

COUNCIL – 9th FEBRUARY 2017

RECOMMENDATIONS OF THE EXECUTIVE

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APPOINTMENT OF EXTERNAL AUDITORS

Councillor T. Schofield, Executive Member for Planning Policy and Finance informed the Executive that following the closure of the Audit Commission new arrangements were required for the appointment of the Council's external auditors. The Local Audit and Accountability Act 2014 required authorities to either opt-in to the "appointing person" regime or to establish an independent auditor panel and conduct their own procurement exercise.

The Executive Member introduced the report that provided the statutory background to the position together with the supporting detailed information and implications including a Frequently Asked Questions document on Public Sector Audit Appointments.

The Executive noted that Public Sector Audit Appointments Ltd (or PSAA) (the sector-led audit appointment body) had received wide ranging local government support to date. It had originally been established to operate the transitional arrangements following the closure of the Audit Commission. It was now a company owned by the Local Government Association's Improvement and Development Agency (IDeA).

The Executive Member considered that a sector-wide procurement, conducted by PSAA, would produce better outcomes for the Council than any individual procurement undertaken by ourselves or with a limited number of partners. This option was also considered to be less resource intensive than establishing an auditor panel, appointing independent panel members, and conducting our own procurement process.

It was noted that this approach appeared to be consistent with how other Surrey District and Borough Councils planned to proceed.

Arrangements for external audit of the new Executive Sub Committees were also being considered as part of the process.

RECOMMENDED that:

(i) Reigate & Banstead Borough Council opt-in to the “appointed person” arrangements made by Public Sector Audit Appointments (PSAA) for the appointment of external auditors; and

(ii) the Head of Finance be authorised to make all necessary arrangements with PSAA to secure the appointment of external auditors for 2018/19 and beyond.

Reasons for decision: To comply with Regulation 19 of the Local Audit (Appointing Person) Regulations 2015 that requires a decision to opt to the arrangements to be made by Full Council.

Alternative options: For the Council to establish its own auditor panel and conduct its own procurement of external audit services.

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SCHEDULE OF MEETINGS 2017-18

The Leader of the Council, Councillor V.W. Broad, presented a report with a proposed schedule of meetings for 2017/18. 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 8 December 2016 and its comments were reported to the Executive.

It was noted that the schedule covered only formal meetings in 2017/18 and that officers would also be preparing a calendar of advance dates for ad hoc seminars and training events, to be shared with members in due course.

RECOMMENDED that the Schedule of Meetings for the 2017-18 Municipal Year be approved as set out at Annex 1 to the report presented.

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

Alternative options: None.

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BUDGET 2017/18

The Executive Member for Planning Policy and Finance, Councillor T. Schofield, introduced the proposed Budget for 2017/18 which included a 2.39% increase in Council Tax (at Band D) for recommendation to Full Council. The report also included an updated Capital Programme up to 2022.

A consultation exercise had been undertaken on the savings and growth proposals that had been considered by the Executive in November 2016. 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.

The Executive Member also indicated that the proposed Council Tax increase would mean that the average Council Tax charge would increase by £5.00 per year (or less than 10 pence per week), which equated to a charge of £214.44 per year for all the Council's services.

The Executive noted that the savings proposed, coupled with the modest tax increase, would allow the Council to maintain and to continue to deliver its services to a high standard. It had been possible to propose a balanced budget for 2017/18 because of good budget management activities in place that ensured that the Council could continue to achieve sustainable budgets.

The Executive noted that it continued to manage the business in a way that optimised income from non traditional sources such as property, commercial or partnership related opportunities.

The Chief Finance Officer's statement on the proposed budget, was noted, which pointed out the risks and uncertainties associated with the budget proposals. This included economic factors and the implications of further reductions to government funding levels.

RECOMMENDED that:

- (i) a budget of £14.894m including the savings and growth previously reported, a provision for a pay award and an increase in Band D Council Tax of £5 be approved;**
- (ii) the updated Capital Programme, as set out in Annex 1 of the report presented, be approved; and**
- (iii) the statement of the Chief Finance Officer, as set out in Annex 2 of the report presented, 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: To amend or reject any or all of the budget proposals.

