

Cherwell District Council

Budget Planning Committee

Minutes of a meeting of the Budget Planning Committee held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 27 November 2018 at 6.30 pm

Present: Councillor Nicholas Mawer (Chairman)
Councillor Carmen Griffiths (Vice-Chairman)

Councillor Phil Chapman
Councillor David Hughes
Councillor Andrew McHugh
Councillor Barry Richards
Councillor Douglas Webb
Councillor Lucinda Wing
Councillor Sean Woodcock

Also Present:: Councillor Barry Wood, Leader of the Council
Councillor Tony Ilott, Lead Member for Financial Management and Governance

Apologies for absence: Councillor Tony Mepham
Councillor Alaric Rose
Councillor Tom Wallis

Officers: Adele Taylor, Interim Executive Director: Finance and Governance
Kelly Watson, Assistant Director: Finance and Procurement
Belinda Green, Joint Revenue and Benefits Manager - CSN Resources
Mandy Anderson, Financial Analyst
Emma Faulkner, Democratic and Elections Officer
Richard Woods, Assistant Democratic and Elections Officer

35 Declarations of Interest

There were no declarations of interest.

36 Urgent Business

There were no items of urgent business.

37 Minutes

The minutes of the meeting of the Committee held on 6 November 2018 were confirmed as a correct record and signed by the Chairman.

38 **Chairman's Announcements**

There were no Chairman's announcements.

39 **Finance Monitoring Report - September 2018**

The Committee considered a report from the Assistant Director – Finance and Procurement, which summarised the Council's Finance Monitoring position at the end of September 2018.

The Assistant Director – Finance and Procurement advised the committee that there had been an improvement in the Council's financial position, as a result of improved business rates growth and existing overspends having begun to be offset by underspends across some departments.

In response to questions from the Committee, the Assistant Director – Finance and Procurement advised that no additional financial risks had been identified in September or October.

Resolved

(1) That the contents of the report be noted.

40 **Exclusion of the Press and Public**

Resolved

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 grounds that, if the public and press were present, it would be likely that exempt information falling under the provisions of Schedule 12A, Part I, 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.

41 **Medium Term Financial Strategy**

Following discussion with Officers, the Committee agreed to move into private session for the duration of the discussion on this item.

The Interim Executive Director – Finance and Governance and the Assistant Director – Finance and Procurement gave an exempt presentation on the Medium Term Financial Strategy.

The Committee asked detailed questions on all aspects of the Medium Term Financial Strategy and Budget for 2019-20, which were duly answered by Officers.

Resolved

(1) That the exempt presentation be noted.

42 **Re-admittance of the Press and Public**

Resolved

That the press and public be re-admitted to the meeting.

43 **Business Rates - An Overview**

The Committee considered a verbal presentation from the Operations Director – CSN Resources and the Financial Analyst which provided an overview on Business Rates.

In introducing the presentation, the Financial Analyst advised that the amount of business rates charged depended on the rateable value of the property as calculated by the Valuation Office Agency, the multiplier applied to it, and whether they were eligible for any form of business rate relief.

During the presentation, the Committee heard that Cherwell District Council collected £93m in Business Rates during 2017/18 and retained £9m; however timing delays meant that this was not reported as income in the 2017/18 budget monitoring.

Following questions from the Committee regarding rates for new businesses, the Operations Director – CSN resources advised that it was not possible to look up Rateable Value in advance of a business opening, due to the different rates and reliefs that may be applicable based on the nature of individual businesses.

Resolved

(1) That the presentation be noted.

44 **Local Discretionary Business Rate Relief Scheme for 2019-20**

The Committee considered a report from the Interim Executive Director – Finance and Governance, which provided Members with details of the proposed Local Discretionary Business Rate Relief Scheme for 2019-20.

The Operations Director – CSN Resources advised the Committee that central Government expected local authorities to use discretionary powers in order to deliver the relief scheme; however there had been very little take up of the funding that had been made available. It was therefore proposed to apply the relief automatically to those businesses that qualified for it.

In response to questions from the Committee, the Operations Director – CSN Resources advised that assistance to parties impacted by the 2017

Revaluation was limited by the funding provided, and that this was forecast to decrease to £21k by 2020-21.

Resolved

- (1) That the contents of the report be noted.
- (2) That Executive be recommended to adopt the Local Discretionary Business Rates Relief Scheme for 2019-20.

45 **Business Rates Retail Relief Policy**

The Committee considered a report from the Interim Executive Director – Finance and Governance, which provided an update on the Business Rates Retail Relief announced in the recent budget, and proposed a Retail Relief Policy.

In introducing the report, the Interim Executive Director – Finance and Governance advised the committee that the scheme applied to occupied retail premises with a rateable value of less than £51k in the years 2019-20 and 2020-21.

Following questions from the committee, the Operations Director – CSN Resources advised that any retail relief awarded by the Council would be reimbursed by central Government.

Resolved

- (1) That the contents of the report be noted.
- (2) That the proposed Business Rates Retail Relief Policy be recommended to Executive for consideration.

46 **100% Council Tax Premium on Long Term Empty Dwellings**

The Committee considered a report from the Interim Executive Director – Finance and Governance, which provided an update on the change in legislation to allow for a Council Tax premium of 100% on properties that were empty for 2 years or more, and a recommendation to Executive on the introduction of a 100% Empty Homes Premium.

The Interim Executive Director – Finance and Governance advised that from 1 April 2019, local authorities would be able to increase the Empty Homes Premium to 100% for properties that had been empty for two or more years. It was up to individual authorities to decide whether or not to implement the premium locally.

In response to questions from the Committee regarding the implementation of the premium, the Interim Executive Director – Finance and Governance advised that the Council would notify any parties impacted by the increase

prior to 1 April 2019, and local communities would be made aware of potential higher premiums through an advertising campaign.

Resolved

- (1) That the contents of the report and any financial implications for the Council be noted.
- (2) That Executive be recommended to introduce an Empty Homes Premium of 100% from 1 April 2019.

47

Review of Committee Work Plan

The Committee considered its Work Plan.

Resolved

- (1) That the Committee Work Plan be noted.

The meeting ended at 8.26 pm

Chairman:

Date: