

Cherwell District Council

Budget Planning Committee

Minutes of a meeting of the Budget Planning Committee held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 4 June 2019 at 6.30 pm

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

Councillor Nathan Bignell
Councillor Phil Chapman
Councillor Conrad Copeland
Councillor David Hughes
Councillor Douglas Webb
Councillor Fraser Webster
Councillor Lucinda Wing
Councillor Sean Woodcock

Substitute Members: Councillor Perran Moon (In place of Councillor Barry Richards)

Also Present: Councillor Tom Wallis
Councillor Barry Wood

Apologies for absence: Councillor Andrew McHugh
Councillor Barry Richards

Officers: Adele Taylor, Executive Director: Finance (Interim) & Section 151 Officer
Belinda Green, Joint Revenue and Benefits Manager - CSN Resources
Tracey Holland, Team Leader - Systems, Performance and Subsidy (CSN)
Natasha Clark, Governance and Elections Manager
Richard Woods, Assistant Democratic and Elections Officer

3 Declarations of Interest

There were no declarations of interest.

4 Urgent Business

There were no items of urgent business.

5 Minutes

The minutes of the meetings of the Committee held on 19 March and 14 May 2019 were confirmed as correct records and signed by the Chairman.

6 **Chairman's Announcements**

The Chairman advised Members that a workshop on the Cherwell Industrial Strategy would be held on Tuesday 11 June, in the Council Chamber. The workshop would run from 6pm to 9pm, buffet style refreshments would be available from 5:30pm, and invitations had been sent to all Members via email.

The Chairman also advised that there would be an information session for Members on Universal Credit, with representatives attending from the DWP. The session would be held on Wednesday 17 July, and further details would be circulated in due course.

7 **Monthly Performance, Risk and Finance Monitoring Report - March 2019**

The Committee considered a report from the Interim Executive Director – Finance and the Assistant Director – Performance and Transformation, which summarised the Council's Performance, Risk and Finance Monitoring position at the end of March 2019.

In introducing the report, the Interim Executive Director – Finance and Governance advised the Committee that a surplus of £431k had been reported for the 2018/19 financial year, and that it had been agreed by Executive to place this surplus into earmarked reserves.

In response to questions from Members regarding the Capital Programme, the Interim Executive Director – Finance and Governance advised that a Capital Programme underspend of £541k had been reported for the 2018/19 financial year.

Resolved

- (1) That the monthly Performance, Risk and Finance Monitoring Report with specific focus on the finance section be noted.

8 **Initial Overview of Business and Budget Planning Process for 2020/21 onwards**

The Committee considered a report from the Interim Executive Director – Finance and the Assistant Director – Performance and Transformation, which provided an overview of the way in which Cherwell District Council's Business and Budget Planning Process for 2020/21 would be undertaken.

The Interim Executive Director – Finance advised the Committee that the Council faced significant challenges surrounding Local Government funding and potential reductions in the New Homes Bonus, leading to a potential deficit of approximately £3m in the revenue budget by 2020/21.

In response to questions from the Committee regarding the New Homes Bonus, the Interim Executive Director – Finance and Governance advised Members that there had been no guarantees from Central Government that the New Homes Bonus would continue at the same level beyond the current financial year.

Resolved

- (1) That the proposed approach for Business and Budget Planning for 2020/21 be noted.

9

Council Tax Reduction Scheme 2020-2021

The Committee considered a report from the Interim Executive Director – Finance, which provided Members with an update on the current Council Tax Reduction Scheme and the changes to discounts, including the impact on collection rates. The report also provided Members with options to consider for a Council Tax Reduction Scheme (CTRS) for 2020-2021.

In introducing the report, the Operations Director – CSN Resources advised Members that the current Council Tax Reduction scheme, which was based on a fixed cash grant of approximately 90% of the previous Council Tax Benefit subsidy, gave the Council a funding shortfall of £742,430 which was mostly offset by existing Council Tax Discounts.

The Operations Director – CSN Resources reminded the Committee that the 2019-20 CTRS scheme had remained the same as that for 2018-19. However, since the introduction of the 2019-20 scheme welfare reform changes had been applied to Housing Benefit, which meant increasingly different administration to the schemes. With the further rollout of Universal Credit replacing Housing Benefit for working age customers, there was potentially added confusion for residents. It was therefore important that any future CTRS catered for a mixed set of customer circumstances, those receiving Housing Benefit and those receiving Universal Credit.

The Operations Director – CSN Resources outlined three options for the future CTRS for Members' consideration, including a banded scheme. If Members were minded to consider a banded scheme, financial modelling would be undertaken and reported back to a future meeting of the Committee. If agreed, a full consultation would be undertaken.

In response to questions from the Committee regarding the potential impact of Universal Credit on future Council Tax Reduction Schemes, the Interim Executive Director – Finance reassured Members that the most vulnerable customers in the District had continued to receive all appropriate support that they were entitled to.

In response to further questions from Members regarding how future Council Tax changes would be communicated to customers, the Operations Director – CSN Resources advised that any proposed changes would go out to full

consultation beforehand. All individuals affected would be notified of any changes.

Resolved

- (1) That the contents of the report and financial implications for the Council be noted.
- (2) That, having given due consideration, it be agreed that the current Council Tax Reduction Scheme be reviewed and a further report on financial modelling for a new banded scheme be submitted to a future meeting of the Committee.

10

2019/20 Work Programme

The Committee considered it's draft work programme for 2019-20.

Resolved

- (1) That, having reviewed the Work Programme for 2019/20, it be approved.

The meeting ended at 8.09 pm

Chairman:

Date: