



SPECIAL MEETING OF THE COUNCIL WEDNESDAY 18TH FEBRUARY 2015

Book 5 - 2014/2015

Council Enquiries – Ann Horgan, Ext. 2413

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Council Offices, Kiln Road,
Thundersley, Benfleet,
Essex SS7 1TF.
Tel. No: 01268 882200
Fax No: 01268 882455



David Marchant LLB (Hons) BSc (Hons) CEng FICE FCMI
Chief Executive

A SPECIAL MEETING OF THE COUNCIL of the Borough of Castle Point will be held in the Council Chamber, Council Offices, Kiln Road, Thundersley, on **WEDNESDAY, 18TH FEBRUARY, 2015 at 7.30 p.m.**, and all Members of the Council, listed below, are hereby summoned to attend to transact the undermentioned business.

Councillors Mrs J.E.E.Govier (The Worshipful the Mayor), A.G.Sheldon, (Deputy Mayor), A.J .Acott, J. Anderson, L.J. Barrett, A.J.Bayley, D.A. Blackwell, P.M. Burch B.Campagna, S.Cole ,D.T. Cross, W.J.C. Dick, Mrs B. Egan, E. Egan, Mrs W. Goodwin, P.C. Greig, S.Hart , N.R. Harvey, R.C. Howard, J. Hudson,R.Hurrell, G.I. Isaacs, Mrs.J.King, N.E.Ladzrie, C.W. Letchford, P.J. May, B.A.Palmer, Mrs.J.Payne, A. Partridge, C.G. Riley, W.K.Sharp, T.F. Skipp, N.G. Smith, J.A. Stanley, M.J.A. Tucker, P.E.Varker, A.C.Walter, Mrs L. Wass, Mrs G. Watson N. Watson and B.S.Wood.

Chief Executive

AGENDA

PART I (Business to be taken in public)

Before commencing the business of the meeting, prayers will be offered by the Chaplain.

- 1. Apologies for absence**
- 2. Members' Interests**
- 3. Policy Framework and Budget Setting for 2015/16**
A report is attached. Council is asked to consider recommendations from the Cabinet meeting held earlier in the evening. Council is reminded that as result of the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 voting on the recommendations will be a recorded vote.

SPECIAL COUNCIL

18th February 2015

Subject: Policy Framework and Budget Setting for 2015/16

Cabinet Member: Councillor Stanley – Resources and Performance

1. Purpose of Report

This report supplements the report to Cabinet earlier this evening.

2. Links to Council's priorities and objectives

- 2.1 This report is linked to the Council's priority of Efficiency and Effective Customer Focused Services. Sound and strategic financial management is essential in order to ensure that resources are available to support the Council's priorities and maintain or improve services.

3. Recommendations

Implementation of Council policies and related spending plans

1. That Council note the efficiency savings, cost reductions and additional income summarised in table 4.2.
2. That Council approves the continued funding of priority projects and other items of discretionary expenditure, as set out in table 9.1.
3. That Council notes the cost pressures and other budget increases (growth) as set out in table 9.2.
4. That subject to recommendations 1 to 3 above, the revenue spending plans for 2014/15 (revised) and 2015/16, set out in section 9, tables 9.3 (summary) and 9.4 (net services expenditure) of the accompanying report, are approved.

Capital spending plans and prudential indicators

5. That the capital spending plan described in section 11 of the accompanying report (tables 11.2 and 11.3) is approved in respect of 2014/15 (revised) and 2015/16.
6. That it is noted that as stated in paragraph 24 of section 11 of the accompanying report, and based on current plans and proposals, gross external borrowing is not expected to exceed the capital financing requirement in the current or forthcoming two financial years.
7. That as set out in paragraphs 48 and 49 of section 11 of the accompanying report, the **£1.5m** limit previously approved for affordable housing projects to be expended by the end of March 2017 be re-confirmed.

8. That the Treasury Management Strategy Statement for 2015/16 as set out in section 12 of the accompanying report is approved.
9. That as required by section 3 of the Local Government Act 2003 and the Prudential Code for Capital Finance in Local Authorities, the following Prudential Indicators are approved as set out in the appropriate sections of the accompanying report:

Prudential Indicator	Reference to sections 11, 12 and 13 of accompanying report
Capital expenditure	Tables 11.2 and 11.3
Ratio of financing costs to net revenue stream	Table 11.4
Capital financing requirement	Table 11.5
Authorised limit for external debt	Table 11.6
Operational boundary for external debt	Table 11.7
Incremental impact of capital investment	Table 11.8
Housing Revenue Account limit on indebtedness	Section 11 para 36
Maturity structure of fixed rate borrowing - upper and lower limits	Table 12.2
Upper limits of fixed and variable interest rate exposures	Table 12.3
Maximum period and counterparty limits for specified investments	Table 13.1

10. That the Statement of Minimum Revenue Provision for 2015/16, as stated in paragraphs 37 to 39 of section 11 of the accompanying report is approved.
11. That no new capital proposals are allowed until:
 - the proposal has been evaluated in accordance with all relevant evaluation criteria;
 - the Cabinet has confirmed affordability and compliance with the Prudential Code for Capital Finance in Local Authorities;
 - the Cabinet has considered and approved details of the proposal.
12. That the Investment Strategy for 2015/16 as set out in section 13 of the accompanying report is approved.
13. That the Pay Policy as set out in section 14 of the accompanying report is approved.

