

SURREY HEATH BOROUGH COUNCIL

Surrey Heath House
Knoll Road
Camberley
Surrey
GU15 3HD

Tuesday, 17 February 2015

To: The Members of the Surrey Heath Borough Council

Dear Councillor,

You are hereby summoned to attend a meeting of Surrey Heath Borough Council to be held in the Council Chamber, Surrey Heath House on Wednesday, 25 February 2015 at 7.00 pm. The business which it is proposed to transact at the meeting is set out below.

Please note that this meeting will be recorded.

Yours sincerely

Karen Whelan

Chief Executive

1. Minutes

To approve as a correct record, the minutes of the meeting of the Council held on 10 December 2014.

2. Apologies for Absence

To report apologies for absence.

3. Mayor's Announcements

4. Leader's Announcements

5. Declarations of Interest

Members are invited to declare any Disclosable Pecuniary Interests and non-pecuniary interests they may have with respect to matters which are to be considered at this meeting.

6. Questions from Members of the Public

To answer questions, if any, received under Council Procedure Rule 10 (Paragraph 3 of the Public Speaking Procedure Rules).

7. Questions from Councillors

To deal with questions, if any, received under Council Procedure Rule 11.

8. Council Tax and Budget 2015/16 (Pages 5 - 32)

To approve the Council's Budget and Council Tax for the Financial Year 2015/16 – report attached.

9. Setting of Council Tax for 2015/16 (Pages 33 - 42)

To consider and to determine the statutory calculations required in respect of Council Tax and to set the Council Tax for each band for each part of the Borough for the financial year commencing on 1 April 2015 and terminating on 31 March 2016 – report attached.

10. Business Rates Reliefs (Pages 43 - 44)

To consider the changes to Business Rate Reliefs.

11. Executive, Committees and Other Bodies

To receive the open minutes of the following bodies (minutes reproduced in the Minute Book), to answer questions (if any) in accordance with Council Procedure Rule 11.5 as set out below:

- (a) Executive – 6 January 2015, 27 January 2015, and 24 February 2015 (recommendations only)

6 January 2015

85/E The Council Tax Base and the Local Council Tax Support Scheme

RECOMMENDED that

- (i) **the Local Council Tax Support Scheme for Surrey Heath, approved by Council on 22 January 2013, remains unchanged for 2015/16;**
- (ii) **the Executive Head of Finance be authorised to make minor changes to the Local Council Tax Support scheme so as to ensure that where applicable to income calculation it remains in line with Housing Benefit changes introduced by legislation; and**
- (iii) **incomes and applicable amounts and non-dependant deductions be uprated in line with the percentages and amounts supplied by DWP and DCLG, and applied to Housing Benefit claims.**

91/E Reference from the Performance and Audit Scrutiny Committee

RECOMMENDED that the Treasury Strategy be amended to permit investment in BBB+ rated British banks and building societies for a

maximum of 100 days.

27 January 2015

97/E Treasury Strategy 2015/16

RECOMMENDED that

- (i) the Treasury Management Strategy for 2015/16 including the changes to investment criteria and limits shown at Annex B to the Executive Agenda report be approved;**
- (ii) the Treasury Management Indicators for 2015/16 at Annex C to the Executive Agenda report be approved; and**
- (iii) the Annual Minimum Revenue Provision Policy Statement at Annex D to the Executive Agenda report be adopted.**

24 February 2015

The following recommendation will be considered by the Executive at its meeting on 24 February 2015. Any changes to the recommendation will be reported to the meeting. The minutes of the meeting of the Executive of 24 February will be submitted to the Council at its next meeting.

General Fund Revenue Estimates 2015/16

Item 8 above refers.

Corporate Capital Programme 2015/16

RECOMMENDED that:

- (i) the new capital bids of £525k for 2015/16, in Annex A to the Executive Agenda report, be approved, and be incorporated into the Capital Programme; and**
- (ii) the Prudential Indicators for 2015/16 to 2017/18, summarised below and explained in Annex D to the Executive Agenda report, in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy's Prudential Code for Capital Finance in Local Authorities 2011 be approved:**

Prudential Indicator	2015/16 Estimated £000	2016/17 Estimated £000	2017/18 Estimated £000
Capital Expenditure	12,108	525	525
Capital Financing Requirement	10,152	9,934	9,741
Ratio of financing costs to net revenue stream	-3.46%	2.37%	2.26%
Incremental impact of investment decisions on Band D council Tax	£1.48	£4.47	£0.14

Operational Boundary	16,000	15,000	15,000
Authorised Limit	18,500	17,400	17,400

- (b) Planning Applications Committee – 15 December 2014, 12 January 2015, and 9 February 2015
- (c) External Partnerships Select Committee – 20 January 2015
- (e) Performance and Audit Scrutiny Committee (Audit meeting) – 28 January 2015
- (f) Performance and Audit Scrutiny Committee (Scrutiny meeting) – 28 January 2015
- (g) Community Services Scrutiny Committee – 5 February 2015

12. Governance Working Group (Pages 45 - 72)

To consider the report of the Governance Working Group in relation to changes to the Scheme of Delegation of Functions to Officers, Council Procedure Rules and the Petition Scheme - report attached.

13. Portfolio Holder's Question Time (Pages 73 - 74)

Councillor Craig Fennell, the Business Portfolio Holder to answer questions on issues relating to his areas of responsibility (Areas of Responsibility of the Business Portfolio Holder are attached).

14. Exclusion of Press and Public

The Mayor to move "That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the consideration of the business set out in items 15 and 16 below on the ground that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act."

15. Council, Executive and Committees - Exempt (Pages 75 - 76)

To receive the exempt minutes (reproduced in the Council Minute Book), to answer questions (if any) in accordance with Council Procedure Rule 11.5 and to consider any exempt recommendations.

16. Review of Exempt Items

To review the minutes reported to the meeting and any decisions made by the Council following the exclusion of the members of the press and public, to decide what information (if any) can be regarded as being available to the public.

Council Tax and Budget 2015/16

Portfolio:	Non
Date signed off:	Executive Function
Ward(s) Affected:	All

Purpose

To approve the Council's Budget and Council Tax for the Financial Year 2015/16.

INTRODUCTION

1. The purpose of this paper is to enable the Council to set its Budget and Council Tax for 2015/16. Under statute these functions cannot be delegated to the Executive.
2. The Government has continued to pursue its policy of reducing the budget deficit. This has resulted in a 40% real terms cut to total local government funding nationally since 2010 making Local Government one of the hardest hit parts of public expenditure. For Surrey Heath this has resulted in a reduction in grant of almost £3m. This means that for Surrey Heath the Rate Support Grant has been reduced by £476k or 33% and is now under £1m. This reduction equates to almost 7% on Council Tax.
3. Unlike many public bodies the Council has a legal duty to set a balanced budget. As set out in the Medium Term Financial Strategy the Council has pursued a policy of balancing its budget year on year through savings and increased income. Officers have worked very hard on reducing costs through better contracting, more efficient use of staff and technology. They have also worked to increase the amount of income the Council generates. This means that the impact of the Government's austerity program has not really impacted the services the public sees.
4. It is clear that whatever the outcome of the general election further reductions in public spending will be required from Local Government. Whilst going forward officers will still work on increasing income and reducing costs it is likely that further significant savings can only be delivered through fundamental changes to service design, delivery and provision.
5. Looking at the budget for 2015/16 as presented this shows a decrease of £160k as compared with the previous year. This is after taking into account a further £169k increase in deficit pension contributions and a £263k increase in payroll costs. This is a great achievement in very difficult circumstances after several years of cuts. Executive Heads have risen to the challenge by setting some tough financial targets and have confirmed through a star chamber process that they are deliverable.
6. The total budget is attached as Annex A within this paper. The detailed Revenue estimates, which show each budget page and portfolio, from which this summary budget is built up are available on Escene and in the Member's Room. A hard copy can be provided on request.
7. The Government has announced that it will pay a 1% compensatory grant to all those Councils that elect to freeze their Council Tax. This will be included within the Council's ongoing funding up to the end of the spending review period (which is 2016). It should be noted in this regard that both the County Council and the Police, which together make up 87% of the total Council Tax bill have both announced that it is their intention to increase Council Tax.

