

CABINET

Minutes of the meeting held on 14 September 2017 commencing at 7.00 pm

Present: Cllr. Fleming (Chairman)
Cllr. Lowe (Vice Chairman)
Cllrs. Dickins, Firth, Hogarth, Piper and Scholey

22. Minutes

Resolved: That the minutes of the meeting of Cabinet held on 13 July 2017 be approved and signed as a correct record.

23. Declarations of interest

There were no additional declarations of interest.

24. Questions from Members (maximum 15 minutes)

There were none.

25. Matters referred from Council, Audit Committee, Scrutiny Committee or Cabinet Advisory Committees

There were none.

26. Bank Account Signatories

The Portfolio Holder for Finance presented the report which advised Members of some changes in personnel and sought withdrawal of some authorisations and approval of a new authorisation to sign cheques or sanction banking instruments on behalf of the Council.

Resolved: That

- a) Graham Grove, former Principal Legal Executive, no longer be authorised to sign cheques and sanction banking instruments on behalf of the Council in relation to the Chief Executive's Imprest Account;

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- b) Helen Martin, Head of Finance, no longer be authorised to sign cheques and sanction banking instruments on behalf of the Council as from the date of her retirement; and
- c) pursuant to Financial Procedure Rules 4.73 and 4.74, Veronica Wilson, Principal Accountant, be authorised to sign cheques and sanction banking instruments on behalf of the Council.

27. Treasury Management Annual Report 2016/2017

The Principal Accountant presented the report, which was one of a number that were recommended for submission to Members either before, during or after the financial year in order to comply with the CIPFA Code of Practice on Treasury Management. The report dealt with treasury management activity in the year ended 31 March 2017. It remained a challenging one in terms of both the economic conditions and the investment environment.

The Portfolio Holder for Finance advised that the meeting of the Finance Advisory Committee had been inquorate, but those members that had attended had been in agreement with the report.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That the Treasury Management Annual Report for 2016/17 be approved.

28. Council Tax Reduction Scheme 2018/19

The Portfolio Holder for Finance presented the report which provided details of the proposed Council Tax Reduction (CTR) scheme for 2018/19, which was to be implemented with effect from 1 April 2018.

Members were asked to consider the main principles of the scheme in readiness for public consultation, and give delegated authority to the Chief Finance Officer and Finance Portfolio Holder to agree the final consultation materials. The Portfolio Holder for Finance advised that the meeting of the Finance Advisory Committee had been inquorate, but those members that had attended had been in agreement with the report.

The Chief Finance Officer explained that the introduction to the report set out the transition from Council Tax Benefit to Council Tax Reduction. The report highlighted that pensioners were still protected from any reduction in support but working-age claimants were not.

The Chief Finance Officer explained the current scheme and the proposal to amend it. He set out the key components of the current scheme (the working-age element only). It was explained that it was proposed to amend the Minimum Income Floor to protect disabled people and that individuals would be exempt if in receipt of the Personal Independence Payment (standard or enhanced rate of daily living component), Disability Living Allowance (middle or high rate of care component) or the Armed Forces Independence Payment. The proposal would positively affect three cases with an increase in the cost of scheme estimated to be £2,100. The Council share of that sum would be approximately £250.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That

- a) consultation on the Council Tax Reduction (CTR) scheme for 2018/19 take place based on the current CTR scheme with the amendment to the conditions applied to the Minimum Income Floor in that self-employed applicants and/or their self-employed partner be made exempt from the Minimum Income Floor if they are in receipt of the Personal Independence Payment (standard or enhanced rate of the daily living component) or Disability Living Allowance (middle or high rate of the care component) or Armed Forces Independence Payment; and
- b) authority be delegated to the Chief Finance Officer in conjunction with the Finance Portfolio Holder, to agree the consultation material.

29. Discretionary Local Business Rates Relief Scheme

The Portfolio Holder for Finance presented the report which set out the proposals for awarding discretionary local business rates relief for 2017/18 to 2020/21. Government had set aside £300m in funding over the period 2017/18 to 2020/21 to support those businesses most affected by the revaluation of Business Rates from 1 April 2017.

The Portfolio Holder for Finance advised that the meeting of the Finance Advisory Committee had been inquorate, but those members that had attended had been in agreement with the report.

The Chief Finance Officer set out that the Government had made £300million available to support those businesses most affected by Business Rates revaluation. He explained that the Council's share amounted to £486,000 and that funding had been allocated using a nationally determined formula. The Council was using its discretionary powers under s.47 of the Local Government Finance Act 1988 to create a policy for distributing the funding. The proposed policy was detailed in Appendix A to the report.

