

Committee: Budget Planning Committee
Date: Tuesday 28 November 2017
Time: 6.30 pm
Venue: Bodicote House, Bodicote, Banbury, OX15 4AA

Membership

Councillor Nicholas Mawer (Chairman)	Councillor Douglas Webb (Vice-Chairman)
Councillor David Anderson	Councillor Hugo Brown
Councillor Ian Corkin	Councillor Carmen Griffiths
Councillor David Hughes	Councillor Alan MacKenzie-Wintle
Councillor Andrew McHugh	Councillor Barry Richards
Councillor Tom Wallis	Councillor Sean Woodcock

AGENDA

1. Apologies for Absence and Notification of Substitute Members

2. Declarations of Interest

Members are asked to declare any interest and the nature of that interest which they may have in any of the items under consideration at this meeting.

3. Urgent Business

The Chairman to advise whether they have agreed to any item of urgent business being admitted to the agenda.

4. Minutes (Pages 1 - 4)

To confirm as a correct record the minutes of the meeting held on 31 October 2017.

5. Chairman's Announcements

To receive communications from the Chairman.

6. Council Tax Reduction Scheme 2018-2019 (Pages 5 - 18)

Report of the Chief Finance Officer.

Purpose of Report

To provide members of the Budget Planning Committee with an update on the consultation process that has taken place on the proposals for the Council Tax Reduction Scheme (CTRS) 2018-2019.

Recommendations

The meeting is recommended:

- 1.1 To note the contents of the report and any financial implications for the Council.
- 1.2 To recommend to Executive which option should be considered for the CTRS for 2018-2019 as part of the budget setting process.

7. Review of Committee Work Plan (Pages 19 - 20)

To review the Committee Work Plan.

8. Exclusion of Press and Public

The following items contain exempt information as defined in the following paragraphs of Part 1, Schedule 12A of Local Government Act 1972.

3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Members are reminded that whilst the following item has been marked as exempt, it is for the meeting to decide whether or not to consider it in private or in public. In making the decision, members should balance the interests of individuals or the Council itself in having access to the information. In considering their discretion members should also be mindful of the advice of Council Officers.

Should Members decide not to make a decision in public, they are recommended to pass the following recommendation:

“That under Section 100A of the Local Government Act 1972, the public and press be excluded from the meeting for the following item of business on the ground that, if the public and press were present, it would be likely that exempt information falling under the provisions of Schedule 12A, Part 1, Paragraph 3 would be disclosed to them, and that in all the circumstances of the case, the public interest

in maintaining the exemption outweighs the public interest in disclosing the information.”

9. Acquisition of Castle Quay Shopping Centre

Exempt report of the Chief Finance Officer.

** Due to the size of the documents, this exempt report and appendices will be published separately to the main agenda **

Councillors are requested to collect any post from their pigeon hole in the Members Room at the end of the meeting.

Information about this Meeting

Apologies for Absence

Apologies for absence should be notified to democracy@cherwellandsouthnorthants.gov.uk or 01295 221591 prior to the start of the meeting.

Declarations of Interest

Members are asked to declare interests at item 2 on the agenda or if arriving after the start of the meeting, at the start of the relevant agenda item.

Local Government and Finance Act 1992 – Budget Setting, Contracts & Supplementary Estimates

Members are reminded that any member who is two months in arrears with Council Tax must declare the fact and may speak but not vote on any decision which involves budget setting, extending or agreeing contracts or incurring expenditure not provided for in the agreed budget for a given year and could affect calculations on the level of Council Tax.

Evacuation Procedure

When the continuous alarm sounds you must evacuate the building by the nearest available fire exit. Members and visitors should proceed to the car park as directed by Democratic Services staff and await further instructions.

Access to Meetings

If you have any special requirements (such as a large print version of these papers or special access facilities) please contact the officer named below, giving as much notice as possible before the meeting.

Mobile Phones

Please ensure that any device is switched to silent operation or switched off.

