

Recommendations from the Executive – 28 January 2021

Minute
reference
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*Recommendations
1-6 only.*

Budget & Capital Programme 2021/22

The Deputy Leader and Executive Member for Finance and Governance, Councillor Schofield, introduced the final revenue and capital budget proposals for 2021/22, which included a Council Tax increase of £5 for the average Band D property, for recommendation to Council; this being an increase of less than 10 pence per week for the average household.

The proposals were based on a full and robust assessment of the work of the Council and how services were funded. The assessment had been carried out by Executive members supported by the Management Team. The proposals had been reviewed by Members of the Budget Scrutiny Panel and the Overview and Scrutiny Committee.

Councillor Schofield highlighted that:

- The Council had not received a revenue support grant from the Government for several years. This continued to present a short-term shortfall in income until regeneration and income generation projects become operational. Ring-fenced reserves had been established in recent years to respond to this challenge.
- Following significant budget growth for services in 2020/21 and the challenges of the global pandemic, 2021/22 would be a year of consolidation. Budget growth was modest and there was a reduction on the net budget requirement due to changes in how the Council managed Central expenses. This had put the Council in a strong position as it continued to plan for further challenges over the medium term.
- The Council held a healthy level of Reserves which would be available to help manage future budget risks and opportunities.
- The Council's capital investment plans demonstrated the breadth of activity to improve and enhance the Council's asset base. The capital growth proposals were modest but there had been significant investment in the Capital Programme last year.

The Chairman of the Overview and Scrutiny Committee, Councillor Harrison, explained that the Overview and Scrutiny Committee had met on 21 January to scrutinise the proposals. It was recognised that the current pressures would continue into 2021/22. The Committee were satisfied with the proposals and had no further comments to offer to the Executive.

The Leader of the Council, Councillor Brunt, thanked Councillor Schofield and officers for their work on the proposals, and Councillor Harrison and the Overview and Scrutiny Committee for their observations.

RECOMMENDED to Council:

- 1. The latest Medium-Term Financial Plan forecast at Annex 1**
- 2. A Revenue budget requirement of £17.395 million for 2021/22, as set out in the report and at Annex 2 of the report, which reflects:**
 - a. Service budget growth of £0.695 million (net); plus**
 - b. Central budget savings of (£1.554) million (net)**
- 3. An increase in Reigate & Banstead's Band D Council Tax of £5.00 (2.15%) and a final taxbase of 60,720 Band D equivalents;**
- 4. The forecast for Revenue Reserves (Annex 3) and the recommended use of £0.477 million from Reserves in 2021/22 comprising:**
 - a. Drawing £0.104 million from the Government Funding Risks Reserve to fund reduced housing benefit subsidy; and**
 - b. Drawing £0.138 million from the Commercial Risks Reserve to fund reduced income from rents and trading activities; and**
 - c. Drawing £0.235 million from the General Fund Balance to support the 2020/21 Revenue Budget;**
- 5. A Capital Programme of £81.555 million for 2021/22 to 2025/26 as set out in this report and at Annexes 4.1 and 4.2,**

including Capital Programme Growth Proposals of £1.326 million.

6. **The Chief Finance Officer's report on the robustness of the Budget estimates and adequacy of Reserves.**

RESOLVED that:

7. The Chief Finance Officer be authorised to make any necessary final technical adjustments to the Budget and Council Tax arising from final budget refinements or changes to Government funding.

Council Tax 2021/22

The Deputy Leader and Executive Member for Finance and Governance, Councillor Schofield, introduced the report and explained that the proposed Council Tax for 2021/22 would be recommended to the February meeting of Council. That meeting would receive confirmation of the final precept levels from the Police and the County Council together with any necessary adjustments required.

RECOMMENDED to Council:

- 1. It be noted that on 16 January 2021 the Council calculated:**
 - a. the Council Tax base 2020/21 for the whole Council as 60,720.0 [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 10,313.3 Salfords & Sidlow Parish Council 1,413.3**

The 'tax base' is the number of Band D equivalent dwellings in a local authority area.

Detailed calculations of the Council Tax are set out in Annexes 1, 2 & 3 of the report.

- 2. Calculate that the Council Tax requirements for the Council's own purposes for 2021/22 (excluding Parish precepts) is £14,418,580.**
- 3. The following amounts be calculated for the year 2021/22 in accordance with Sections 31 to 36 of the Act:**
 - a. £70,229,263 – 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. £55,105,575 – being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3) of the Act.**
 - c. £14,888,688 – 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. £245.20 – 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. £470,108 – being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Appendix).
- f. £237.46 – 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 £278.97. Salfords & Sidlow Parish Council £267.18
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.

- 4. It be noted that the figures in the attached Appendix 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.
- 5. 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

2021/22 for each of the categories of dwellings shown in Annex 3.

- 6. It be noted that for the year 2021/22 Surrey County Council and Surrey Police and Crime Commissioner have not yet 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.**
- 7. 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.**

Calendar of Meetings 2021/22

The Leader of the Council, Councillor Brunt, presented a report with a proposed Calendar of Meetings for the 2021/22 Municipal Year. The draft calendar had been produced in consultation with Members and Officers. Feedback had been received from the Overview and Scrutiny Committee as detailed in the addendum to the agenda. The Executive endorsed the proposed adjustments to the meeting dates for the Planning Committee, the Overview and Scrutiny Committee and the Budget Scrutiny Panel. Due to a revised Government deadline for the approval of the 2020/21 statement of accounts and external auditor's report, it was proposed that the September meeting of the Audit Committee be moved to align with the revised deadline.

RECOMMENDED to Council:

That the draft Calendar of Meetings for the 2021/22 Municipal Year, incorporating the changes proposed by the Overview and Scrutiny Committee, and revising the date of the Audit Committee from 8 September to 28 September, be approved.

Note: for certainty, the Calendar of meetings for 2021/22, incorporating the changes agreed by the Executive, will be appended to the minutes of the Executive meeting.