The Chief Finance Officer explained the key criteria for awarding relief and that there were 233 potential recipients. He explained that the cost of granting relief over four years was detailed in the report and that it would be cost neutral to this Council.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That the proposals for granting relief from business rates for 2017/18 to 2020/21 as set out in the guidelines as set out in Appendix A to the report, be approved.

30. Financial Results 2017/18 to the end of July 2017

The Portfolio Holder for Finance presented the report on the Council's financial results 2017/18 to the end of July 2017. He advised that the meeting of the Finance Advisory Committee had been inquorate, but those members that had attended noted the report.

The Head of Finance reported that the year-end position was forecast to be a favourable variance of £148,000 which represented just over 1% of net service expenditure. She noted that however the figure to the end of August was likely to be in the region of £108,000 (favourable), the reduction in favourable balance being attributable, in part, to the payment of costs in a planning matter.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That the report be noted.

31. Financial Prospects and Budget Strategy 2018/19 onwards

The Portfolio Holder for Finance presented the report, which was the first report for the 2018/19 budget setting process. He advised that it would be the eighth year of using the current Financial Planning Strategy which included the 10-year budget that had proved successful to date and put SDC in a much stronger financial position than most other Councils.

The Chief Finance Officer set out that the report was intended to start the debate and the assumptions would be updated as more accurate information became available during the process. The major message in the report was that the Council was able to remain financially self-sufficient. The 10-year budget at Appendix B to the report, included no RSG or NHB in any year as the Council continued to be no longer reliant on direct government funding.

Any amounts that were received from these sources were placed into the Financial Plan Reserve which could be used to support the 10-year budget by funding invest to save initiatives and support for the Property Investment Strategy. Using the funding for these purposes would result in additional year on year income that was not impacted by government decisions.

Members agreed the last 10-year budget in February and the changes that have been made since then were:

- Rolling the 10-year budget on for one year and updating base figures.
- No changes to assumptions have been made at this stage.

These changes resulted in a slightly worse budget position at this stage of £81,000 over the 10-year period (or £8,000 pa).

The Finance Portfolio Holder had asked that the budget for Asset Maintenance be given a particular focus this year to ensure that the council's property assets were well looked after. This was something that officers would be looking into.

Appendix A to the report showed the Budget Setting Timetable. Between October and November Advisory Committees would be presented with their Service Dashboards and Service Change Impact Assessments (SCIAs). A budget update report would then go to Cabinet in December to include the comments from the Cabinet Advisory Committees.

The 10-year budget approved in February included the need for £100,000 of new savings or additional income each year. It was reported that Chief Officers were putting the finishing touches to a list of growth and savings items to achieve the £100,000 required for 2018/19. Chief Officers would discuss these with the respective Portfolio Holders and ask for their ideas before they were included in the reports to the Cabinet Advisory Committees.

Over recent years the Council had tried various ways to get the Advisory Committees engaged in the process and discussing budgetary issues for their services. The Chief Finance Officer explained that he thought they now had a very thorough understanding of the process and therefore intended to make the Cabinet Advisory Committee process much shorter this year.

Since the report was written, the DCLG had announced that there would be a Business Rates Retention Pilot Scheme in operation for 2018/19 and applications were invited. The DCLG had made it clear that applications that covered a full county area were more likely to be looked on favourably so in Kent's case, all districts, Kent County Council and Medway would need to agree. Initial work suggested that this could be beneficial to the Council but the Chief Finance Officer would continue to work with county-wide colleagues and report back to Members when more detail was known.

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The Portfolio Holder for Finance advised that the meeting of the Finance Advisory Committee had been inquorate, but those members that had attended had been in agreement with the report.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That

- a) the ten-year financial planning approach and principles set out in the report, be endorsed;
- b) the Cabinet Advisory Committees be requested to review the Service Dashboards and advise Cabinet of possible growth and savings options; and
- c) officers be requested to continue to review the assumptions in the report and report back to Cabinet on 7 December 2017.

THE MEETING WAS CONCLUDED AT 7.50 PM

CHAIRMAN

IMPLEMENTATION OF DECISIONS

This notice was published on 18 September 2017. The decisions contained in Minutes 26, 27, 29, 30 and 31 take effect immediately. The decision contained in Minute 28 takes effect on 26 September 2017.