

Finance and Assets Policy Development Advisory Group
25 OCTOBER 2016

Present: Councillors: Brian Donnelly, John Chidlow, Paul Clarke,
David Coldwell, Nigel Jupp and Stuart Ritchie

Apologies: Councillors: John Bailey, Leonard Crosbie, Adrian Lee and Tim Lloyd

12 **TO APPROVE THE NOTES OF THE PREVIOUS MEETING**

Subject to clarification about the risk register and noting that the Monitoring Officer would attend the meeting of 19 December to describe the requirements of 'key decision' making, the group agreed the notes of the meeting held on 31 August 2016.

13 **REPORT ON DISCRETIONARY RATES RELIEF**

The Head of Finance briefed the group on discretionary business rate relief offered by the council as requested at the previous meeting. The Business Rates Relief Policy was circulated to the group along with a summary table of the 2016/17 applications for discretionary relief.

The briefing included:

- the two types of business rate relief granted to charities; mandatory and discretionary
- the general criteria applied by the council was normally limited to 50% of the amount payable and a maximum amount of £8000, but that if an organisation is considerably helping the council to deliver the priorities in the corporate plan, it may be awarded 75% and to a maximum of £8000
- the application process
- eligibility criteria
- the total amount of charitable relief granted in 2016/17

Members commented on:

- whether grants could also be seen, by some, as a subsidy
- the consistency of the application of the policy across the district
- member understanding of the process being enhanced by a further officer update

The Chairman thanked the group for their comments and felt that as the group continued in its advisory role, that members would better understand existing policies and processes.

14 **UPDATE ON COUNCIL TAX SUPPORT**

The Head of Finance set out the initial findings of a review commissioned on options for the future of the council tax support scheme. Contextually, the scheme cost £5.4m per year and over the past few years, the council had a significant cut in the amount of money it received from its government grant which included funding for council tax support. Pressure on the scheme was particularly created by the shift from housing benefit to universal credit.

The commissioned review revealed that there needed to be an alternative to the existing scheme which had become unsustainable. The review had proposed a 'banded' scheme that could cost less and be more straightforward to understand and administer.

The Chairman explained that he felt that more work was needed on the proposals to minimize any impact on vulnerable groups and families. The impact on the MTFP would be seen by 2018/19. Consultation with the public was scheduled for the summer of 2017, and the Chairman asked the group to note the very low level of responses received to the consultation in previous years.

Overall, the group supported the work underway but would prefer the scheme to be developed to not reduce the total sum available to support customers at this time.

15 **MTFP**

The Director of Corporate Resources presented to the group an overview of the MTFP, which as part of the budget setting process, would enable a balanced budget target to be established with a focus on an affordable level of Council Tax, delivery of the corporate priorities and policies of the Council and the continued enhancement of value for money and satisfaction with services for the residents of the District.

The 2016/17 budget was set in February 2016 and future deficits had been projected for 2017/18 through to 2019/20. Since then there had been a period of planning on a range of income generation ideas, continuing the business transformation journey to the next stage and other efficiency measures. The presentation set out the proposed strategy for the period 2017/18 to 2019/20 to establish the context for the Council's budget and medium term financial planning scenarios and assumptions. The group heard that the risk of reliance on central government grant was identified on the corporate risk register and that the preparation of the medium term financial plan was a part of the mitigation of that risk.

Members noted that the considerations were; changes waste collection, rural car parking changes and an increase in garden waste charges, which would all be considered by Cabinet at its November meeting. Members urged that the monitoring of the smaller projects that formed the Future Horsham

transformation programme would need to be robust, since those projects contributed around £1.4m towards closing the £4.2m budget gap by 2019/20.

The Chairman thanked officers for their presentation and the group noted the next steps in forming the budget.

The meeting closed at 19:00

CHAIRMAN