8. On the 18th December 2014, Kris Hopkins MP announced that any Council increasing its Council Tax above 2% would be subject to a binding referendum to be held on the 7th May, the same day as the General and Local elections. At the time of writing, Parishes are still exempt from the referendum requirements and can thus precept for any level of Council Tax increase they wish.
9. This reports presents two options for the budget based on two different levels of Council Tax for Members to decide on. These are as follows:

Option A: Freeze Council Tax and accept the grant;
Option B: Increase Council Tax by 1.94% and reject the grant
10. Members may of course decide to set Council tax at whatever level they wish however if this were to be greater than 2% it would be subject to a referendum at the Council's expense.

CURRENT POSITION

11. The budget monitoring report for December predicts that the Council will be underspent at the end of the year. In respect of the budget for 2015/16 services have confirmed that the budget set is achievable and that no further adjustments are required as a result of 2014/15 predicted outturn. A full financial report for the 3rd quarter will be presented to Executive in due course.

GENERAL FUND REVENUE ESTIMATES

12. The Executive considered the budget as outlined in this paper on the 24th February 2015. The outcome of this will be updated at this meeting.
13. The complete budget is attached as Annex A to this paper. To aid understanding this has been broken down in to sections and is examined in more detail in the next part of this report.

Net Cost of Services

14. The table below shows the breakdown of the net cost of services.

GENERAL FUND REVENUE ACCOUNT

Net Cost of Services 2015/16

PORTFOLIO'S	2014/15 Budget £	2015/16 Budget £	Variance £
Business	2,425,470	1,988,870	-436,600
Community	5,699,050	5,672,080	-26,970
Corporate	1,388,220	1,413,990	25,770
Finance	1,931,600	1,980,810	49,210
Regulatory	2,256,610	2,241,520	-15,090
Transformation	1,053,070	1,098,350	45,280
	<u>14,754,020</u>	<u>14,395,620</u>	<u>-358,400</u>
Less: Staff cost amendments	-198,671	-129,940	68,731
Pension adjustment	-199,184	-472,370	-273,186
Add: Additional pension contribution	169,000	338,000	169,000
Internal asset charges reversed	-2,680,990	-2,311,760	369,230
Less: Funding from Reserves	-557,900	-693,850	-135,950
NET COST OF SERVICES	<u>11,286,275</u>	<u>11,125,700</u>	<u>-160,575</u>

15. The "Cost of Services" is made up a summation of the individual budget sheets by service. These are then adjusted for items required to be removed by statute, such as asset charges, corporate costs, such as pension funding and expenditure not funded by the Council Tax, such as out of reserves to give the "Net cost of Services".
16. An analysis of the changes to individual budget pages is included within the General Fund Estimates paper presented to Executive on the 24th February. A complete set of budget pages is available on E scene and there are copies in the Member's Room but the main changes are outlined in the next section.

Cost of Services

Business

17. The theatre is predicting an increase in show income in line with its 5 year plan. Car parks are predicting modest increases in income but are also building up a fund for future maintenance. Parks and Open Spaces includes the predicted income from the 3g pitch for the first year of £72k less the additional operating costs and cost of borrowing.

Community

18. Community are budgeting for an increase in income from community alarms due to increased usage as well as from recycling due to increasing recycling prices. This is offset in part by contractual price rises.

Corporate

19. There are no big changes to corporate save an increase in costs of £35,000 for the elections later this year.

Regulatory

20. Regulatory have budgeted for a £170k increase in Development control income in line with experience so far. This is indicative of the up turn in construction across the Country.

Finance

21. There was a £90k reduction in the budgeted grant to provide the benefits services however this has been offset in part by reductions in audit costs

Transformation

22. No significant changes in this area.

Other costs

23. Included within each service are the costs of IT, public offices, insurance and most importantly wages.

IT costs

24. These have faced pressure from increases in license costs although these have been offset by savings in other IT areas. The total budget for IT excluding staff and depreciation is about £900k

Public Offices

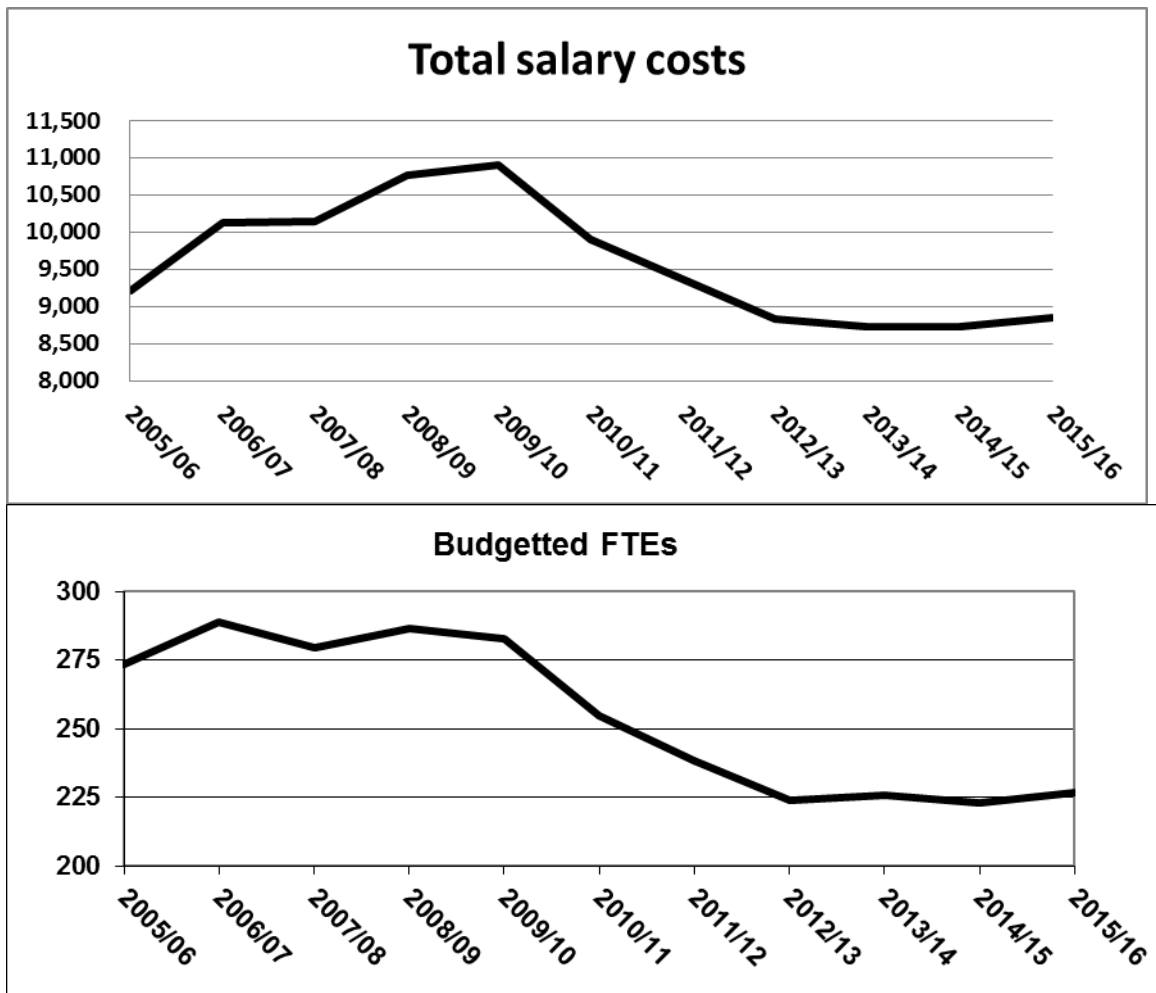
25. Public office costs are the total cost, excluding wages, of providing the Council's offices. After savings in plant maintenance and business rates the total cost excluding asset charges is £370k.

Insurance

26. Insurance costs show a slight reduction due to the transfer of insurance to LB Sutton. The total cost is about £230k.

Employee costs

27. The graphs below show the budgeted salary costs and FTE for the last 10 years. It should be noted that costs are actual costs – there is no adjustment for inflation – hence in real terms the costs of wages has fallen even more steeply than shown in the graphs. In addition sundry employee expenses have fallen by £38k due to reduction in training and sundry budgets which were overspent.



Other Items

Staff Cost amendments

28. This figures is made up of two elements. Firstly an amount for a possible salary increase and secondly a deduction for the vacancy margin.
29. Although each service staffing budget includes the cost of the full staff establishment it has been assumed that on average there will be a 3% vacancy rate and this has been deducted from the overall budget. This percentage has been set at 3% for a number of years and is on target to be achieved corporately again for 2014/15. This figure also includes an allowance for a possible salary increase.

