

**A EX/009/14-15 Adur District council overall Budget Estimates 2015/16 and Setting of 2015/16 Council Tax**

The Executive had before it a report from the Director for Digital and Resources, attached to these minutes as item 5.

The report represented the culmination of the annual budget exercise and asked the Executive to consider the following:

- The final revenue estimates for 2015/16;
- An updated outline 5-year forecast; and
- The provisional level of Council Tax for 2015/16, prior to its submission to the Council for approval on the 19th February 2015.  
(This will be subject to any proposals to change the draft revenue budget following the consideration of the budget proposals by Executive).

The budgets as presented reflected the decisions taken by Members to date in relation to agreed savings proposals. The report also updated the Executive about the impact of the draft 2015/16 settlement.

The major points raised within the report included:

- A full update on the impact of settlement. The Council was advised to prepare itself for a continuation of the austerity measures for another 2-5 years (see paragraph 3.7 of the report) ;
- The Executive will need to consider whether to increase Council Tax by 1.5% or to freeze Council Tax for the fifth successive year and accept the Council Tax freeze grant (paragraph 5.12); and, finally
- The Executive needed to consider the new growth items in Appendix 2

The budget was presented as individual Executive Member portfolios . In addition, the draft

Estimates for 2015/16 had been prepared, as always, in accordance with the requirements of the Service Reporting Code of Practice for Local Authorities 2015/16 (except in relation to pension costs adjustments that do not impact either on the Budget Requirement or the Council Tax Requirement).

The Police and Crime Commissioner had consulted on an increase to the Council Tax for 2015/16 of 1.98% and the report explained that the proposed 2015/16 budget was due to be considered by the Sussex Police and Crime Panel (PCP) on 23 January 2015. If the proposals were vetoed by the PCP, revised proposals will be considered by the Panel on the 20 February 2015 at which point the Commissioner will be in a position to confirm the Council Tax for 2015/16. If the proposals for the PCC's share of the Council Tax are not

confirmed until 21 February, then the planned Council date of the 19 February would need to be rearranged to the 26 February 2015.

The Head of Finance updated the Executive on various matters. The Settlement had been received earlier in the day therefore full evaluation had not yet been possible but no substantive changes were expected. The PCP had agreed a 1.98% increase therefore the reserve date for Council was not required. The new homes bonus had been included within the estimates and there was favourable news regarding Business Rates, income was up by £40K.

The Leader pointed out that the Council had not frozen the Council Tax in 2014/15 but had reduced the Council Tax required.

The Executive Member for Resources commented that the business rates income increase was encouraging as it reflected the economy moving in the right direction. He further mentioned that the freeze in council tax, and the previous year's reduction, had been achieved by restructuring producing savings and efficiencies and a challenging plan to deliver services rather than cutting service provision.

The Executive Member for the Environment explained the pressures mounting in the European Union regarding waste management and supported a small increase in Council Tax to ensure that the Council was in a good position in the future.

The Leader thanked the officers for their hard work in producing the estimates in the report before the meeting.

The Head of Finance advised that the Worthing Executive the previous evening had considered the grow items, as detailed in Appendix 3, supporting those as presented in the papers to the Adur Executive.

#### **Decision the Executive**

- i. Considered and agreed to include the growth items detailed at Appendix 3 within the revenue budget in 2015/16;
- ii. Agree to recommend to Council the draft budgets for 2015/16 at Appendix 7 as submitted in Executive Member Portfolio order, and the transfer to Reserves leading to a net budget requirement of £9,585,090 , subject to any amendments in (i) above;
- iii. Approved the rationalisation of the reserves as outlined in paragraph 7.7
- iv. Considered which band D Council Tax to recommend to Council for Adur District Council's requirements in 2015/16 as set out in paragraph 12.3 determining that a 0% increase was recommended making the recommendation that the Council Tax Band D for Shoreham, Southwick, Sompting and Coombes for 2015/16 be £279.45 ;
- v. Agree to recommend to Council the special expenses of £17.82 per band D equivalent charged in all areas of the District except Lancing

#### **Reason for Decision**

Statutory requirement to set a budget

## **Alternative options considered**

As detailed in the report; growth bids were considered, increasing the Council Tax was considered against the availability of the Council Tax support Grant.

**JSC/092/14-15      Joint Treasury Management Strategy Statement and Annual Investment Strategy 2015/16 to 2017/18 for Adur District Council and Worthing Borough Council**

Before the Committee was a report by the Director for Digital & Resources, copies of which had been circulated to all Members and a copy of which is attached to the signed copy of these Minutes as Item 6.

The report fulfilled the requirements under the Treasury Management Code to present the Treasury Management Strategy Statement (TMSS) and Annual Investment Strategy (AIS) before the start of the new financial year, including the Prudential Indicators, for the next three years 2015/16-2017/18.

The report also considered the expected treasury position, the proposed strategy for borrowing, and the prospects for interest rates in the prevailing economic conditions, all of which together set the context in which treasury management decisions would be taken.

A Member sought clarification regarding the level of protection afforded to the Councils against banks failing and whether this had been reduced by recent changes to legislation. Officers advised that there was always a risk but the Councils minimised this by spreading its investments and that advice would be sought regarding the recent legislative changes.

