

## **REPORT TO COUNCIL – 27 January 2016**

## **REPORT OF CABINET – 18 January 2016**

Cabinet met on 18 January 2016. The minutes are published on the Council's website.

The following Members were present at the meeting:

Present:

Mayor Dorothy Thornhill  
Councillor Johnson  
Councillor Scudder  
Councillor Sharpe  
Councillor Taylor  
Councillor Watkin

Also present:

Councillor Bell  
Councillor Mehta

The following was a recommendation to Council:

### **43            FINANCIAL PLANNING: DRAFT REVENUE AND CAPITAL ESTIMATES 2016/2019 AND TREASURY MANAGEMENT STRATEGY 2016-2019**

A report was received from the Shared Director of Finance on service level expenditure, funding and council tax levels for the medium term 2016/17 to 2018/19 including consideration of the use of reserves and balances.

The report had also been considered at the Budget Panel meeting on 13 January and the minutes were circulated at the meeting.

The Mayor thanked the Budget Panel and stated that it was important that all members of Budget Panel understood the position of the council and were reassured that the council's accounts had been done properly. Discussion about how the budget had been divided could be reserved for the full Council meeting.

There had been one item from Budget Panel which was brought to Cabinet's attention.

The Head of Corporate and Client Services described that issues had arisen at

Budget Panel around the work on Equality Impact Assessments as a result of some communities requiring burial that they might be disproportionately affected by an increase in burial fees. The benchmarking which had been carried out on the fees was not only with Hertfordshire authorities but also London Boroughs, such as Brent and Harrow who had a cemetery close by in Carpenders Park. The original figures which went to Budget Panel were closer to those of London. It was now proposed to reduce the increase to 50% and monitor the impact of this on demand, income and on different communities. The Council would also look at what other local authorities had done this year with their charges and what investment was required to implement the cemetery strategy which would be coming to Cabinet in February. It was still proposed that non-residents would pay three-times the fees due to the need to manage demand as land availability was restricted and currently estimated at seven to nine years.

An additional recommendation to amend the increase was circulated at the meeting:

“In light of the Budget Panel’s recommendations and a further review by officers of the Equality Impact Assessment and benchmarking exercise it is recommended to Cabinet that the increase in charges for 2016/17 for burials is reduced by 50%. That officers review the impact of this increase on demand and undertake further benchmarking during that financial year with a view to securing:

- cost recovery in the face of budget pressures and reduction in government grant
- income to facilitate additional resourcing requirements of the Cemetery Strategy
- aligning the council’s costs with those of similar authorities
- to manage the demand for diminishing cemetery space.

It is recommended that the fees to non-residents remain at 3 times the charges made to residents as this is a key policy to manage the demand on the depleting stock of available grave space.”

The Mayor stated that apart from burying people who had no means, burials were a service that the council could chose to provide. Each service needed to cover its costs and burial charges were considerably less than at other authorities. However, the points made by Budget Panel were fair and were being adopted.

Councillor Bell commented on other points raised at the Budget Panel meeting, and the Mayor responded that these would be considered.

In accordance with the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 the votes were recorded as follows –

Those in favour

Mayor Thornhill, Councillors Johnson, Scudder, Sharpe, Taylor and Watkin

The resolutions as set out in the report were CARRIED by 6 votes to 0

RESOLVED:

That Cabinet:

1. Resolves in accordance with the *Local Authorities (Calculation of Tax Base) Regulations 1992*, the amount calculated by Watford Borough Council as its Council Tax Base for the year 2016/17 is 31,314.71 as outlined in paragraph 7.5 and summarised at Appendix 8.
2. Approves the estimate surplus and deficit position on the Collection Fund.
3. Approves the 2016/17 savings of £430,760 as detailed at Appendix 1.
4. Approves the 2016/17 growth of £922,600 and as detailed at Appendix 2a, 2b and 2c.
5. Approves the proposed fees and charges for 2016/17, which are included in the base estimates and detailed at Appendix 4.
6. Approves all the assumptions made with the Medium Term Financial Strategy at Appendix 6 which includes a council tax freeze for 2016/17.
7. Delegates to the Director of Finance and Portfolio Holder the ability to amend the budget figures in accordance with decisions taken at the Cabinet meeting and any minor variations that may occur before the Council meeting on 27 January 2016.
8. In light of the Budget Panels recommendations and a further review by officers of the Equality Impact Assessment and benchmarking exercise agrees that the increase in charges for 2016/17 for burials is reduced by 50%. That officers review the impact of this increase on demand and undertake further benchmarking during that financial year with a view to securing:
  - cost recovery in the face of budget pressures and reduction in government grant
  - income to facilitate additional resourcing requirements of the Cemetery Strategy
  - alignment of the council's costs with those of similar authorities
  - management of the demand for diminishing cemetery space.

It is agreed that the fees to non-residents remain at 3 times the charges made to residents as this is a key policy to manage the demand on the depleting stock of available grave space.

**That Council be recommended to approve:**

1. The General Fund Budget Requirement (Net Expenditure) (before use of grants and reserves) as outlined at paragraph 7.1 and detailed at Appendix 6 as follows:
  - Revised budget for 2015/16 as £16,797,035.
  - Base budget for 2016/17 as £16,035,060.
2. The Capital programme as set out at Appendix 11 and 11a.
3. The key financial risks set out in Appendix 10.
4. The current Local Council Tax Reduction Scheme continues for financial year 2016/17 (paragraph 7.7).
5. The use of reserves and balances as identified in paragraph 7.9.
6. The Treasury Management Strategy for 2016-19 as set out in Appendix 12 and that where reserves or cash balances can be deployed in accordance with the Property Investment Strategy to generate better returns for the Council, then the Director of Finance may authorise investment of Council funds accordingly.

**Appendices**

- Report to Cabinet 18 January 2016 (previously circulated)
- Report of the Director of Finance on the Council Tax Resolution 2016/2017