Pensions

30. Part of the cost of providing a service includes the notional cost of providing accrued pension benefits for staff for that year. Government accounting rules state that only the actual contributions paid can be charged to Council tax payers so an adjustment is made to the budget to reflect this.
31. As a result of the triennial review of the fund in March 2013 the actuary determined that additional one off contributions were required for the next 3 years to work towards reducing the pension deficit. This additional payment was £169k in 2014/15 is £338k in 2015/16 rising to £507k in 2016/17. This is a significant pressure on the budget especially in times of funding cuts.

Asset Charges

32. Asset charges are charged to individual services as they represent the cost for the use of an asset to provide that service. They are included within each portfolio and are probably best thought of as a depreciation charge. However Government accounting rules mean that these costs cannot form part of the Council Tax Requirement and be charged to Council Tax payers and hence are reversed out in the budget. This also means there is no allowance built up within the budget for the replacement of assets when they wear out.

Items funded from reserves

33. Management Board examined the 2015/16 Estimates in detail to identify expenditure which was either of a non-recurring nature or could be funded from reserves. It has determined that the following items should be funded from reserves:
- £75,000 from the Community Fund relating to Community Grants included in the budget. Typically this budget is underspent.
 - £300,000 from the Capital Revenue reserve relating to Transformation costs and specifically Camberley Town Centre. This is because this is such a major project and outside the normal day to day activity of the Council.
 - £150,000 from the property maintenance fund to fund improvements to property
 - £82,900 for Community Safety from the Crime and Disorder Partnership reserve for schemes in the year
 - £85,950 for Family Support from the Family Support funding reserve which was created when the service was initially set up.

Members are asked to NOTE that expenditure of £693,850 be funded from reserves.

Surrey Heath BC Council Tax Requirement

34. Not all of the “Net Cost of Services” is paid for by Council Tax payers. Hence in order to get to the “Council Tax requirement”, which represents the amount residents actually pay deductions are made to allow for sources of funding. This is summarised in the table below:

Surrey Heath BC Council Tax Requirement			
PORTFOLIO'S	2014/15	2015/16	2015/16
	Budget	OPTION A	OPTION B
	0% Ctax Inc	1.94% Ctax Inc	
	£	£	£
NET COST OF SERVICES	11,286,275	11,125,700	11,125,700
Less: Investment Interest earned	-200,000	-300,000	-300,000
Less: New Homes Bonus	-525,000	-600,000	-600,000
ESTIMATED NET EXPENDITURE	10,561,275	10,225,700	10,225,700
Add: Contribution to Parishes	19,943	19,943	19,943
Add: Tfr to Reserves from Collection Fund	169,000	0	0
Less: Collection Fund Surplus	-169,000	-120,000	-120,000
Less: Share of Business Rates	-1,304,845	-1,329,778	-1,329,778
Less: Rate Support Grant	-1,441,565	-965,188	-965,188
Less: Other Grants in settlement	-227,942	-223,402	-223,402
Less: Business Rates growth	-200,000	0	0
Gross Budget to Fund from Council Tax	7,406,866	7,607,275	7,607,275
Less: Savings Target	-255,977	-315,895	-246,597
Less: Billed as "Special Expenses"	-173,111	-173,111	-176,000
Less: Sec 31 Grant in Lieu of Council Tax	0	-70,477	0
SHBC COUNCIL TAX REQUIREMENT	6,977,778	7,047,792	7,184,678

35. These items are now explained in more detail below:

Investment Income

36. The continuing low interest rate policy pursued by the Bank of England continues to have a detrimental impact on returns from the Council's investments. With this in mind the Council's treasury advisors Arling Close were asked whether the treasury strategy could be amended to broaden the range of investments and thus increase returns albeit with higher risk. The revised strategy, which permits investment in property and corporate bond funds as well as equity funds, was approved by Council in December 2014 and £8m has been placed in these investments. As result of this change in strategy it is anticipated that returns for 2015/16 will increase from the current £200k to £300k and this has been included in the budget.

New Homes Bonus

37. In 2010 the Government launched an incentive to encourage house building. This gave local authorities £1,468 (based on 2014/15 average council tax) for each new housing unit built or brought back in to occupation plus a further £350 if the housing was affordable. The value of the incentive is calculated each year by reference to the change in the Council Tax Base and then paid in the following year and for 5 years after that.

38. Amounts received so far are as follows:

Year	2011/12	2012/13	2013/14	2014/15	2015/16
Amount	£69k	£307k	£634k	£918k	£1.271m

39. Whilst the level of general grant paid to Councils has fallen the amount paid out as NHB has risen which reflects the Government's policy to reward those Councils that deliver hard housing development. Due to constraints Surrey Heath has one of the lowest levels of new housing in Surrey hence our payment is less than our neighbours but there is no doubt that for those that build houses this is an increasing source of revenue.
40. Officers have also worked hard to reduce the number of empty properties in the borough and this has also increased the amount of New Homes Bonus received.
41. It is worth noting that, of the £1.2bn cost of NHB, only £250m is actual new money. The remainder is funded from top slicing business rates which, in the normal course of events, would come to local authorities. It should be remembered that NHB is not "new" money and instead comes out of redistributed local authority funds – mainly by top slicing business rates. However, it is becoming an increasingly important source of revenue for those areas that want to build housing.
42. Although the NHB is meant to be a reward for housing, the Government does include it in their calculation of "revenue spending power" for local authorities, implying that it is meant to fund on-going services. With that in mind £600k has been used to support the Council's revenue budget.
43. Although the scheme was initially guaranteed for a further 6 years, it is open to any Government to change the scheme or indeed end it and distribute the funding differently. If this were to happen, this would present a significant financial challenge to this Council and would have a knock on impact on services. Hence it would be prudent to decrease reliance on this funding over time and this has been reflected in the financial forecast later in this paper.

Members are asked to NOTE that £600,000 of the New Homes Bonus for 2015/16 has been used to support the revenue budget

Contribution to Parishes

44. The Council pays a special grant to parishes to compensate them for the change to the tax base due to the introduction of the Local Council Tax support scheme (LCTSS). This grant will remain unchanged from that paid in 2014/15 and is shown in the table. This is despite the fact that overall government funding for Councils and the LCTSS has been reduced.

Support for Parishes due to the LCTSS within 2015/16 budget:

Parish/Town	Support given in 2014/15	Support for 2015/16
Bisley	1,334.30	1,334.30
Chobham	2,962.87	2,962.87
Frimley and Camberley	8,116.98	8,116.98
West End	1,591.65	1,591.65
Windlesham	5,937.64	5,937.64
TOTAL	£19,943.44	£19,943.44

Members are asked to NOTE that there is no reduction in support for parishes.

Collection Fund

45. The Borough Council collects Council Tax on behalf of all precepting authorities. If the amount collected is less than predicted this results in a deficit on the Collection Fund. Conversely, if the amount collected is greater than predicted this results in a surplus. Any deficit or surplus is shared amongst all the principle precepting bodies. As Surrey Heath has one of the highest collection rates in the country the fund is forecast to be in surplus at the 31st March 2015.
46. The Sec 151 officer has determined that a surplus of £1,000,000 can be declared for the year. Of this, £750k will be paid to Surrey County Council, £130k to the police and the remaining £120k to the borough

Members are asked to NOTE the Council Tax surplus of £1m being declared

Share of Business Rates

47. In 2012, the Government announced that Councils would have a direct financial incentive to encourage hard business development in their areas. This was to be achieved by giving Council's a share of business rates collected in their area. In two tier areas, Districts collect Business Rates, so a fixed tariff was introduced to be charged against business rates collected to ensure counties had certainty of income. In addition, in order to ensure that all areas started in the same position, a baseline was set which, if business rates collected exceeded it, would result in additional income, but if they fell below it, there would be a loss of income, with losses capped at a predetermined "safety net" level.
48. Broadly speaking, for every £1 collected above the baseline, 50p goes to government, to be redistributed as New Homes Bonus and other grants, 10p goes to Surrey CC, 20p goes to fund a safety net for areas suffering large reductions in rateable income and 20p remains in Surrey Heath. Conversely a fall in income of £1 will result in a loss of income of 50p to the government, 10p to the county and 40p to Surrey Heath – however this loss is capped at 7.5% of our overall baseline meaning the most Surrey Heath can lose is about £107k.
49. The table below shows the level of business rates the Government expects Surrey Heath to collect and how this translates in to actual funding:

Total Business Rates and Council Share

2015/16 Settlement

	2014/15 Final £000	2015/16 Provisional £000	Change 15/16 to 14/15 £000
Minimum Collectible Business Rates	33,385	34,025	2%
Less: 50% to Government	-16,693	-17,013	
Less: 10% to SCC	-3,338	-3,402	
Share for SHBC	13,354	13,610	2%
Less Fixed Tariff	-11,958	-12,187	2%
Business Rates for SHBC	1,396	1,423	2%
Safety net	1,292	1,317	

50. Of the £1.423m allocated above, £93k is top sliced to pay for the homelessness and Council tax freeze grant, leaving the actual amount to contribute to general services as £1.330m.
51. Any increase generated through the annual uplift in business rates is clawed back by reducing the revenue support grant by a corresponding amount. Hence, although Surrey Heath businesses pay more business rates each year, none of this increase actually comes to the borough to pay for services. However, increases and decreases in valuations do affect the level of income the Council receives.
52. If Surrey Heath collects more than £34.025m then it can retain 20% of any excess. If conversely it collects less then it loses 40% of any loss up to £107k in total. i.e. The borough cannot receive less than £1.317m to pay for its services.
53. The table below shows estimated direct gains and losses for percentage changes in business rates income against the government baseline of £34m.

