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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, 14TH FEBRUARY, 2018** at **7.30 p.m.**, and all Members of the Council, listed below, are hereby summoned to attend to transact the undermentioned business.

Councillors B.S. Wood,(The Worshipful the Mayor), A.C.Walter,(Deputy Mayor), A.J. Acott, J. Anderson, A.J.Bayley, D.A. Blackwell, 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.A. MacLean, P.J. May, C.E. Mumford, B.A. Palmer, J.A.Payne, Mrs. J. Payne, A. Partridge, C.G. Riley, Mrs C.J Sach, W.K.Sharp, A.G. Sheldon, T.F. Skipp, N.G. Smith, J.A. Stanley, A. Taylor, P.E.Varker, Mrs L. Wass, Mrs G. Watson and N. Watson.

Chief Executive

AGENDA

PART I

(Business to be taken in public)

1. Apologies for absence

2. Members' Interests

3. Policy Framework & Budget Setting for 2018/19

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

14th February 2018

Subject: Policy Framework and Budget Setting for 2018/19

Cabinet Member: Councillor Stanley – Finance, Policy & Resources

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 Efficient 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 2.1.
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 2017/18 (revised) and 2018/19, 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 2017/18 (revised) and 2018/19.
6. That it is noted that as stated in paragraphs 21 to 23 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 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 34
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

8. That the Statement of Minimum Revenue Provision for 2018/19, as stated in paragraphs 35 to 37 of section 11 of the accompanying report is approved.
9. 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.
10. That the policies and strategies supporting the budget framework and contained within the accompanying report are approved.

Statutory report of the Head of Resources

11. 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.
12. 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 & Council Tax as required by the Local Government Finance Act 1992, as amended (“the Act”)

13. 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 Finance, Policy & Resources, the Head of Resources has calculated:
 - a) A tax base for the Borough of Castle Point of **30,443** 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 **11,768**.
14. That the following amounts be calculated for the year 2018/19 in accordance with Sections 31 to 36 of the Act:

Ref	Amount £	Item
(a)	57,057,438	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)	49,187,102	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
(c)	7,870,336	being the amount by which the aggregate at 14(a) above exceeds the aggregate at 14(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)	258.53	being the amount at 14(c) above (item R), divided by item T (14(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)	242,538	being the aggregate amount of the (Parish (Town) precepts) referred to in Section 34(1) of the Act.
(f)	250.56	being the amount at 14(d) above less the result given by dividing the amount at 14(e) above by item T (14(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.

15. That the Cabinet recommends that Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2018/19 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 2018/19, 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	180.78	167.04
B	210.91	194.88
C	241.04	222.72
D	271.17	250.56
E	331.43	306.24
F	391.69	361.92
G	451.95	417.60
H	542.34	501.12

16. To note that the County Council, the Police 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 PFCC Fire and Rescue Authority	Police, Fire & Crime Commissioner for Essex	Total excluding Town Council	Canvey Island Town Council	Total including Town Council
	£	£	£	£	£	£	£
A	167.04	814.50	47.40	112.68	1,141.62	13.74	1,155.36
B	194.88	950.25	55.30	131.46	1,331.89	16.03	1,347.92
C	222.72	1,086.00	63.20	150.24	1,522.16	18.32	1,540.48
D	250.56	1,221.75	71.10	169.02	1,712.43	20.61	1,733.04
E	306.24	1,493.25	86.90	206.58	2,092.97	25.19	2,118.16
F	361.92	1,764.75	102.70	244.14	2,473.51	29.77	2,503.28
G	417.60	2,036.25	118.50	281.70	2,854.05	34.35	2,888.40
H	501.12	2,443.50	142.20	338.04	3,424.86	41.22	3,466.08

17. To note that, in accordance with the requirements of Section 52ZC of the Act the Council has determined whether it's Relevant Basic Amount of Council Tax for 2018/19 is excessive.

For 2018/19, the relevant basic amount of council tax for Castle Point would be deemed excessive if the authority's relevant basic amount of council tax for 2018/19 is:

- (a) 3%, or more than 3%, greater than its relevant basic amount of council tax for 2017/18; and
- (b) More than **£5.00** greater than its relevant basic amount of council tax for 2017/18.

Ref	Amount £	Item
(a)	243.36	being the Relevant Basic Amount of Council Tax for 2017/18, excluding local precepts.
(b)	3.0%	being the percentage increase above which the Secretary of State has determined the Relevant Basic Amount of Council Tax for 2018/19 would be excessive.
(c)	250.66	being the amount above which the Relevant Basic Amount of Council Tax for 2018/19, excluding local precepts, would be excessive (rounded down to the nearest penny).
(d)	250.56	being the Relevant Basic Amount of Council Tax for 2018/19, excluding local precepts.

The Relevant Basic Amount of Council Tax for 2018/19 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 2018/19. The Cabinet recommended that Council resolve recommendations 1 to 17 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 2018/19. 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 17 (above). This will complete the budget process for 2018/19

Background Papers:

- Report of the Head of Resources to Cabinet dated September 2017 – Budget and Policy Framework for 2018/19.
- MHCLG notification(s) dated 19 December 2017 containing 2018/19 Local Government Finance Settlement, and Provisional New Homes Bonus allocations.

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