**Decision**

The Joint Strategic Committee:

- i) approved and adopted the TMSS and AIS for 2015/16-2017/18, incorporating the Prudential Indicators and Limits, and MRP Statements;
- ii) **forwarded the Prudential Indicators and Limits, and MRP Statements in the report for approval by Worthing Council at its meeting on 17 February 2015, and by Adur Council at its meeting on 19 February 2015;**
- iii) forwarded the report to the meeting of the Joint Governance Committee to be held on 24 March 2015 for noting;
- iv) agreed that Lloyds Bank be instructed to carry out all of the normal functions for the Councils' Bank accounts provided that in all cases the instructions are given in accordance with the authority provided by the Councils to the Bank: and
- v) agreed that the signatories named by the Councils are authorised to act on behalf of the Councils in providing instructions to Lloyds Bank.

**JSC/097/14-15      Emergency Groyne Repairs at Southwick Beach**

Before the Committee was a report by the Director for Digital and Resources, copies of which had been circulated to all Members and a copy of which is attached to the signed copy of these Minutes as Item 12.

The report updated Members on the current position with the scheme and sought agreement to the virement of £159,000 from underutilised Capital allocation to the Kingston Beach and Revetment schemes.

It was noted that the report author, Bryan Curtis, Principal Engineer, was leaving the Councils in February 2015. The Committee wished to place on record its thanks to Mr Curtis for his 30 years of service at Adur and Worthing Councils.

**Decision:**

The Joint Strategic Committee:-

- (i) noted the report;
- (ii) agreed to the inclusion of the new step blocks at the root of each new replacement groyne;
- (iii) agreed to recommend to Adur District Council to increase the budget for Southwick Beach Groyne Repairs by £500,000 to reflect the additional funding obtained from the Environment Agency; and**
- (iv) agreed to vire £150,000 from Kingston Beach Repair Works to the Southwick Beach Groyne Repair works scheme.

## Joint Governance Committee – 20 January 2015

### JGC/14-15/012 Proposed Revision of Joint Contract Standing Orders

Before the Committee was a report, presented by the Procurement and Contracts Officer, copies of which had been circulated to all Members and copies of which are attached to the signed copy of these Minutes as Item 5.

The report proposed a number of amendments to the joint Contract Standing Orders which had been the subject of consultation with both Executive Members for Resources, both Chairmen of the Joint Governance Committee and the Council's Leadership Team.

Members sought clarification on how 'Social Value' was calculated. Officers confirmed that a social value policy would be produced in conjunction with the commissioning policy and a report would be provided to Members at a later date.

The Committee noted that it was proposed to remove standing lists from the process in order to avoid challenge as they were seen as anti-competitive and the information contained within became dated very quickly.

Officers confirmed that 'consultation with the Mayor', as identified in paragraph 8.3.2, had been included within Contract Standing Orders for a long time. The Mayor would not be the first point of contact, but could be called upon in special circumstances or emergencies.

Members questioned what processes were in place to manage Contract Performance, covered in paragraphs 8.19.1 to 8.19.3. It was noted that contract management training would be provided to all officers involved with quotations or tender processes, a contract register would be maintained and there would be a contract management portal.

A Member questioned how local businesses could compete for contracts with the Councils and whether they had been consulted about the revisions to Contract Standing Orders. Officers advised that the procurement portal listed all upcoming contracts providing transparency in regards to the Council's business. It was also noted that all contracts exceeding £10k in value would be advertised on a government portal.

Members raised concerns at the number of typographical, spelling and grammatical mistakes within the revised Contract Standing Orders document. Officers advised that there was a degree of urgency regarding the adoption of the revised framework and that the deficiencies identified would be addressed before publishing the final document.

Resolved,

That the Joint Governance Committee recommended that Adur and Worthing Councils approve the revised Joint Contract Standing Orders, subject to the amendments identified by the Committee. The final amended version, to be approved by the Councils' Chief Financial Officer, in consultation with, the Committee Chairmen.

**Joint Governance Committee – 20 January 2015**

**JGC/14-15/014      Joint Independent Remuneration Panel Report on the Scheme of Members Allowances for Adur District Council**

Before the Committee was a report, presented by the Democratic Services Officer and Chairman of the Joint Independent Remuneration Panel (JIRP), copies of which had been circulated to all Members and copies are attached to the signed copy of these Minutes as Item 7.

The report from the Joint Independent Remunerations Panel (JIRP) on Members allowances for Adur District Council ("The Council"), for the municipal years 2014/15 and 2015/16, recommended that the Council (via the Joint Governance Committee) consider two options for increasing allowances.

Members received updated budget figures at the meeting and were informed these improved the position with reduced overspends resulting from option 1 and increased underspends resulting from option 2.

The Committee noted that the Joint Governance Committee Vice-Chairman for Worthing Borough Council did not currently, receive a special responsibility allowance and suggested this be considered as part of the next review of Worthing Members Allowances.

Mr Hillman, Chairman of the Joint Independent Remuneration Panel, outlined some of the key points in the report informing the Committee that the Panel had recommended a 5% increase for the 2014/15 and 2015/16 financial years, as detailed in option 1.

Members questioned how the Panel had arrived at the 5% figure. The Committee was advised that the allowances paid to Adur Councillors were some of the lowest in the South East of England. The Panel had also identified a need for allowances paid to Adur and Worthing Councillors to be more closely aligned, in order to better reflect the joint working between the two Councils.

Resolved,

The Joint Governance Committee:-

- noted the report and recommendations of the Joint Independent Remuneration Panel; and
- recommended that Adur District Council adopt Option 2, as set out in the Joint Independent Remuneration Panel report.