Table showing effect of changes in Business Rates		
Actual NDR achieved in 2015/16 (relative to NDR Baseline)	Change in Business Rates Required (£000)	Difference in Funding (£000)
Baseline NDR +3%	1,020	204
Baseline NDR +2%	680	136
Baseline NDR +1%	340	68
Baseline NDR	0	0
Baseline NDR - 1%	-340	-107
Baseline NDR - 2%	-680	-107
Baseline NDR - 3%	-1,020	-107

To put this in to perspective the 12th largest rateable property in the borough generates about 1% of the total business rates.

54. One issue with Localisation of Business Rates, as it stands, is that the cost of any revaluations, irrespective as to which year they relate, falls on the borough. The LGA had campaigned that appeals relating to the periods before 2013/14 should be charged to the old National Pool but this was rejected by ministers. Surrey Heath has had some very large revaluations going back several years resulting in very large refunds. This has meant that, for 2013/14, Surrey Heath actually lost money under the new arrangements and we will be very lucky to break even for 2014/15. That said, in the last 2 years, the valuation office has cleared a significant number of appeals and so, going forward, the level of appeals should reduce and the income become more predictable.
55. The Chancellor announced a number of new reliefs for small businesses and retailers in the autumn statement. He also capped the increase. The cost of these initiatives is directly funded by the Treasury, to ensure that Councils are not out of pocket.
56. Looking forward, there is likely to be a national business rates revaluation in 2017 and a rebalancing of business rates between authorities in 2020. Given that the revaluation is just a redistribution of business rates amongst businesses across the country, this is unlikely to have a significant impact on individual councils. However, the rebalancing between authorities could see those that have been successful at increasing income through economic development giving up business rates income to those that have not. The current Government also announced that there would be a wholesale review of business rates and the way businesses are taxed in 2016. This may also have implications for the way local authorities are funded in the future.
57. Given the continued uncertainty over the level of revaluations on appeal, no growth in business rates has been included within the budget and instead, the government baseline has been used. Any gains above this will be taken to reserves to offset future losses and any losses will be capped at £107k.

Revenue Support grant and total funding settlement for 2015/16

58. Last year the Council received notification of an indicative settlement for 2015/16 of £2.518m on 19th December, representing a reduction of £456k or 15% in cash terms compared with 2014/15. This will be confirmed by Parliament in January 2015.
59. Rather than looking at the reduction in core grant, the Government uses a measure called "Revenue Spending Power". This includes non-recurrent funding such as the New Homes Bonus and Council Tax Freeze Grants. By this measure, funding has only fallen by 0.7% in cash terms.

Surrey Heath Central Government Funding

	Provisional Allocation 2015/16 £000	Final Allocation 2014/15 £000	Final Allocation 2013/14 £000	Final Allocation 2012/13 £000
Core Funding				
Revenue Support Grant	965	1,441	1,415	63
Share of Business Rates	1,330	1,304	1,370	3,080
	2,295	2,745	2,785	3,143
Other Grants rolled in:				
Council Tax Freeze Grant	174	176	176	176
Homelessness Grant	49	50	50	
Returned funding	0	3		
Council Tax Support Funding			419	
	2,518	2,974	3,430	3,319

- a. The Local Council Tax support scheme was introduced in 2013/14 and the funding was separately identifiable. Since then it has been included within the overall settlement and it is therefore reasonable to assume has been subject to the same level of cuts as overall council funding.
 - b. The table above shows that the core grant has been reduced by £476k in 2015/16.
 - c. The Council tax freeze grant agreed in 2011/12 was due to expire in 2015/16 but the Government has indicated that it is their intention that this funding will be maintained.
60. Since 2010/11, like for like funding in cash terms i.e. ignoring inflation has been reduced by around £2.3m or 48%. Further reductions can be expected in the future.

Savings

61. As in previous year, the budget contains an in-year savings target in order to deliver a balanced budget. The level of this depends on the decision taken with regard to Council Tax.

Special Expenses

62. These are an element of the costs relating to the maintenance of parks etc in non parished areas. This charge is then billed as a separate item to non parished areas in a similar way to a precept in parished areas. The level of the deduction is dependent on the Council Tax decision taken.

Council Tax and Council Tax Freeze

63. Each property in the borough is placed in one of 8 property bands, A to H, depending on the value of the property. Band D is considered as the "national average" Council Tax band and it is this band that is used for setting the tax and comparing with other authorities. A band A property pays 2/3 of the cost of a Band D property whereas a band H one pays twice as much. The mix of houses in the borough means that Surrey Heath has one of the highest proportions of top banded properties in the country.

64. Council Tax is levied on what is known as the “tax base” or the number of Band D equivalent properties in the borough. This year the base has risen by 363 band D equivalent properties due to house building, conversion of offices to housing and a purge on empty homes. This will generate an additional £70k in income for the borough. The base is shown in the table below:

	2015/16	2014/15	Change
Bisley	1,507.32	1,464.72	42.60
Chobham	1,922.82	1,895.73	27.09
Frimley & Camberley	23,125.93	22,974.07	151.86
West End	1,997.80	1,988.67	9.13
Windlesham	8,046.62	7,913.83	132.79
Total	36,600.49	36,237.02	363.47

65. Although Surrey Heath collects Council Tax on behalf of all the preceptors, only around 12% of the total bill actually comes back to this Council.
66. **The Council is at liberty to set whatever level of Council Tax it so wishes** but any increase over 2% will trigger a local referendum under the Localism Act.
67. The Government has agreed to pay a grant equivalent to 1% of council tax for any Council that freezes its tax for 2015/16. This would be approximately £70,500. The Government has stated that this money will be put in to Council's baselines meaning it is secured for the future however whether this will go beyond the current spending round is unclear.
68. A freeze in 2015/16 would save on average £3.75 a year for a Band D taxpayer on their Surrey Heath precept compared to an increase of 1.94%. Surrey County Council and the Police which together make up 88% of the bill residents receive have already stated their intention to increase Council tax rather than accept the freeze grant.
69. The current Surrey Heath band D Council Tax is £192.56. Two proposals for increases are outlined below:

Surrey Heath Council Tax for Band D equivalent properties

Percentage	Increase £	SHBC Weekly Increase £	SHBC Weekly Cost £
0%	0	0	3.70
1.94%	3.74	0.07	3.77

*The Table shows the costs for Band D properties only.
Every 1% increase in Council tax raises approximately £70,500 annually*

70. Surrey County Council and the Surrey Police and Crime Commissioner have both announced their intention to increase Council Tax by 1.99%. Indicative figures are shown in the table below:

	2014/15	2015/16	2015/16 1.94% Inc.
Surrey Heath BC	192.56	192.56	196.30
Surrey County	1,195.97	1,219.68	1,219.68
Surrey Police	211.68	215.89	215.89
	<u>1,600.21</u>	<u>1,628.13</u>	<u>1,631.87</u>

71. Given the longer term financial implications the Sec 151 officer would urge members to increase Council tax this year to just below the referendum threshold. Only by doing this can income for services be protected for future years.

