

CHILTERN DISTRICT COUNCIL

MINUTES of the Meeting of the RESOURCES OVERVIEW COMMITTEE held on 31 JANUARY 2019

PRESENT: Councillor N Rose - Chairman
" C Jones - Vice Chairman

Councillors: A Garth
M Harrold
J MacBean
V Martin
D Phillips
J Waters
C Wertheim

APOLOGIES FOR ABSENCE were received from Councillors A Bacon, C Ford, J Gladwin, R J Jones, N Southworth and D Varley

59 MINUTES

The minutes of the Resources Overview Committee held on 4 December 2018 were approved and signed by the Chairman as a correct record.

60 DECLARATIONS OF INTEREST

There were no declarations of interest.

61 28 DAY NOTICE

RESOLVED

To note the 28 Day Notice.

62 BUDGET AND COUNCIL TAX REPORT

The main points from the report were presented to the meeting. It was noted that the recent announcement regarding the creation of a new Unitary District Council did not affect the statutory requirement for a prudent and legal budget to be set for 2019/20 as normal. This would be the last Chiltern District Council budget. The Government announcement regarding local authority funding in December was largely as expected and the negative RSG

(Revenue Support Grant) had been cancelled. Chiltern was taking part in a pilot project with all the authorities in Buckinghamshire which would enable 75% of business rates to be retained for 2019/20.

The table in 4.13 showed that there was no use of reserves required for this budget. It was noted the Chiltern Crematorium had decided to distribute in 2019/20 some of its accumulated surplus and Chiltern's share was £197,000.

The Members questioned the need for a 3% increase in the Council Tax, the maximum allowable by the Government. It was agreed that this had been the policy in recent years to ensure that going forward Chiltern was in a sound financial position and this had been the correct approach. This prudent policy was argued to be less relevant now with the advent of the unitary Council, and that the forecast for Chiltern if it had continued was healthy. The uncertainty around future Government funding was a risk, and reducing the council tax should not be considered. The windfall funding from the Chiltern Crematorium that have become available could be used for one off projects to the benefit of the local residents and council taxpayers. Members were concerned that Chiltern residents were already paying a higher rate of Council Tax compared to other districts in Buckinghamshire and this causes financial strain for some residents.

The Committee were asked to note the proposed earmarking of reserves towards the cost of the new unitary council which was currently estimated to be in the region of £22 million, of which Chiltern's share would be £1.995m. The Shadow Authority later in the year would determine the size of this budget and what would be required in 2019/20. Most of the transition cost would be incurred after 2019/20 and it was agreed that it was sensible to make the provision.

Members expressed concern about the high level of fees and charges proposed in some areas, noticeably for Pre-App planning advice. It was considered that these should only be increased if really necessary as this was a service we wished to encourage. It was asked whether they were in line with the other district councils, as they would need to be harmonised in the near future under the unitary council. There was general agreement that the Cabinet should carefully consider whether these Pre-Application fees and charges need to be increased.

The Committee congratulated the finance officers and the Cabinet on achieving a healthy financial position for Chiltern District Council.

RECOMMENDED TO CABINET:

- 1. That the recommended increase in Council Tax to £186.30 be reconsidered in the light of the windfall revenues.**

2. That the Revenue budget for 2019/20, as summarised in the table in paragraph 4.13, be approved and that this be agreed by Full Council.
3. That the use of earmarked reserves for 2019/20, as listed in the report, be agreed.
4. That the creation of a new earmarked reserve of £1,995,000 for Unitary District Council implementation costs be agreed. Part of this reserve to be drawn down in 2019/20 as approved by the Shadow Authority.
5. That the level of fees and charges for 2019/20 be reviewed in respect of Planning Pre-Application Fees.
6. That the advice of the Director of Resources in Appendix A be noted.
7. Medium Term Strategy – that the report on the Council’s financial position in respect of the years following 2019/20 be noted and commended.

63 TREASURY MANAGEMENT STRATEGY 2019/20

The Treasury Management report set out how cash was invested and managed, and how any borrowing would be undertaken. It was noted that there was not a huge cash portfolio at Chiltern and it mainly arose from cash flows and timing differences. All are short term investments of less than a year. The Council policy was to prioritise security and liquidity over return. It was noted that borrowing for the car park was made from the PWLB and any further borrowing required for the proposed Chiltern Lifestyle centre would be funded in the same way.

RECOMMENDED TO CABINET AND COUNCIL:

That The Treasury Management Strategy 2019/20 be approved.

64 CAPITAL STRATEGY, CAPITAL PROGRAMME 2019/20 - 2023/24 AND REPAIRS & RENEWALS PROGRAMME 2019/20 - 2023/24

The Committee were asked to consider the major capital and repair and renewal commitments which included the share of the cost of new refuse vehicles for the new waste contract and a substantial renewal programme for car parks in the district. These were considered along with smaller projects as listed in Appendix A. It was asked why there was a budget for the Mill

Meadow Site each year and it was advised that the bridge would need regular maintenance.

RECOMMENDED TO CABINET AND COUNCIL:

- 1. That the Capital Strategy including the Capital Programme for 2019/20 – 2023/24 (Appendix A) be approved.**
- 2. That the Repairs and Renewals Programme for 2019/20 – 2023/24 (Appendix B) be approved.**

The meeting ended at 7.21 pm