Queries Regarding this Agenda

Please contact Lesley Farrell, Democratic and Elections
lesley.farrell@cherwellandsouthnorthants.gov.uk, 01295 221591

Yvonne Rees
Chief Executive

Published on Monday 20 November 2017

Cherwell District Council

Budget Planning Committee

Minutes of a meeting of the Budget Planning Committee held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 31 October 2017 at 6.30 pm

Present: Councillor Nicholas Mawer (Chairman)
Councillor Douglas Webb (Vice-Chairman)

Councillor David Anderson
Councillor Hugo Brown
Councillor Ian Corkin
Councillor Carmen Griffiths
Councillor Alan MacKenzie-Wintle
Councillor Andrew McHugh
Councillor Barry Richards
Councillor Tom Wallis
Councillor Sean Woodcock

Substitute Members: Councillor Barry Wood (In place of Councillor David Hughes)

Apologies for absence: Councillor David Hughes

Officers: Paul Sutton, Chief Finance Officer / Section 151 Officer
Chris Hipkiss, Interim Property & Investment Manager
Richard Stirling, Corporate Procurement Manager
Lesley Farrell, Democratic and Elections Officer

34 **Declarations of Interest**

There were no declarations of interest.

35 **Urgent Business**

There were no items of urgent business.

36 **Minutes**

The minutes of the meeting of the Budget Planning Committee held on 26 September 2017 were agreed as a correct record and signed by the Chairman.

37 **Chairman's Announcements**

There were no Chairman's Announcements.

38 **Review of Procurement Strategy Progress**

The Committee considered the Chief Finance Officers report which summarised the Council's Procurement Strategy progress for Quarter 2 of the financial year 2017-18.

Resolved

- (1) That the progress made during quarter two 2017/18 in implementing Cherwell District Council's Procurement Strategy be noted.

39 **Quarter 2 2017-18 - Revenue and Capital Budget Monitoring Report**

The Chief Finance Officer submitted a report which summarised the Council's Revenue, Capital and Reserves position as at the end of Quarter Two of the financial year 2017-18 and projections for the full year.

The Chairman asked Councillor Richards to give an update from the Solihull Partnership Steering Group. Councillor Richards commented that the work which had been completed was very satisfactory. The Steering Group had benefitted both Cherwell District Council and the Solihull Metropolitan Borough Council and level of trust had been re-instated. Councillor Richards thanked the officers for the work they had done and was happy to report that a point had been reached that the Committee had hoped would be reached.

The Chief Finance Officer reported that a template had been agreed which gave sufficient detail to Solihull Partnership and should continue to be used.

The Chairman thanked Councillor Richards for his involvement in the Steering Group and the work it had undertaken.

When reviewing the Capital Monitoring Report, members commented that they understood North Oxfordshire Academy AstroTurf was not the responsibility of Cherwell District Council and requested that this be investigated. The Chief Finance Officer agreed to provide clarification to Members outside of the meeting.

In response to questions from the Committee, the Interim Property Investment Manager explained that the Capital Monitoring Report was due to be reviewed and any items no longer relevant would be removed. There was a new strong team in place preparing capital and revenue budgets, progress had been made and lessons learnt on how to improve processes.

In considering the Reserves, Members asked if the Country Park Reserve could be used to purchase land for recreational purposes. The Chief Finance Officer explained that a review of reserves was due and when the report came

back to committee, items would be updated and there would be an explanation of the purpose of the Country Park reserve.

Resolved

- (1) That, having given due consideration, the projected revenue and capital position at quarter 2, be noted.
- (2) That Executive be recommended to note the excellent work of the Solihull Partnership Steering Group and the substantial work of the Special Projects Manager and his team in restoring confidence in Cherwell District Council's partnership with Solihull Metropolitan Borough Council.

40 **Review of Committee Work Plan**

The Committee considered its work programme.

Resolved

- (1) That the Work Programme be noted.

The meeting ended at 7.55 pm

Chairman:

Date:

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Cherwell District Council

Budget Planning Committee

28th November 2017

Council Tax Reduction Scheme 2018-2019

Report of the Chief Finance Officer

This report is public

Purpose of report

To provide members of the Budget Planning Committee with an update on the consultation process that has taken place on the proposals for the Council Tax Reduction Scheme (CTRS) 2018-2019.

1.0 Recommendations

The meeting is recommended:

- 1.1 To note the contents of the report and any financial implications for the Council.
- 1.2 To recommend to Executive which option should be considered for the CTRS for 2018-2019 as part of the budget setting process.