Members are asked to NOTE the financial implications of a Council Tax freeze and the 2% trigger for “excessive” Council Tax increases set by the Minister

Parish Precepts and Special Expenses

72. Each Parish within Surrey Heath is able to set its own “precept” or charge. This is collected by the borough from residents as part of their Council Tax at no charge.
73. Although the Government has considered bringing parishes within the capping legislation, this has not happened so far.
74. The parish precepts are shown below:

Parish	2015/16			2014/15			Increase
	Tax Base	Precept	Band D	Tax Base	Precept	Band D	
Bisley	1,507.32	67,381	44.70	1,464.72	64,523	44.05	1.48%
Chobham	1,922.82	76,537	39.80	1,895.73	74,037	39.05	1.92%
West End	1,997.80	81,453	40.77	1,988.67	80,278	40.37	1.00%
Windlesham	8,046.62	288,146	35.81	7,913.83	277,970	35.12	1.95%
Total Parishes	13,474.56	513,517	38.11	13,262.95	496,808	37.46	1.74%

TOTAL BUDGET

75. The overall budget is shown in the table below:

Surrey Heath BC Council Tax Requirement			
	2014/15	2015/16	2015/16
		OPTION A	OPTION B
	Budget	0% Ctax Inc	1.94% Ctax Inc
	£	£	£
TOTAL NET COST OF SERVICES	11,286,275	11,125,700	11,125,700
Less: Investment Interest earned	-200,000	-300,000	-300,000
Less: New Homes Bonus	-525,000	-600,000	-600,000
ESTIMATED NET EXPENDITURE	10,561,275	10,225,700	10,225,700
Add: Contribution to Parishes	19,943	19,943	19,943
Add: Tfr to Reserves from Collection Fund	169,000	0	0
Less: Collection Fund Surplus	-169,000	-120,000	-120,000
Less: Share of Business Rates	-1,304,845	-1,329,778	-1,329,778
Less: Rate Support Grant	-1,441,565	-965,188	-965,188
Less: Other Grants in settlement	-227,942	-223,402	-223,402
Less: Business Rates growth	-200,000	0	0
Gross Budget to Fund from Council Tax	7,406,866	7,607,275	7,607,275
Less: Savings Target	-255,977	-315,895	-246,597
Less: Billed as "Special Expenses"	-173,111	-173,111	-176,000
Less: Sec 31 Grant in Lieu of Council Tax	0	-70,477	0
SHBC COUNCIL TAX REQUIREMENT	6,977,778	7,047,792	7,184,678
Add: Special Expenses	173,111	173,111	176,000
Add: Parish Precepts	496,808	513,517	513,517
COUNCIL TAX REQUIREMENT	7,647,697	7,734,420	7,874,195
<i>Band D equivalent Properties</i>	<i>36,237.02</i>	<i>36,600.49</i>	<i>36,600.49</i>
<i>SHBC Base Council Tax per Band D property</i>	£192.56	£192.56	£196.30

OTHER MATTERS

Reserves and Provisions

76. The Council maintains a number of earmarked reserves and provisions. These are reviewed on an annual basis by the Performance and Audit Scrutiny Committee. All reserves and provisions are considered appropriate and supportive of future expenditure requirements. Revenue Reserves (including earmarked reserves) are projected to be around £17m and Capital Reserves £500k at the 31st March 2015.

Adequacy of the General Fund

77. The General Fund reserve is the Council's contingency fund which needs to be sufficient to deal with any unexpected expenditure.

78. Whichever option for Council tax is taken, it is predicted that the general fund will be £1.2m at 31st March 2015, provided all the savings are achieved.
79. In respect of the General Fund working balance, a risk calculation (annex B) indicates that a minimum balance of £1.1m is needed to provide financial cover for day to day cash flow and any financial emergencies which may occur during the financial year. This is satisfied by all the Council Tax options presented.

MEDIUM TERM FINANCIAL FORECAST

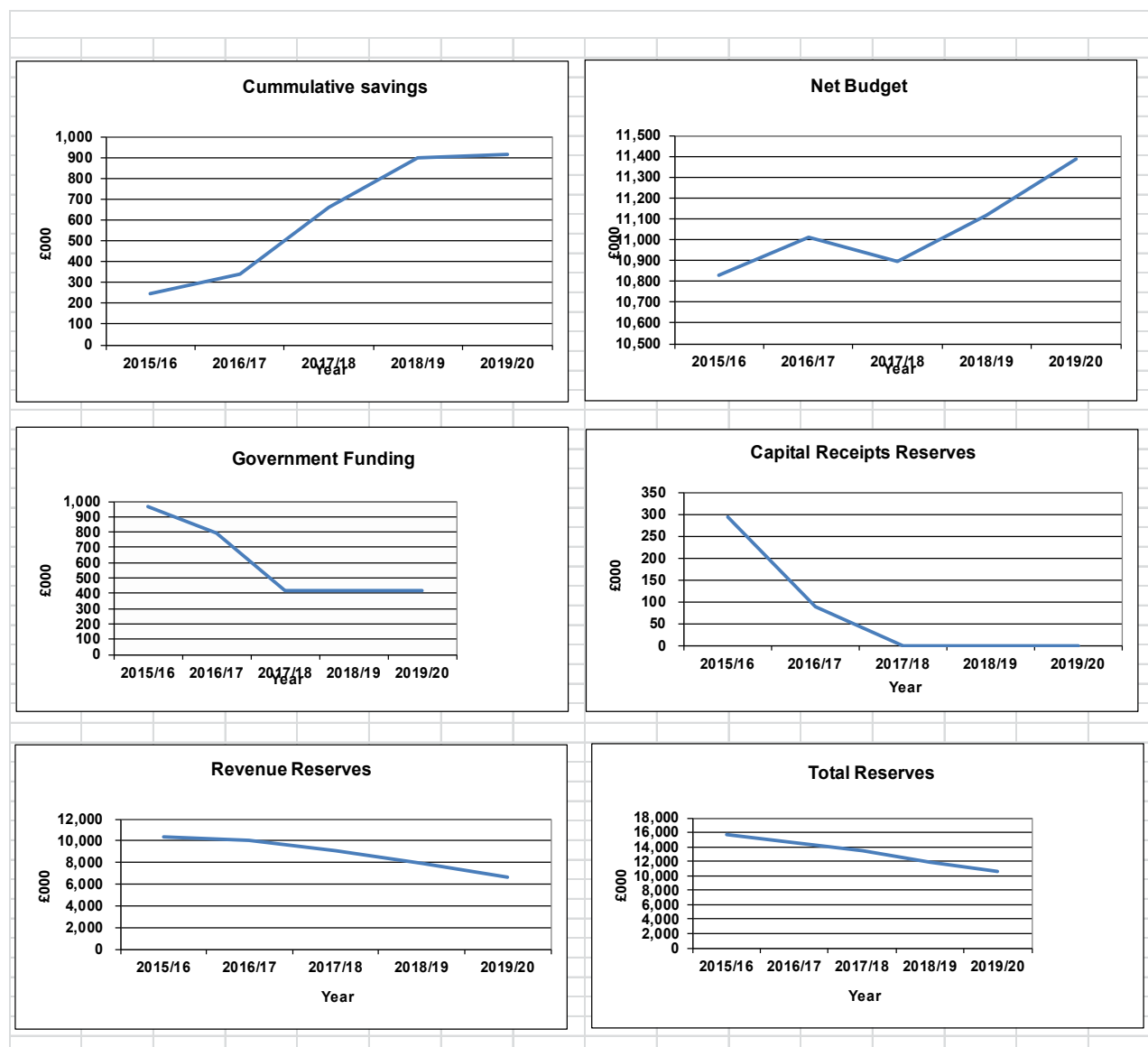
80. The Council is required to consider a financial forecast which predicts the Councils finances for the next 5 years. This is particularly difficult this year for the following reasons:
- a) The Government has only given grant figures for 2015/16. It has been assumed that our grant will continue to be reduced until all that is left is that element to pay for the Local Council Tax Support Scheme and historical Council Tax freezes. A clearer picture will arise after the General Election.
 - b) It is anticipated that there will be modest growth in business rates. The effects of a revaluation or rebasing have been ignored.
 - c) Members will decide on the level of Council tax for 2015/16 at this meeting. However, the forecast assumes an increase of 1.94% for the life of the forecast. It has been assumed that the "referendum trigger" will remain at 2%. However, this may, in fact, be reduced.
 - d) It has been assumed that the "New Homes Bonus" will be removed by 2018 and taken as part of the savings required by an incoming Government.
 - e) It has been assumed that the pension contribution will reduce to £250k after the next revaluation due to improving gilt yields.
81. Other assumptions are as follows:

Forecast Assumptions

Category	Assumption
Inflation – wages	1.5% rising to 2%
Inflation – Expenses	1% to 1.5%
Investment Returns	2%
Fees and Charges	2.0%

Prudent scenario with Council Tax increase in 2015/16

82. The graphs show the projected outcomes if the freeze is rejected in 2015/16 and a 1.94% increase imposed instead. The detailed schedules are in Annex C



83. The outcome from this scenario is that savings of about £1m will be required by 2019/20. This is based on the assumption that no steps are taken to increase income or reduce costs in this period. However, in reality, this would not be the case. The purpose of the forecast is to illustrate to Members the scale of the challenge to be faced. Were a freeze to be adopted, this would add £70 cummulatively for each year the freeze was taken.

