

Extraordinary Council – 9 February 2016

Minutes of the meeting of **Extraordinary Council** held on **9 February 2016** when there were present:-

Vice-Chairman in the Chair: Cllr J L Lawmon

Cllr C I Black	Cllr Mrs C M Mason
Cllr J C Burton	Cllr J R F Mason
Cllr Mrs L A Butcher	Cllr Mrs J E McPherson
Cllr T G Cutmore	Cllr D Merrick
Cllr R R Dray	Cllr Mrs C A Pavelin
Cllr J H Gibson	Cllr Mrs C E Roe
Cllr J D Griffin	Cllr C G Seagers
Cllr Mrs A V Hale	Cllr S P Smith
Cllr J Hayter	Cllr M Softly
Cllr B T Hazlewood	Cllr Mrs M H Spencer
Cllr N J Hookway	Cllr D J Sperring
Cllr Mrs D Hoy	Cllr M J Steptoe
Cllr M Hoy	Cllr I H Ward
Cllr K H Hudson	Cllr M J Webb
Cllr G J Ioannou	Cllr Mrs C A Weston
Cllr Mrs J R Lumley	Cllr Mrs B J Wilkins
Cllr M Maddocks	

APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllrs M R Carter, Mrs H L A Glynn and K J Gordon.

OFFICERS PRESENT

A Dave	- Chief Executive
N Khan	- Director
S Scrutton	- Director
J Bostock	- Assistant Director, Democratic Services
M Harwood-White	- Assistant Director, Commercial Services
M Hotten	- Assistant Director, Environmental Services
A Law	- Assistant Director, Legal Services
C Lyons	- Assistant Director, Planning Services
A Mowbray	- Assistant Director, Transformational Services
D Murray	- Section 151 Officer
D Tribe	- Assistant Director, Customer, Revenues & Benefits Services
A Brown	- Payments Manager
M Petley	- Senior Accountant
L Spicer	- Corporate Communications Officer
S Worthington	- Committee Administrator

ALSO PRESENT

R Manning	- Essex County Council
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17 MEDIUM TERM FINANCIAL STRATEGY 2016/17 – 2020/21

Council considered the report of the Section 151 Officer on approving the integrated Five Year Medium Term Financial Strategy starting in 2016/17.

The Section 151 Officer apologised to the meeting for minor errors within what was a complex report and emphasised that paragraph 8.36 on page 3.14 referred only to a Council Tax illustration. She also drew attention to the fact that there were some instances within the report of Portfolio Holders being incorrectly aligned. It was noted that, in light of discussions at the last Review Committee meeting, the Treasury Management Strategy Statement, Annual Investment Strategy and Minimum Revenue Provision Policy Statement 2016/17 would be reported to Council at its meeting on 23 February.

In light of late and significant changes in the final local government finance settlement, a table had been circulated to all those present outlining revised high level assumptions and figures for Rochford District Council. It was emphasised that District Councils would not require a referendum on any proposed Council Tax increase, provided this was no higher than either 2% or £5.00 per Band D property (whichever was highest).

The Section 151 Officer emphasised that the New Homes Bonus was still under consultation and there were likely to be reductions in this area; figures within the strategy had therefore been revised in line with the lowest common denominator. She also advised that there had been changes in methodology in respect of the new transition grant and that the revenue support grant had been decreased to take account of this. Attention was drawn to the fact that the Government had set aside additional funding for the first two years to help local authorities, which would provide additional funding of £95,000 per annum for this Council for the first two years and would help to bridge the budget gap.

A Motion, moved by the Portfolio Holder for Finance, Cllr S P Smith, that car park charges be applied up to 7.00 pm, rather than 9.00 pm, and that the 3-hour rate for Websters Way/Mill Hall and mixed car parks (including the Freight House) be increased from £2.40 to £2.60 and the 4 hour rate for Websters Way/Mill Hall and mixed car parks (including the Freight House) increased from £2.90 to £3.30, seconded by Cllr C I Black, was agreed on a show of hands and it was:-

Resolved

That page 3.117 of the fees and charges document be amended to include an increased 3-hour car parking rate from £2.40 to £2.60 and an increased 4-hour car parking rate from £2.90 to £3.30, with charges terminating at 7.00 pm. (S151O)

The Portfolio Holder for Finance remarked that a lot of hard work had taken place on the budget in terms of balancing income and expenditure in the

context of very big changes facing local government finance. The process had been a transparent and inclusive one and the budget proposed was within CIPFA guidance on reserves.

The Leader of the Council congratulated the Section 151 Officer, the Finance team and other officers for all the hard work that had gone into finalising the budget. The future looked more challenging in terms of local government finance and the Council needed to get more for less. However, the budget had factored in everything that was known about future local government challenges and a new cross Party Investment Board had also been set up.