2.0 Introduction

- 2.1 In November 2016 members approved a Council Tax Reduction Scheme (CTRS) for Cherwell District Council for the financial year 2017-2018. The scheme remained the same as in the previous year and mirrored the previous Council Tax Benefit scheme.
- 2.2 The scheme for pensioners is set nationally and pensioners have not seen any change to the support they receive. Cherwell District Council is required to design its own scheme for working age customers.
- 2.3 The Council Tax Reduction Scheme is based on a fixed cash grant based on approximately 90% of the previous Council Tax Benefit subsidy giving a funding gap of around £742,430 for Cherwell. The funding gap is mostly offset by the changes to locally set Council Tax discounts.
- 2.4 In July 2017 members of this Committee received a report on the latest intelligence on the CTRS 2017-2018 and the options available for the scheme for 2018-2019. Members recommended for 2018-2019 an option that would mean no change to the 2018-2019 scheme with only minor changes to reflect amended regulations issued

by DCLG and to mirror changes in the benefit rates made by Department for Work and Pensions.

- 2.5 On 25th July 2017 Executive approved for consultation purposes only the option of no change to the current CTRS for the financial year 2018-2019
- 2.6 This report provides members with an update on the consultation process and a summary of the responses received.

3.0 Report Details

Council Tax Reduction Scheme Consultation Process

- 3.1 Members agreed for consultation purposes the option of no change to the current Council Tax Reduction scheme for 2018-2019. This means that the scheme mirrored the previous Council Tax Benefit scheme.
- 3.2 There is a requirement to consult with the public, major preceptors and other parties who may have an interest in the Council Tax Reduction Scheme. It was agreed that a full consultation process would take place. The consultation began on 11th September 2017 ending on 10th October 2017.
- 3.3 The consultation process included detailed information and a response form on the website. Targeted consultation also took place with 676 households across the district who were invited to take part in the survey. Consultation has also taken place with major preceptors.
- 3.4 A total of 49 responses were received. Respondents were able to express an opinion on more than one of the options in question 3. A summary of the results can be found at Appendix A of this report. The key findings are as follows:
 - 48 of the 49 responses came from individuals and 1 came from an organisation
 - 33 of the 49 respondents (67.35%) agreed that the Council should continue with the current scheme
 - If the Council were to consider other options to help pay for the scheme 23 out of 47 responses (48.94%) felt that the level of support for working age households should be reduced, 9 out of 47 responses (19.15%) felt that Council Tax should be increased, 8 out of 43 responses (18.60%) were in favour of reduction in funding for other services and 23 out of 46 responses (50%) were in favour of using financial reserves.
- 3.5 The results of the survey will be published on the Cherwell District Council website shortly.

4.0 Conclusion and Reasons for Recommendations

- 4.1 The proposal is to keep the same Council Tax Reduction Scheme for 2018-2019. There will be some minor changes to the Regulations to reflect changes such as benefit uprating.

- 4.2 Members are now required to note the contents of this report and to recommend to Executive a Council Tax Reduction Scheme for the 2018-2019 financial year.

5.0 Consultation

There is a requirement to consult with the public, major preceptors and other parties who may have an interest in the Council Tax Reduction Scheme. In October 2014 a Supreme Court judgement ruled that consultation must be not only on the preferred option but also on all other potential options such as reducing council services and raising council tax.

6.0 Alternative Options and Reasons for Rejection

- 6.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: To not recommend any of the options for a scheme for 2018-2019. This would have financial implications for the Council and those residents affected by Welfare Reform.

7.0 Implications

Financial and Resource Implications

- 7.1 The financial implications of the Council Tax Reduction Scheme have been outlined in a previous report to members of this Committee. There are no financial implications from the consultation.

Comments checked by:
Paul Sutton Chief Finance Officer,
Paul.sutton@cherwellandsouthnorthants.gov.uk

Legal Implications

- 7.2 The Council is required to review its Council Tax Reduction Scheme on an annual basis and, if it determines to make changes then it must consult on the revised scheme. Failure to do so will affect the reputation of the Council and will have a financial implication for residents as well as exposing the Council to potential challenge for failing to comply with the legislative requirements of the Local Government Finance Act 1992. As indicated in the main body of the report at paragraph 5 above, consultation must be a meaningful process and due account must be taken of the content of the responses before a final decision is made.