84. Capital becomes a revenue pressure quickly as capital receipts are exhausted.

85. The medium term financial strategy will be revised later in the year when the new Government's economic plans are clearer.

86. The detailed forecasts are included in Annex C.

Members are asked to NOTE the outcome of the financial forecast

RISKS TO THE PROPOSED BUDGET

87. There are a number of financial risks contained within the budget as follows:

Income Projections

88. A number of services are reliant on income to pay for their services. Whilst services have been prudent in their estimates, economic factors or changes in legislation, that are beyond the Council's control, can affect the Council's ability to levy charges.

Achievement of savings

89. The savings in the budget may be difficult to achieve given the level of savings found in the past. Savings will need to come from changes to service provision and additional income through fees and charges.

Inflation

90. Price inflation is currently low. However, the Council is experiencing wage pressures in a number of professional areas.

Funding Risks

91. Business Rates continue to present a risk to the Council finances, albeit contained within the safety net provisions.

Members are asked to NOTE the risks outlined above

ROBUSTNESS OF THE 2015/16 BUDGET

92. The Local Government Act requires the Council's Chief Financial Officer to report to Council upon:

- (i) the robustness of the estimates made for the purposes of the calculation of the council tax requirement; and
- (ii) the adequacy of the proposed financial reserves

The Council is required to have regard to this section of the report when making decisions in respect of the budget requirement.

93. The Council's Chief Financial Officer confirms he is satisfied that the preparation of the 2015/16 estimates has been undertaken with rigour and due diligence and provides the appropriate level of resources to meet forecast service requirements, whichever budget option is adopted. He also reports that the Council's reserves, provisions and the General Fund Working Balance, supplemented by the Revenue Capital Reserves, are at such levels to meet all known future expenditure requirements and fund any unforeseen or urgent spending which may arise.

94. The Chief Financial Officer would like to draw attention to the risks within the budget, particularly around the council's ability to continue to deliver savings in the future.

Members are asked to note the comments in respect of the robustness of the 2015/16 budget and the adequacy of Reserves, Provisions and the General Fund Working Balance

Conclusion

95. For many Councils, 2015/16 was predicted to be a crunch year. However, as a result of the efforts of staff to increase income, reduce costs and improve efficiency, Surrey Heath has managed to meet the financial challenge posed by Government. That said, the task has not been easy and there are still areas of the budget that are open to risk. There is still a reliance on the New Homes Bonus and reserves for some of the revenue budget, staff recruitment is becoming more difficult as the wider economy improves and capital funding is an issue as capital receipts are used up. Despite this, services have made efforts to increase income and become innovative, but there is still a way to go.
96. Since austerity began, Government funding to this Council has fallen by half in cash terms representing over 20% of the net budget. Despite this, officers have worked hard to ensure that services and standards have been maintained. Like most Councils, Surrey Heath is now coming to the end of the road in terms of further significant internal efficiencies to deliver future savings. Whatever Government wins the election in May, it is clear that further cuts will be required of the sector. Indeed it would appear that the £10bn already saved by local government represents only half of that required. In order to cope with this scale of funding reduction, there will need to be a fundamental rethink as to what Councils are here for, how they should be structured and how and what services are to be delivered. Discretionary services in particular need to become self funding, if they are not to be squeezed out altogether. Increasingly, the focus will need to be more on income generation through investment and charges, managing demand and access to services, internal efficiency through joint working and partnerships and, probably much more challenging, managing the public's expectations in times of increasing economic growth.
97. The Government's ongoing policy of freezing Council Tax, whilst being popular with the public, has long term implications for Council's financial sustainability. Importantly it erodes its ability to grow its own funding base and so maintain services.
98. The financial forecast shows that, by 2020, £1m will be required in extra income or savings if the existing model of services is to be maintained as is. The amount needed may well change after the election, but, what is certain is that the pressure on Councils to provide services with less money will remain and only those that are bold, realistic and innovative will be able to face the challenges ahead.

Legal implications

99. The Council has a statutory duty to set a balanced budget. The budget, which is approved by full Council, will form part of the Council's Budget and Policy Framework. With only a very few exceptions, all decisions of the Executive, Council, Officers, and subordinate bodies must be taken in accordance with the council's Budget and Policy Framework.
100. The Council has a duty to appoint an officer with specific responsibility for the proper administration of its financial affairs. At Surrey Heath Borough Council, this officer is the Executive Head of Finance ("Section 151 Officer"). When making recommendations for the budget, the Council's Section 151 Officer must report on both the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves. The Council's Section 151 Officer

has a duty to make a formal report (to full Council and to the external auditor) if it appears to him that the expenditure or proposed expenditure of the council is likely to exceed the resources available to it to meet that expenditure.

Equality Implications

101. The Council recognises that where budgetary proposals are likely to have a significant impact on Council policies or service provision, such changes may have a disproportionate impact on particular sectors or groups within the population. It is thus important to conduct an assessment of such impact, in line with the Council's commitments as set out in our Corporate Equality Plan, and in compliance with our statutory equality duties.
102. Where significant service changes are likely to occur as part of proposals included in budgetary proposals, the Council will consider conducting an Equality Impact Assessment (EIA) of these proposals. EIAs are all about considering how such proposals may impact, either positively or negatively, on different sectors of the population in different ways. The purpose of such assessments is to:
 - Identify whether the proposals are likely have a disproportionate impact on any particular group within the population;
 - whether such an impact is positive or negative; and
 - whether such an impact might constitute unlawful discrimination.
103. Where disproportionate negative impact and/or unlawful impact are identified, the assessment provides a means for the Council to take appropriate steps to either avoid such an impact or take appropriate action to mitigate it.

Proposals

104. There are two different proposals for members to consider depending on the level of Council tax set.

SET OF PROPOSALS A – 0% COUNCIL TAX INCREASE

Members are asked to:

- i. NOTE that, under delegated powers, the Executive Head of Finance calculated the amount of the Council Tax Base as 36,600.49 (Band D Equivalent properties) for the year 2015/16, calculated in accordance with the Local Government Finance Act 1992, as amended;
- ii. NOTE expenditure totalling £693,850 be charged directly to reserves;
- iii. NOTE that £600,000 of the new homes bonus is being used to support the 2015/16 budget;
- iv. NOTE the implications of the Council Tax freeze grant and that an increase in Council Tax above 2% is deemed to be “excessive” by Government;
- v. NOTE the level of savings required;
- vi. NOTE that the Revenue Support Grant has been reduced by 33% compared to the previous year
- vii. NOTE the there is no reduction in the grant given to Parishes for the Local Council Tax Support Scheme;
- viii. NOTE that a council tax surplus of £1m is being declared;
- ix. NOTE the comments in respect of the robustness of the 2015/16 budget and the adequacy of the Council’s reserves, provisions and the General Fund Working Balance;
- x. NOTE the comments in respect of the financial forecast;
- xi. NOTE that of the Council’s Budget requirement, £173,111 be a special expense relating to the non-parished area of the Borough.
- xii. RESOLVE that the Budget Requirement for 2015/16 be £9,929,748 as set out in Annex A;
- xiii. RESOLVE that the Council Tax Requirement for the Council’s own purposes for 2015/16 be £7,047,790 as set out in Annex A and;
- xiv. RESOLVE that the Council Tax for 2015/16 (excluding special expenses and parish precepts) be set at £192.56 for a Band D property being the same as in 2014/15.

