

Cabinet
23 JANUARY 2020

Present: Councillors: Ray Dawe (Leader), Peter Burgess, Jonathan Chowen (Deputy Leader), Philip Circus, Paul Clarke, Claire Vickers and Tricia Youtan

Also Present: Councillors: Karen Burgess, Ruth Fletcher, Frances Haigh, Lynn Lambert, Godfrey Newman, Jim Sanson and David Skipp.

EX/48 **MINUTES**

The minutes of the meeting of the Cabinet held on 28 November 2019 were approved as a correct record and signed by the Leader.

EX/49 **DECLARATIONS OF MEMBERS' INTERESTS**

There were no declarations of interest.

EX/50 **ANNOUNCEMENTS**

The Cabinet Member for Environment, Recycling and Waste announced that the Department for Housing and Local Government had placed Horsham District Council in the top ten of authorities who had shown most improvements in their recycling rates for 2018/19.

EX/51 **PUBLIC QUESTIONS**

No questions had been received.

EX/52 **BUDGET 2020/21 AND THE MEDIUM TERM FINANCIAL STRATEGY TO 2023/24**

The Leader stated that the report sets out details of the proposed 2020/21 revenue and capital budgets following the receipt of the provisional financial settlement from Government on 20 December 2019. The net budget requirement for 2020/21 at £11.2m was £0.77m higher than in 2019/20. This was largely due to the loss of £0.87m of recycling credits received from West Sussex County Council from 1 April 2020. The Council was able to set a budget that would generate a surplus. In the year, the Council would be delivering a £13.3m capital programme.

The report also reviewed the Medium Term Financial Strategy 2020-24 approved by Council in December 2019 in the light of any updated information. The outlooks remained uncertain due to limited detail available on Government's proposed significant changes to the future of business rates and the Fair Funding Review.

The current projection is for the Council to have a budget surplus in 2020/21 and near-balanced budgets over the period of the Medium Term Financial Strategy. This was despite a continued reduction in Government funding although we anticipate any effect to be dampened over the period, rather than a step change in 2021. The near-balanced budgets were dependent on delivering a programme of digital transformation.

RESOLVED

That the following be approved for consideration by Council on 12 February 2020:

- i) The level of Council Tax for 2020/21 be increased from £149.53 by £2.99 (2.0%) to £152.52 at Band D.
- (ii) The net revenue budget set out in Appendix A for 2020/21 of £11.201m be approved.
- (iii) The Special Expenses of £309,500 set out in Appendix D and a Band D charge of £25.85 be agreed in respect of the unparished area for 2020/21.
- (iv) The capital programme for 2020/21 set out in Appendix E be approved and that the indicative capital budgets in the programme for future years be noted.
- (v) The projected future near-balanced budgets on the revenue account in 2021/22 to 2023/24 be noted and the Medium Term Financial Strategy continue to be reviewed and refined to ensure that decisions be taken to deliver these balanced budgets in these three years.
- (vi) The Minimum Revenue Provision Statement set out in Appendix F be approved.
- (vii) The Capital Strategy and prudential indicators and limits for 2019/20 to 2022/23 set out in Appendix G be approved.
- (viii) To note the statement on the robustness of the level of reserves in Appendix I.
- (ix) That the increases to fees and charges set out in Appendix J be approved.
- (xi) That the Council remain in the West Sussex business rates pool for 2020/21.

Reasons for Recommendations

To meet the Council's statutory requirement to approve the budget and the prudential indicators before the start of a new financial year.

EX/53 **COUNCIL TAX REDUCTION SCHEME**

The Leader introduced the report and said that it provided Cabinet with an overview of Horsham's current council tax reduction scheme, together with a recommendation that no changes be made to the scheme for 2020/21.

The report also made the recommendation to implement an increase in the Council Tax long-term empty premiums from 1st April 2020 to further incentivise landlords or owners to bring properties back into occupation. There was a further increase from 1st April 2021.

RESOLVED

That

- i) the inclusion of a 'no-change' council tax reduction scheme, to be approved at full Council, be agreed.
- ii) the Empty Homes Premium increase to 200% for homes empty for more than five years from April 2020, and to 300% for homes empty for more than ten years from 2021/22 be adopted.

Reasons for Recommendations

- I. CTR schemes are annual schemes and therefore require an annual review and approval, even when no changes to the scheme are being proposed.
- II. To enable the Council to sustain a robust Empty Homes Strategy by bringing empty homes back into use.

EX/54 **EXTENDING ULTRAFAST BROADBAND PUBLIC CONNECTIVITY**

The Leader introduced the report and said that its purpose was to consider a further extension of ultrafast broadband to the Council's buildings. It was recommended that the Council should use West Sussex County Council's existing contract with CityFibre to achieve this rollout. The 2019/20 West Sussex councils' business rate pool would fund the contract this CityFibre for its first seven years.

RESOLVED

That:

- i) It be approved in principle that the Council enter into an agreement with CityFibre for an extension of the Council's full fibre connectivity using the West Sussex County Council's framework and the seven year revenue model.
- ii) the final approval of sites and contract detail subject to approval of funding of £802,440 from the business rates pooling being approved by West Sussex Leaders be delegated to the Chief Executive, in consultation with the Leader,

Reasons for Recommendations

- i) This change will make the Council's services fit for the next seven years from the date of build, expected to be in the second half of 2022.

EX/55 **HORSHAM DISTRICT HOMES RESERVED MATTER - APPOINTMENT OF AUDITORS**

The Cabinet Member for Community and Wellbeing presented the report and said that on the 21st March 2019, Cabinet had approved the creation of two companies for the purpose of providing affordable rental housing in the District. The two companies had now been incorporated. Horsham District Homes (HDH) was the housing development company and Horsham District Homes (Holdings) (HDH(H)) was the management and holding company for the completed properties.

Horsham District Council was the sole shareholder of HDH. The shareholder agreement for HDH reserves certain matters for Cabinet approval, including appointing and changing the company's auditors. The report sought approval for the appointment of the company's auditors.

RESOLVED

That the appointment of Richard Place Dobson as the auditors of Horsham District Homes and Horsham District Homes (Holdings) be approved.

Reasons for Recommendations

To comply with The Companies Act 2006 Part 16 - Audit.

EX/56 **OVERVIEW & SCRUTINY COMMITTEE**

There were no matters currently outstanding for consideration.

EX/57 **FORWARD PLAN**

The Forward Plan was noted.

EX/58 **TO CONSIDER MATTERS OF SPECIAL URGENCY**

There were no matters of special urgency to be considered.

The meeting closed at 6pm having commenced at 5.30pm

CHAIRMAN