Comments checked by:
Chris Mace, Solicitor
christopher.mace@cherwellandsouthnorthants.gov.uk

8.0 Decision Information

Key Decision

Financial Threshold Met: Not applicable

Community Impact Threshold Met: Not applicable

Wards Affected

All

Links to Corporate Plan and Policy Framework

This links to the Council's priorities of a district of opportunity and sound budgets and a customer focused council

Lead Councillor

Councillor Tony Ilott Lead Member for Financial Management

Document Information

Appendix No	Title
A	<i>Results of Consultation</i>
Background Papers	
None	
Report Author	Belinda Green (Joint Revenues and Benefits Manager)
Contact Information	Belinda Green: 01327 322182 Belinda.green@southnorthants.gov.uk

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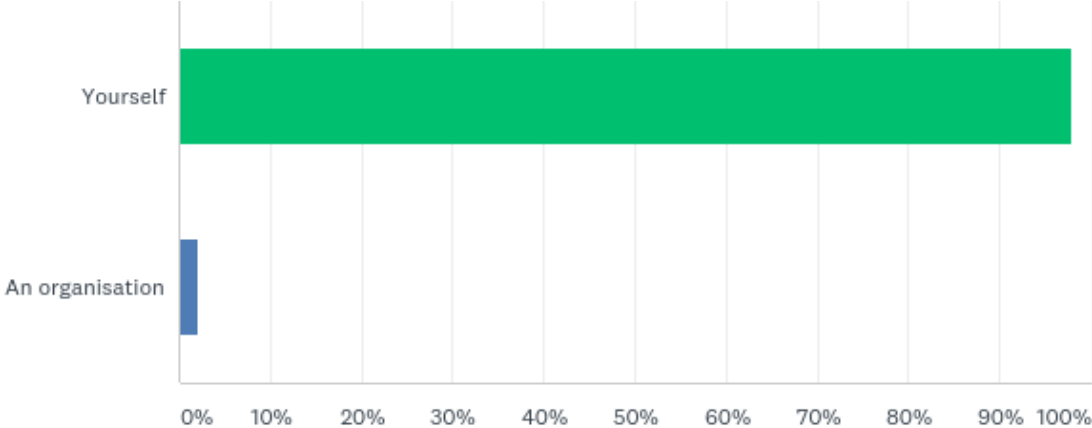
Appendix One

CDC Council Tax Reduction Scheme

2018-2019: Public Consultation

Q1: Are you responding on behalf of yourself or an organisation?

48 Answered on behalf of an individual (97.96%)
1 Answered on behalf of an organisation (2.04%)
0 Skipped



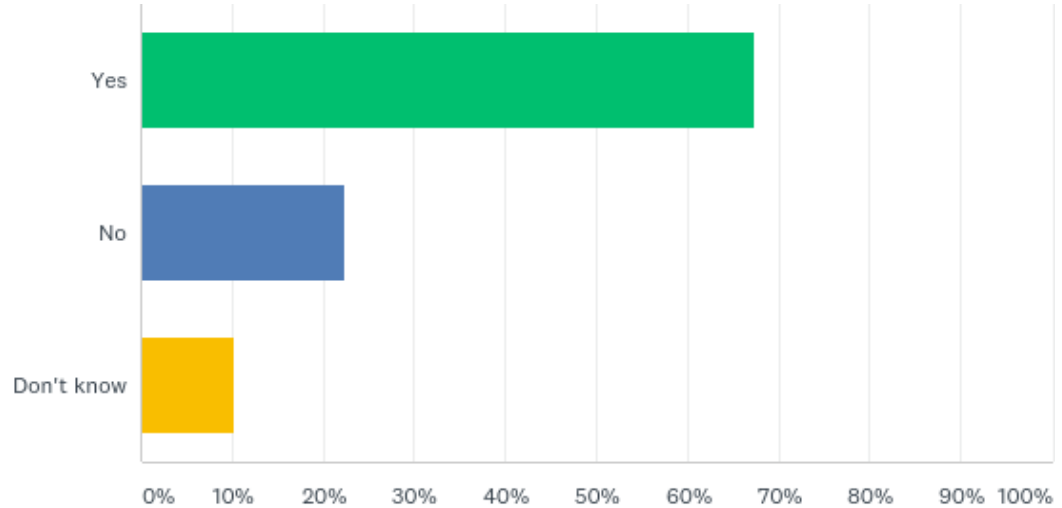
Q2: Do you agree that the Council should continue with the current scheme which provides the same level of financial support as was provided by Council Tax Benefit?