SET OF PROPOSALS B – 1.94% COUNCIL TAX INCREASE

Members are asked to:

- i. NOTE that under delegated powers the Executive Head of Finance calculated the amount of the Council Tax Base as 36,600.49 (Band D Equivalent properties) for the year 2015/16 calculated in accordance with the Local Government Finance Act 1992, as amended;
- ii. NOTE expenditure totalling £693,850 be charged directly to reserves;
- iii. NOTE that £600,000 of the new homes bonus is being used to support the 2015/16 budget;
- iv. NOTE the implications of the Council Tax freeze grant and that an increase in Council Tax above 2% is deemed to be excessive by the Government;
- v. NOTE the level of savings required;
- vi. NOTE that the Revenue Support Grant has been reduced by 33% compared to the previous year
- vii. NOTE that there is no reduction in the grant given to parishes for the Local Council Tax Support Scheme
- viii. NOTE that a council tax surplus of £1m is being declared;
- ix. NOTE the comments in respect of the robustness of the 2015/16 budget and the adequacy of the Council's reserves, provisions and the General Fund Working Balance;
- x. NOTE the comments in respect of the financial forecast;
- xi. NOTE that of the Council's Budget requirement, £176,000 be a special expense relating to the non-parished area of the Borough.
- xii. RESOLVE that the Budget Requirement for 2015/16 be £9,999,046 as set out in Annex A;
- xiii. RESOLVE that the Council Tax Requirement for the Council's own purposes for 2015/16 be £7,184,676 as set out in Annex A and;
- xiv. RESOLVE that the Council Tax for 2015/16 (excluding special expenses and parish precepts) be set at £196.30 for a Band D property being an increase of 1.94% compared with 2014/15.

Options

105. The Council can accept, reject or amend any part of the budget, non recurring expenditure items, savings target and/or the Council Tax Requirement. Any changes, however, may have an impact on the overall robustness of the budget, which may then need to be reassessed.
106. The Council can accept, amend or reject any of the proposals for levels of Council Tax as they see fit. Each 0.1% changes the level of Council Tax changes the savings required by approximately £7,000. Any alternative proposal would need to be assessed to ensure that budget remained robust and take into account the “excessiveness” principles, if appropriate.

Officer recommendation

107. The Section 151 Officer would recommend that Members increase Council Tax by the maximum permitted without triggering a referendum, in order to protect and maintain the Council’s services and finances in the longer term.
108. A recommendation will be made at the meeting based on set of proposals A or B (or as amended) as set out later in this paper.

Background Papers: Set of detailed revenue estimates in Members Room and on E Scene.

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ANNEX A

2015/16 GENERAL FUND ESTIMATES WITH COUNCIL TAX OPTIONS

PORTFOLIO'S	2014/15	2015/16		Variance
		OPTION A	OPTION B	
	Budget	0% Ctax Inc	1.94% Ctax Inc	
	£	£	£	
Business	2,425,470	1,988,870	1,988,870	436,600
Community	5,699,050	5,672,080	5,672,080	26,970
Corporate	1,388,220	1,413,990	1,413,990	-25,770
Finance	1,931,600	1,980,810	1,980,810	-49,210
Regulatory	2,256,610	2,241,520	2,241,520	15,090
Transformation	1,053,070	1,098,350	1,098,350	-45,280
	14,754,020	14,395,620	14,395,620	358,400
Less: Staff cost amendments	-198,671	-129,940	-129,940	-68,731
Pension adjustment	-199,184	-472,370	-472,370	273,186
Add: Additional pension contribution	169,000	338,000	338,000	-169,000
Internal asset charges reversed	-2,680,990	-2,311,760	-2,311,760	-369,230
Less: Funding from Reserves	-557,900	-693,850	-693,850	135,950
NET COST OF SERVICES	11,286,275	11,125,700	11,125,700	160,575
Less: Investment Interest earned	-200,000	-300,000	-300,000	
Less: New Homes Bonus	-525,000	-600,000	-600,000	
ESTIMATED NET EXPENDITURE	10,561,275	10,225,700	10,225,700	
Less: Savings Target	-255,977	-315,895	-246,597	
Add: Contribution to Parishes	19,943	19,943	19,943	
Add: Tfr to Reserves from Collection Fund	169,000	0	0	
BUDGET REQUIREMENT	10,494,241	9,929,748	9,999,046	
Less: Sec 31 Grant in Lieu of Council Tax	0	-70,477	0	
Less: Collection Fund Surplus	-169,000	-120,000	-120,000	
Less: Business Rates baseline	-1,304,845	-1,329,778	-1,329,778	
Less: Rate Support Grant	-1,441,565	-965,188	-965,188	
Less: Other Grants in settlement	-227,942	-223,402	-223,402	
Less: Business Rates growth	-200,000	0	0	
Add: Parish Precepts	496,808	513,517	513,517	
COUNCIL TAX REQUIREMENT	7,647,697	7,734,420	7,874,195	
Less: Special Expenses	-173,111	-173,111	-176,000	
Less: Parish Precepts	-496,808	-513,517	-513,517	
OWN COUNCIL TAX REQUIREMENT	6,977,778	7,047,792	7,184,678	
<i>Band D equivalent Properties</i>	<i>36,237.02</i>	<i>36,600.49</i>	<i>36,600.49</i>	
<i>Base Council Tax per Band D property</i>	£192.56	£192.56	£196.30	

Notes:

- i) Special Expenses are a deduction from the overall borough budget, representing the cost of providing services in non parished areas of the borough that are paid for by parishes in the parished areas of the borough. This "special expense" is then charged as part of Council Tax on the non parished part of the borough as an additional cost.
- ii) Freeze grant figures are approximate and subject to confirmation. Any difference will be added or deducted from the savings target

GENERAL FUND REVENUE RESERVE						
CALCULATION OF THE MINIMUM REQUIREMENT						
				Calculation Basis		TOTAL
				Base	%	Total
				£000		£000
Provision for cash flow on expenditure Items						
Based on gross General Fund Expenditure				18,500	3%	463
Provision for shortfall in major income budgets						
Arena				250	4%	10
Building control Fees				281	4%	11
Car Park Income				2,004	4%	80
Community alarms				244	4%	10
Community Transport				202	4%	8
Development Control				566	4%	23
Housing				95	4%	4
Licensing				150	4%	6
Local Land charges				200	4%	8
Meals on Wheels				165	4%	7
Older peoples centres				160	4%	6
Parks				288	4%	12
Property Rents				1,000	4%	40
Theatre				1,083	4%	43
Waste and recycling				1,060	4%	42
				7,748		310
Other Contingencies						
- Major Incident or business recovery						50
Cost of major enquiry						50
- Shortfall on Business Rates						100
Failure to achieve savings target						150
TOTAL RESERVE REQUIRED						£1,122

REVENUE FUND PROJECTION 2015/16 to 2019/20

BASE MODEL

2015/16 £000		2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
Budget	Portfolio				
1,989	Business	1,989	1,989	1,989	1,989
2,241	Regulatory	2,241	2,241	2,241	2,241
1,414	Corporate	1,414	1,414	1,414	1,414
5,672	Community	5,672	5,672	5,672	5,672
1,981	Finance	1,981	1,981	1,981	1,981
1,063	Transformation	1,063	1,063	1,063	1,063
	MC adj				
-694	Less funded from Reserves	-694	-694	-694	-694
-280	Vacancy Margin	-280	-280	-280	-280
13,386		13,386	13,386	13,386	13,386
	One Off or Non Cash Costs				
(2,311)	Internal Asset charges	(2,311)	(2,311)	(2,311)	(2,311)
(472)	FRS17 Pensions	(472)	(472)	(472)	(472)
338	Pension deficit funding	507	250	250	250
35	Non recurrent costs				35
(2,410)		(2,276)	(2,533)	(2,533)	(2,498)
10,976	Base Budget	11,110	10,853	10,853	10,888
	Financing Changes				
(300)	Investment Income	(345)	(401)	(373)	(336)
	Income Inflation	(160)	(323)	(490)	(659)
	LCTSS growth	20	40	60	80
150	Wages Inflation	287	473	662	856
	Expense Inflation	100	252	405	561
(150)	Total	(98)	41	266	501
10,826	Total Budget to be funded	11,012	10,894	11,119	11,389
	Financed By				
965	Rate support Grant	793	420	420	420
1,330	Business Rates	1,400	1,400	1,450	1,500
223	Other grants	223	223	223	223
-20	Contribution to Parishes	-20	-20	-20	-20
7,185	Council Tax	7,324	7,466	7,611	7,759
120	Collection Fund Surplus	120	120	120	120
600	New Homes Bonus	600	300	0	0
	Increase in Tax Base	50	100	150	200
176	Special Expenses	179	183	186	190
10,579	Total Finance	10,670	10,192	10,141	10,392
247	Funding Gap/Savings	343	701	978	997