The Leader of the Green and Rochford District Residents Group, while pleased to have a robust 5-year strategy in place, emphasised that residents were only interested in the current year and what level Council Tax would be set at for the coming year. He also drew attention to the fact that residents were warned last year that there would be budget cuts in the coming year. He made reference to the recent budget survey in which 60% of residents confirmed that they would be willing to see a small increase in Council Tax in line with that of 1.93% currently being proposed. He advised that the proposed increases in fees and charges were expected to yield £400,000 per annum, equal to around 6.6% of Council Tax, and that the proposed car parking increases equated to 2.4% of Council Tax. He further stressed that this Council had received less central government funding than neighbouring authorities as a result of new housing in the District identified within the Council's Core Strategy generating more Council Tax income. He stated that the increase in Council Tax of 1.93%, in real terms was nearer to 9.38% as a result of increases in other costs, but that this was as a direct result of central government austerity measures.

The Leader of the Liberal Democrat Group drew attention to the fact that a reduction of £30,000 in voluntary sector grants this year detailed on page 3.106 of the report related to re-charging of accommodation rather than a direct cut in grants. He felt that this Council, one of the best for collecting Council Tax, was being unfairly penalised. He was concerned about the possibility of voluntary sector grants being reduced next year and was also concerned that the Council would no longer be sending out paper plans in respect of planning consultations to Parish Councils but recognised that the budget had involved a lot of hard work under difficult financial constraints.

Another Member expressed reservations about the proposed increases in fees and charges, including the proposed car parking charge increases, and stressed that it would be difficult to achieve the projected income from, for example, Great Wakering leisure centre and Rayleigh windmill.

Resolved

- (1) That the net revenue budget requirement be set at £10.102 million for 2016/17.

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- (2) That the net cost of services be set at £10.089 million for 2016/17.
- (3) That the Capital Programme 2016/17 – 2019/20 and the proposed methods of financing the capital expenditure be agreed.
- (4) That the Section 151 Officer be authorised to adjust capital project budgets in 2016/17 throughout the capital programme after the 2015/16 accounts are closed and the amounts of slippage and budget carry forward required are known.
- (5) That it be noted that the proposed Council Tax requirement for the Council's own purposes (excluding Parish and Town Councils and Precepts) for 2016/17 is £6.511 million.
- (6) That it be noted that the draft equivalent Band D tax base for the purpose of determining the Council Tax charge is 30,566 properties.

On a requisition pursuant to Council Procedure Rule 17.4 a recorded vote was taken on the recommendation that Rochford District Council Tax be increased by 1.93% for 2016/17 as follows:-

For (33) Cllrs C I Black, J C Burton, Mrs L A Butcher, T G Cutmore, R R Dray, J H Gibson, J D Griffin, Mrs A V Hale, J Hayter, B T Hazlewood, N J Hookway, M Hoy, K H Hudson, G J Ioannou, J L Lawmon, Mrs J R Lumley, M Maddocks, Mrs C M Mason, J R F Mason, Mrs J E McPherson, D Merrick, Mrs C A Pavelin, Mrs C E Roe, C G Seagers, S P Smith, M Softly, Mrs M H Spencer, D J Sperring, M J Steptoe, I H Ward, M J Webb, Mrs C A Weston and Mrs B J Wilkins.

Against (0)

Abstain (1) Cllr Mrs D Hoy

The motion was declared carried and it was:-

Resolved

- (7) That the increase in Rochford District Council Tax of 1.93% for 2016/17 be agreed.
- (8) That the schedule of fees and charges for 2016/17, as identified in the report, be agreed, subject to the changes identified on page 3.117 relating to car parking made during the meeting.
- (9) That the General Balance be set at £1.0m at as at 1 April 2016 prior to the proposed drawdown of £0.071m.

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- (10) That the Earmarked reserves be set at £1.452m as at 1 April 2016.
- (11) That the recommendations of the Review Committee on the Treasury Management Strategy Statement, Annual Investment Strategy and Minimum Revenue Provision Policy Statement 2016/17 be reported to Council on 23 February.
- (12) That Robert Manning succeed Denise Murray as Section 151 Officer for Rochford District Council on a temporary basis until such time as Denise returns from secondment at Essex County Council.
- (13) That the statement on the robustness of the estimates and reserves be noted.
- (14) That the summary of the Equality Impact Assessment be noted.
- (15) That the Local Government finance settlement, as tabled, be noted. (S151O)

Note – Cllr M Hoy wished it to be recorded that he had voted against resolution (8) above.

The meeting closed at 8.15 pm.

Chairman

Date

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