Answered: 49 Skipped: 0

Yes 67.35% - 33 responses

No 22.45% - 11 responses

Don't know 10.2 – 5 responses



You said:

- It always seems the people on benefits are given nice houses, they fill it full of top of the range tv's games consoles but plead poverty when they have to pay for something like council tax. I work hard for my money, I pay all of my bills and get taxed to support the council house wallers. This country is a disgrace. My council tax is £215 per month and I don't see where that is used locally
- In Cherwell there is a vast increase in housing, these additional funds I expect provide efficiencies of scale and therefore with a static tax achieve more or maintain. In this instance maintain.
- I currently work, get no reduction in council tax, have not had a pay rise in six years. Yet council tax keeps going up, all this means is that food and heating in our household get squeezed to pay the uplift. Everybody should do their bit to meet our local authority responsibilities and this includes those on lower incomes. Lower income families paying 5% of their total council tax bill where the average bill is £100.00 per month would be £5.00 per month, or £1.25 per week. Surely common sense must prevail.
- Depends on the impact on council tax charges if the scheme were to continue
- Given the reduction in funding from central government then the benefit needs trimming.
- As a pensioner who lives alone the reduction of my Council Tax is very important to me and if this reduction was stopped I would find it hard to find the extra money each month.
- Wants to make sure that anything fraudulent picked up - all for supporting genuine claimants but want to be certain that real checking action takes place that recipients are genuine.
- Benefits my disabled son receives have not increased for about five years but rent has increased which is not totally covered by Housing Benefit. To have to pay Council Tax would put a further burden on a strain on his lifestyle choices.
- Reduce support to those of Working Age. However it should be means tested. Example: if you are on income support but active looking for work, then you should receive CTR. Aged/ Pensioners, who are below the savings threshold, should receive the benefit
- Council tax pays for services used BY ALL therefore it should be paid BY ALL. Why should I pay to support others.

Q3: Do you think the Council should choose any of the following options to help pay for the Council Tax Reduction scheme?

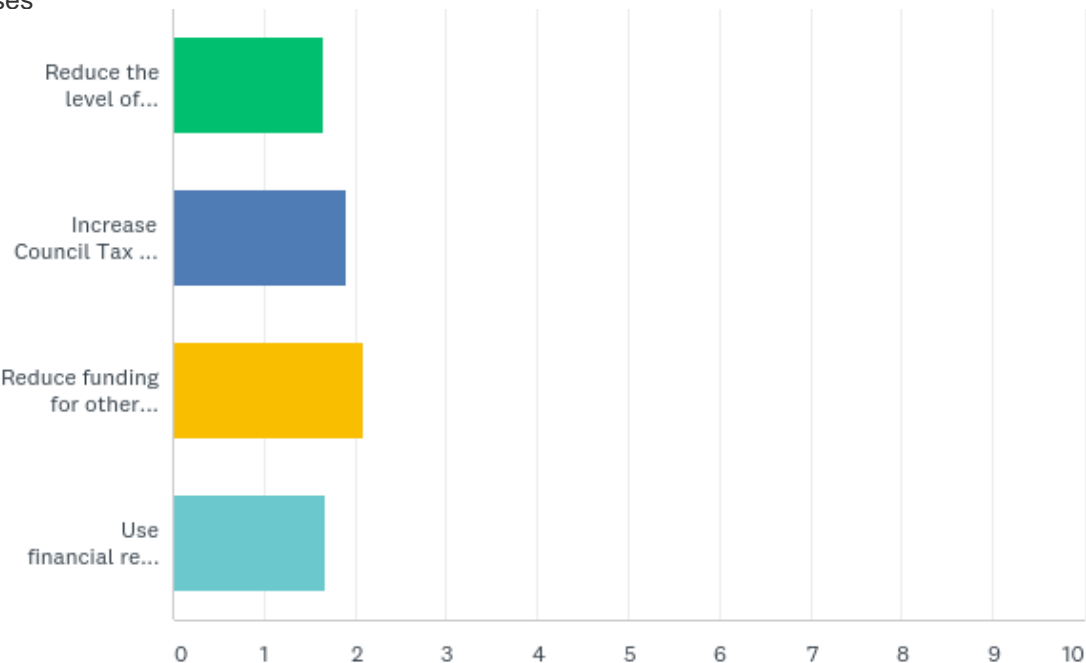
Answered: 49 Skipped: 0

Reduce the level of support 48.94% - 23 out of 47 responses

Increase Council Tax 19.15% - 9 out of 47 responses

Reduce funding for other services 18.6% - 8 out of 43 responses

Use reserves 50% - 23 out of 46 responses



Q3: Do you think the Council should choose any of the following options to help pay for the Council Tax Reduction scheme?

