parish Council area	1,109.63	1,294.56	1,479.50	1,664.44	2,034.32	2,404.19	2,774.07	3,328.88
Rest of Borough	1,093.99	1,276.30	1,458.64	1,640.97	2,005.64	2,370.29	2,734.96	3,281.94

COUNCIL: 12TH FEBRUARY 2015
PROCEDURE FOR THE BUDGET DEBATE AND COUNCIL TAX SETTING

BUDGET 2015/16 (Minute 85/309-10)

The Mayor to open the debate by first calling on the Leader of the Council.

<u>Original Motion</u>		
Leader of the Council Councillor V.W. Broad	Budget Speech	No time limit
Executive Member for Finance Councillor G.J. Knight	To second and reserve the right to speak	-
Chairman of Overview & Scrutiny Councillor B.A. Stead	Scrutiny of the budget	5 mins
Group Leaders (or representatives) Councillor Ms S. Finch Councillor G.L. Norman Councillor B.A. Stead Councillor M.J. Vivona	Response to budget speech, if required))) 3 mins)
Others		3 mins
Executive Member for Finance Councillor G.J. Knight	Technical figures/ technical response	10 mins
Leader of the Council Councillor V.W. Broad	General response/ conclusion	5 mins

COUNCIL TAX SETTING 2015/16 (Minute 82/311-3)

- On the Council Tax, the Mayor will give an opportunity for speakers and for the Leader to reply if appropriate. (Up to 5 Minutes)
- The Mayor to invite the Council to adopt the Recommendations and updated Annexes.