Statutory report of the Head of Resources

14. That as required by section 25 of the Local Government Act 2003, the report of the Head of Resources set out in section 16 of the accompanying report in respect of robustness of the estimates is noted.
15. That as required by section 25 of the Local Government Act 2003, the report of the Head of Resources set out in section 8 of the accompanying report in respect of the adequacy of proposed financial reserves is noted.

Statutory calculations in respect of the budget requirement and Council Tax as required by the Local Government Finance Act 1992, as amended ("the Act")

16. That as set out in section 5 of the accompanying report it is noted that acting under delegated authority and in consultation with the Cabinet Member responsible for Resources and Policy and the Head of Resources has calculated
 - a) a tax base for the Borough of Castle Point of **29,314** being the amount **T** required by section 31B of the Act; and
 - b) a tax base for Canvey Island to which a Town Council precept applies as **11,232**.
17. That the following amounts be calculated for the year 2015/16 in accordance with sections 31 to 36 of the Act:

Ref	Amount £	Item
(a)	58,468,561	being the aggregate of 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 (Town) Councils.
(b)	51,374,955	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
(c)	7,093,606	being the amount by which the aggregate at 20(a) above exceeds the aggregate at 20(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 31B of the act)
(d)	241.99	being the amount at 20(c) above (item R), divided by item T (19(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish (Town) precepts).
(e)	231,492	being the aggregate amount of the (Parish (Town) precepts) referred to in Section 34(1) of the Act.

(f)	234.09	being the amount at 20(d) above less the result given by dividing the amount at 20(e) above by item T (19(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.
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18. That in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, Council sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2015/16 for each part of its area and for each category of dwelling. This information is included within section 17 of the accompanying report:

Castle Point Borough Council Tax 2015/16, including and excluding Town Council precept, for each of the following categories of dwelling:

Band	Council Tax Including Town Council £	Council Tax Excluding Town Council £
A	169.80	156.06
B	198.10	182.07
C	226.40	208.08
D	254.70	234.09
E	311.30	286.11
F	367.90	338.13
G	424.50	390.15
H	509.40	468.18

19. To note that the County Council, the Policy Authority and the Fire Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwelling in the Council's area, as indicated in the table below:

Band	Castle Point Borough Council £	Essex County Council £	Essex Fire Authority £	PCC for Essex £	Total Excluding Town Council £	Canvey Island Town Council £	Total Including Town Council £
A	156.06	724.50	44.28	98.10	1,022.94	13.74	1,036.68
B	182.07	845.25	51.66	114.45	1,193.43	16.03	1,209.46
C	208.08	966.00	59.04	130.80	1,363.92	18.32	1,382.24
D	234.09	1,086.75	66.42	147.15	1,534.41	20.61	1,555.02
E	286.11	1,328.25	81.18	179.85	1,875.39	25.19	1,900.58
F	338.13	1,569.75	95.94	212.55	2,216.37	29.77	2,246.14
G	390.15	1,811.25	110.70	245.25	2,557.35	34.35	2,591.70
H	468.18	2,173.50	132.84	294.30	3,068.82	41.22	3,110.04

20. To note that, in accordance with the requirements of section 52ZC of the Act the Council has determined whether its Relevant Basic Amount of Council Tax for 2015/16 is excessive, as follows:

Ref	Amount £	Item
(a)	234.09	being the Relevant Basic Amount of Council Tax for 2014/15, excluding local precepts.
(b)	2.0%	being the percentage increase above which the Secretary of State has determined the Relevant Basic Amount of Council Tax for 2015/16 would be excessive.
(c)	238.77	being the amount above which the Relevant Basic Amount of Council Tax for 2015/16, excluding local precepts, would be excessive (rounded down to the nearest penny).
(d)	234.09	being the Relevant Basic Amount of Council Tax for 2015/16, excluding local precepts.

The Relevant Basic Amount of Council Tax for 2015/16 is therefore, not excessive and the duty to make substitute calculations and hold a referendum does not apply (Chapter 4ZA of Part 1 of the Act).

Resolution required.

4. Background

- 4.1 At the Cabinet meeting held earlier this evening, the Cabinet considered the report on the Policy Framework and Budget Setting for 2015/16. The Cabinet recommended that Council resolve recommendations 1 to 20 as set out in the report.

5. Corporate Implications

- 5.1 The Council must make certain statutory calculations in relation to the budget requirement and Council Tax for 2015/16. These are set out in full in the Policy Framework and Budget Setting report.
- 5.2 The corporate implications are as set out in the report presented to Cabinet earlier this evening.

6. Conclusion

- 6.1 Council should consider and resolve the recommendations previously submitted to Cabinet numbered 1 to 20 (above). This will complete the budget process for 2015/16.

Background Papers:

- Annual Investment Strategy for 2014/15.
- Report of the Head of Resources to Cabinet dated August 2014 – Budget and Policy Framework for 2015/16.
- DCLG notification dated 18th December 2014 containing 2015/16 Local Government Finance Settlement, confirmed 3rd February 2015.
- DCLG notification dated 30th January 2015 – New Homes Bonus allocations.
- DCLG notification dated 18th December 2014 – Council Tax Freeze Scheme 2015/16.

Report Author: Chris Mills – Head of Resources, Section 151 Officer