Answered: 49 Skipped: 0

	YES	NO	DON'T KNOW	TOTAL	WEIGHTED AVERAGE
Reduce the level of support given to working age households by a percentage	48.94% 23	36.17% 17	14.89% 7	47	1.66
Increase Council Tax for all residents who are liable to pay Council Tax	19.15% 9	70.21% 33	10.64% 5	47	1.91
Reduce funding for other Council Services	18.60% 8	53.49% 23	27.91% 12	43	2.09
Use financial reserves	50.00% 23	32.61% 15	17.39% 8	46	1.67

You said:

- Reduce wages to fat cats at the council and that will more than cover any shortages
- Double check yearly to stop people fiddling
- Household incomes are very tight, central government owes billions, if you have cash reserves to support the poorest in our area please do so
- Without knowing what funding is allocated to specific Council Services it is difficult to say yes or no. It could be completely plausible that some services could take a small hit as they might be funded via other means. Again without knowing how much Cherwell District Council have in financial reserves, it is difficult to answer yes or no. How much does CDC have and what are the reserves used for? Perhaps if more information was available, a more informed answer could be given
- Can their not be a shared outcome - every one contributes a little bit more, and the subsidy goes down. we all use the services but why should those on benefits remain immune from real costs.
- Reduce funding for other services by the same percentage as the support level.
- Why have you not proposed making this tax into an income tax? Would this not be a fairer way of taxing us and do away with the need for specific benefit relief and so save you administration costs?
- When I worked, my income was double what it is now and I would have been, at that time, able to pay more for my Council Tax. At the time I was married and therefore there were two incomes coming into the house. However, since I am now retired and live alone I am very grateful for the reduction I get with my Council Tax. I do hope it will continue as my income is limited and food and utility bills have increased a great deal over the last 6-9 months. Thank you for reading my comments.
- A small increase for liable payers would be acceptable but not a huge increase It depends on which council services would be cut as to whether reducing funding for other services would work - too general a question - would look at how much the councillors get - thinks they should only get transport expenses. Chairmen should not get an excessive amount. At least meet halfway. Using the financial reserves could be done for a year or 2 but not done if ctax is going up.

You said:

- I become eligible to retire in November 2018 but am considering retiring earlier as I have already had total hip surgery and find it considerably difficult to continue working as expected by my company. I would appreciate that the level of support be considered in some depth before making a decision.
- Lobby Parliament to properly fund local government.
- CDC Should investigate efficiency savings. Also with the growth of Bicester Village. Consider a tourist levy - example = Charge for Coaches and Buses bringing tourists to Bicester Village. This charge would be made to the vehicle operator but they would increase charges (negligible) amount to each tourist.
- There should be a review of the councils reserves this is nothing more than good financial practice The council should review the services it provides especially to people who chose not to speak English. Multilingual offerings are costly. Also support of religious or quasi religious groups of all denominations except the state religion should be withdrawn
- Financial reserves should be maintained to support core services should another financial crisis occur those who are of working age and can work (but are not for any reason) should feel the financial burden that working people feel

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Date	Agenda Items
31 October	Q2 Budget Monitoring: Revenue, Funding, Capital & Reserves Q2 Procurement Monitoring
28 November	CTRS report Acquisition of Castle Quay Shopping Centre
	Capital Bids 2018/19 Discounts and Exemptions Review Fees and Charges 2018/19 Medium Term Revenue Plan Q2 Business Rates Monitoring Write Offs
30 January	Revenue and Capital Budget 2018/19 (Incl. MTFS) Provisional LG Settlement 2017/18 Discretionary Rate Relief Policy
27 February	Q3 Budget Monitoring: Revenue, Funding, Capital & Reserves Q3 Procurement Monitoring Q3 Business Rates Monitoring Q3 Write Offs

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