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COUNCIL TAX SETTING 2017/18

A report was submitted on the level of Council Tax for 2017/18. It set out relevant statutory powers, issues (the proposed Council Tax increase and current information relating to precepting authorities), legal, financial and equalities implications, risk management considerations, consultation undertaken and policy framework factors.

The Executive Member for Planning Policy and Finance, Councillor T. Schofield informed the Executive that the proposed Council Tax would be the subject of a recommendation to the February Council meeting. That meeting 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 4% increase was assumed for the County Council and 2% for the Police Authority. Any changes to these would form part of the update to the February Council meeting.

RECOMMENDED that:

(i) it be noted that on 15 December 2016 the Council calculated:

(a) the Council Tax base 2017/18 for the whole Council as 59,076

[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	9,262
Salfords & Sidlow Parish Council	1,385

(ii) the Council Tax requirements for the Council's own purposes for 2017/18 (excluding Parish precepts) is calculated at £12,668,257;

(iii) the following amounts be calculated for the year 2017/18 in accordance with Sections 31 to 36 of the Act:

(a) £68,979,590 – being the amounts which the Council estimates for the items set out in Section 32(2) of the Act taking into account all precepts issued to it by Parish Councils;

(b) £55,947,205 – being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3) of the Act;

(c) £13,032,385 – 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 32(4) of the Act as its Council Tax requirement for the year (item R in the formula in Section 32(4) of the Act);

(d) £220.60 – 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 33(1) of the Act, as the basic amount of its Council Tax for the year (including Parish precepts);

(e) £364,128 - being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the Appendix to report presented);

(f) £214.44 - 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- £250.38

Salfords & Sidlow Parish Council - £237.02

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 Appendix to the report presented, 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 2017/18 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 Appendix 2 to the report presented;

(vi) having calculated the aggregate in each case of the amounts (i) to (v), above, the Council, in accordance with Section 30(2) of the Act, hereby sets the amounts of Council Tax for the year 2017/18 for each of the categories of dwellings shown in Appendix 3 to the report presented; and

(vii) 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:

To provide the information to fulfil the requirement of the Local Government Finance Act 1992 which sets out the requirement for local authorities to set a budget for the next financial year.

Alternative options:

Unlike some previous years, there is no Council Tax Freeze Grant available for 2017/18. The budget is based on a recommended Council Tax rise of £5 (or 2.39%) in 2017/18.

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CAR PARK INVESTMENT: PAY & DISPLAY

Councillor J. Durrant, Executive Member for Enforcement reported to the Executive on the proposals to invest in new payment machines across all Council car parks.

The Executive were reminded that the provision of car parks across the borough was an important service provided for the benefit of residents, businesses and visitors and that it was important to invest in them to respond to new technology opportunities and changing demands on the service.

It was noted that the pay and display machines in operation were purchased before widespread use of contactless and phone payment methods had been introduced and that they only accept coin payments. Due to their age the machines also required more frequent maintenance.

The Executive Member indicated that new technology offered the opportunity to improve the service to car park customers with an increased variety of payment options. The report brought before the Executive proposed the installation of new machines in all of the Borough's car parks and a pay on exit system in the Bancroft Road multi-story car park. It was envisaged that this would make it easier for customers to use the car parks and as a result encourage increased visitors. The machines would also require less maintenance which would allow the Council to focus its resources on enforcement activities.

It was noted that in order to achieve these improvements additional capital funding was required from the Council's Capital programme.

The Executive Member for Enforcement responded to Member questions on the following aspects of the proposals:

- card and Ringo transactions and operational arrangements for the new pay and display proposals;
- provision for disabled drivers at the Bancroft Road car park; and
- value for money and the procurement process for the improved services proposed.

RECOMMENDED that capital funding of £163,000 be approved for inclusion in the capital programme.

RESOLVED that:

(i) the improvements to the payment options within council car parks be approved as follows:

- a) new cash and card payment machines installed at all car parks
- b) new pay on exit system be installed at the Bancroft Road multi-storey car park;

(ii) the new machines be procured through an existing framework agreement.

Reasons for decision: To ensure that the Council's car parks continued to support residents, visitors, commuters and businesses and responded to the changing demands for the service.

Alternative options:

To take no action; to retrofit upgrades to existing pay and display machines or to invest in new pay and display machines with cash or cash/card only facilities.