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**SPECIAL MEETING OF THE COUNCIL  
WEDNESDAY 26TH FEBRUARY 2014**

**Book 6 - 2013/2014**

Council Enquiries – Ann Horgan, Ext. 2413

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**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, 26TH FEBRUARY, 2014 at 7.30 p.m.** or later on the completion of the business of the Cabinet meeting to be held earlier that evening, and all Members of the Council, listed below, are hereby summoned to attend to transact the undermentioned business.

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

**Chief Executive**

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## **AGENDA**

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### **PART I (Business to be taken in public)**

- 1. Apologies for absence**
- 2. Members' Interests**
- 3. Policy Framework and Budget Setting for 2014/15**  
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 which come into effect on 25<sup>th</sup> February 2014 voting on the recommendations will be a recorded vote. A report is attached.

**SPECIAL COUNCIL**

**26th February 2014**

**Subject: Policy Framework and Budget Setting for 2014/15**

**Cabinet Member: Councillor Stanley – Corporate Policy, Resources and Performance**

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**1. Purpose of Report**

This report supplements the report to Cabinet earlier this evening.

**2. Links to Council's priorities and objectives**

2.1 The approval of this report supports the corporate priority of Improving the Council.

2.2 Sound and strategic financial management is key to ensuring that resources are available to support the Council's priorities and improve services. This report is designed to provide Members with the latest information on the future cost of spending plans and levels of resources to assist them in monitoring performance and making those key decisions.

**3. Recommendations**

**Implementation of Council policies and related spending plans**

1. That Council note the cashable savings summarised in table 4.1.
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 as set out in table 9.2, including the establishment of two new earmarked reserves.
4. That subject to recommendations 1 to 3 above, the revenue spending plans for 2013/14 (revised) and 2014/15, 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 10 of the accompanying report (tables 10.2 and 10.3) is approved in respect of 2013/14 (revised) and 2014/15.

6. That it is noted that as stated in paragraph 24 of section 10 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 10 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 2014/15 as set out in section 11 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:

<b>Prudential Indicator</b>	<b>Reference to sections 10, 11 and 12 of accompanying report</b>
Capital expenditure	Tables 10.2 and 10.3
Ratio of financing costs to net revenue stream	Table 10.4
Capital financing requirement	Table 10.5
Authorised limit for external debt	Table 10.6
Operational boundary for external debt	Table 10.7
Incremental impact of capital investment	Table 10.8
Housing Revenue Account limit on indebtedness	Section 10 para 36
Maturity structure of fixed rate borrowing - upper and lower limits	Table 11.2
Upper limits of fixed and variable interest rate exposures	Table 11.3
Maximum period and counterparty limits for specific and non-specific investments	Tables 12.1 and 12.2

10. That the Statement of Minimum Revenue Provision for 2014/15, as stated in paragraphs 37 to 39 of section 10 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 2014/15 as set out in section 12 of the accompanying report is approved.
13. That the Pay Policy as set out in section 13 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 15 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, Policy and Performance the Head of Resources has calculated
  - a) a tax base for the Borough of Castle Point of **28,734** 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 **10,977**.

17. That the following amounts be calculated for the year 2014/15 in accordance with sections 31 to 36 of the Act:

<b>Ref</b>	<b>Amount £</b>	<b>Item</b>
(a)	<b>60,442,416</b>	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)	<b>53,489,838</b>	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
(c)	<b>6,952,578</b>	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 <b>R</b> in the formula in Section 31B of the act)
(d)	<b>241.96</b>	being the amount at 20(c) above (item <b>R</b> ), divided by item <b>T</b> (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)	<b>226,236</b>	being the aggregate amount of the (Parish (Town) precepts) referred to in Section 34(1) of the Act.
(f)	<b>234.09</b>	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.

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 2013/14 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 2014/15, including and excluding Town Council precept, for each of the following categories of dwelling:

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

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:

<b>Band</b>	<b>Castle Point Borough Council £</b>	<b>Essex County Council £</b>	<b>Essex Fire Authority £</b>	<b>PCC for Essex £</b>	<b>Total Excluding Town Council £</b>	<b>Canvey Island Town Council £</b>	<b>Total Including Town Council £</b>
<b>A</b>	156.06	724.50	44.28	96.18	<b>1,021.02</b>	13.74	<b>1,034.76</b>
<b>B</b>	182.07	845.25	51.66	112.21	<b>1,191.19</b>	16.03	<b>1,207.22</b>
<b>C</b>	208.08	966.00	59.04	128.24	<b>1,361.36</b>	18.32	<b>1,379.68</b>
<b>D</b>	234.09	1,086.75	66.42	144.27	<b>1,531.53</b>	20.61	<b>1,552.14</b>
<b>E</b>	286.11	1,328.25	81.18	176.33	<b>1,871.87</b>	25.19	<b>1,897.06</b>
<b>F</b>	338.13	1,569.75	95.94	208.39	<b>2,212.21</b>	29.77	<b>2,241.98</b>
<b>G</b>	390.15	1,811.25	110.70	240.45	<b>2,552.55</b>	34.35	<b>2,586.90</b>
<b>H</b>	468.18	2,173.50	132.84	288.54	<b>3,063.06</b>	41.22	<b>3,104.28</b>

**Note:** Information shown in the table above for the PCC is subject to confirmation on the 20<sup>th</sup> February.

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 2014/15 is excessive, as follows:

<b>Ref</b>	<b>Amount £</b>	<b>Item</b>
(a)	<b>234.09</b>	being the Relevant Basic Amount of Council Tax for 2013/14, excluding local precepts.
(b)	<b>2.0%</b>	being the percentage increase above which the Secretary of State has determined the Relevant Basic Amount of Council Tax for 2014/15 would be excessive.
(c)	<b>238.77</b>	being the amount above which the Relevant Basic Amount of Council Tax for 2014/15, excluding local precepts, would be excessive (rounded down to the nearest penny).
(d)	<b>234.09</b>	being the Relevant Basic Amount of Council Tax for 2014/15, excluding local precepts.

The Relevant Basic Amount of Council Tax for 2014/15 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.**

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**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 2014/15. 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 2014/15. 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 2014/15.

### **Background Papers:**

- Annual Investment Strategy for 2013/14.
- Report of the Head of Resources to Cabinet dated September 2013 – Budget and Policy Framework for 2014/15.
- DCLG notification dated 18<sup>th</sup> December 2013 containing 2014/15 Local Government Finance Settlement, confirmed 5<sup>th</sup> February 2014.
- DCLG notification dated 13<sup>th</sup> December 2013 – New Homes Bonus – Provisional Allocations for Castle Point Borough Council.
- DCLG notification dated 15<sup>th</sup> January 2014 – Council Tax Freeze Scheme 2014/15.

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