CAPITAL EXPENDITURE FORECAST 2015 To 2020

BASE MODEL

	Estimated 2015/16 £'000	Estimated 2016/17 £'000	Estimated 2017/18 £'000	Estimated 2018/19 £'000	Estimated 2019/20 £'000
Disabled Facilities Grants	500	500	500	500	500
Renovation Grants	25	25	25	25	25
IT					
Planned Property Maintenance					
Capitalised Salaries					
Equipment Replacement Program					
GRAND TOTAL OF ALL SCHEMES	525	525	525	525	525
CAPITAL RECEIPTS RESERVE B/F	500	295	90	0	0
Add: Funding from Capital Revenue Reserve	0	0	115	205	205
Add: Funding from Revenue					
Add: Government Grant	270	270	270	270	270
Add: Capital Receipts	50	50	50	50	50
Less: Capital Expenditure	(525)	(525)	(525)	(525)	(525)
CAPITAL RECEIPTS RESERVE C/F	295	90	0	0	0
CAPITAL REVENUE RESERVE B/F	9,237	8,937	8,687	8,322	7,867
Less: Transformation	(300)	(250)	(250)	(250)	(250)
Less Funding Required for Capital	0	0	(115)	(205)	(205)
CAPITAL REVENUE RESERVE C/F	8,937	8,687	8,322	7,867	7,412

ANNEX C

**GENERAL FUND CAPITAL AND REVENUE BALANCES ESTIMATED 2015 TO 2020
WITH COUNCIL TAX INCREASE**

Estimated Balance 31-Mar-15 £000		Estimated Balance 31-Mar-16 £'000	Estimated Balance 31-Mar-17 £000	Estimated Balance 31-Mar-18 £000	Estimated Balance 31-Mar-19 £000	Estimated Balance 31-Mar-20 £000
	Capital Reserves					
500	Capital Receipts	295	90	0	0	0
500	Sub Total Capital Reserves	295	90	0	0	0
	Earmarked Revenue Reserves					
12	Atrium Public Art	11	11	10	10	9
350	Atrium s106	0	0	0	0	0
130	Blackwater Valley & Developer Conts	110	90	60	30	0
10	Gum Machine	8	6	4	2	0
6	Chobham Partnership	0	0	0	0	0
740	Commuted Sums	600	500	400	300	200
320	Community Fund	280	230	180	130	80
120	Crime and Disorder Partnership	70				
360	Deepcut Commuted Sums	340	330	320	310	300
40	Heathside Muga	0	0	0	0	0
180	Insurance	150	100	90	80	80
360	Land Drainage	330	300	250	200	150
25	Land Charges	0	0	0	0	0
35	new burdens	0	0	0	0	0
20	Old Dean Toddlers Playground	15	12	12	10	8
40	Personalisation	0				
120	Sec 106	100	70	50	30	10
350	Planning Tariffs	300	250	300	250	300
1,750	Repairs and Property Fund	1,600	1,450	1,300	1,150	1,000
206	Recycling Fund	150	50	0	0	0
45	Remediation Fund	45	45	45	45	45
240	Surrey Family Support	100	0	0	0	0
800	SANGS	850	1,000	1,250	1,500	1,750
6,259	Total Earmarked Revenue Reserves	5,059	4,444	4,271	4,047	3,932
	Other Revenue Reserves					
9,237	Capital Revenue Reserve	8,937	8,687	8,322	7,867	7,412
200	New Homes Bonus	400	600	800	1,000	1,200
1,200	General Fund Working Balance	1,053	710	9	-968	-1,966
10,637	Total Other Revenue Reserves	10,390	9,997	9,131	7,899	6,646
17,396	TOTAL RESERVES	15,744	14,531	13,402	11,946	10,578

Setting of Council Tax 2015/16

Portfolio:	Finance
Ward(s) Affected:	All

Purpose

To set the Council Tax for 2015/16.

1. Having determined its Council Tax Requirement for 2015/16, Members are now required to formally approve the Council Tax for the area taking into account precepts received from Surrey County Council, Surrey Police and Crime Commissioner and the Parishes.

Proposals in this paper

2. This paper essentially contains two sets of proposals based on the two options for the Council Tax for Surrey Heath as presented in the earlier paper as follows:
 - Option A - 0% increase in Surrey Heath Council Tax
 - Option B – 1.94% increase in Surrey Heath Council Tax
3. The actual recommendation proposed is dependent on the decision taken in the previous item.
4. In approving the Council Tax for 2015/16, the Council should note the following:
 - i. The Executive, at its meeting on 6th January 2015, approved the draft Council Tax base for 2015/16, but delegated the final setting of the base to the Executive Head of Finance. The tax base has been set at 36,600.49 Band D equivalent properties.
 - ii. Precepts have been received from the Parishes for 2015/16 and these are shown in this report.
 - iii. The Surrey County Council Precept for 2015/16 is £44,640,885.64 (was £43,333,315.63)
 - iv. The Surrey Police and Crime Commissioner Precept for 2015/16 is £7,901,679.79 (was £7,760,652.39)

OPTION A1 – Recommendation to Freeze Council Tax for Surrey Heath and Surrey Police Precept received

Council Tax Levels for 2015/16

1. The following Parish Precepts have been received for the financial year 2015/16:

Parish councils	2014/15			2015/16			% Change per Band D
	Tax Base	Precepts £	Council Tax Band D	Tax Base	Precepts £	Council Tax Band D	
Bisley	1,464.72	64,523	44.05	1,507.32	67,381	44.70	1.5%
Chobham	1,895.73	74,037	39.05	1,922.82	76,537	39.80	1.9%
West End	1,988.67	80,278	40.37	1,997.80	81,453	40.77	1.0%
Windlesham	7,913.83	277,970	35.12	8,046.62	288,146	35.81	1.9%
TOTAL/AVERAGE	13,262.95	496,808	37.46	13,474.56	513,517	38.11	1.7%
Frimley & Camberley	22,974.07	173,111	7.54	23,125.93	173,111	7.49	-0.7%
TOTAL/AVERAGE	36,237.02	669,919	18.49	36,600.49	686,628	18.76	1.5%

2. The table below sets out the basic Council Tax at Band D properties for 2015/16 as compared with 2014/15.

	2014/15 £	2015/16 £	Increase £	%
Borough Council	192.56	192.56	0.00	0.00
County Council	1,195.83	1,219.68	23.85	1.99
Police Authority	211.68	215.89	4.21	1.99
Basic Council Tax	£1,600.07	£1,628.13	£28.06	1.75%

3. The Council will note that Surrey Heath's Council Tax is the smallest of the three principal precepting authorities and represents 11.8% of the total Council Tax Bill. In cash terms this represents 53p per day for each Band D property.

Set of Recommendations A – 0% increase in Council Tax for Surrey Heath

The Council is recommended to:

4. NOTE that the Council Tax Base for 2015/16 is calculated in accordance with regulations made under Section 33(5) of the Local Government Finance Act 1992:
- for the whole Council area as 36,600.49 (Item T in the formula in Section 31B of the Local Government finance Act 1992, as amended (the "Act")); and
 - for dwellings in those parts of its area to which a Parish precept relates as in Table B below.

Bisley	1,507.32
Chobham	1,922.82
Frimley and Camberley	23,125.93

West End	1,997.80
Windlesham	8,046.62

being the amounts calculated by the Council in accordance with regulation 6 of the Regulations, as the amount of its Council Tax base for the year for dwellings in those parts of its area to which special items relate.

- c) The Surrey County Council Precept for 2015/16 is ££44,640,885.64 (was £43,333,315.63)
 - d) The Surrey Police and Crime Commissioner Precept for 2015/16 is £7,901,679.79 (was £7,760,652.39)
5. RESOLVE that the Council Tax requirement for the Council's own purposes, for 2015/16 (excluding parish precepts and special expenses), is £7,047,790
6. RESOLVE that the following amounts be calculated for the year 2015/16, in accordance with Sections 31 to 36 of the Act:
- a) 50,274,436 being the aggregate of the amounts which the Council estimates for the items set out in Section 31(A)2 of the Act taking into account all precepts issued to it by Parish Councils.
 - b) 42,540,018 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - c) 7,734,418 being the amount by which the aggregate at 6(a) above exceeds the aggregate at 6(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
 - d) £211.32 being the amount at 6(c) above (Item R), as divided by Item T (1(a) above) calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts)
 - e) 686,628 being the aggregate amount of all special items referred to in Section 34(1) of the Act (as per para 1 above)
 - f) £192.56 being the amount at 6(d) above less the result given by dividing the amount at 6(e) above by Item T (1(a) above), calculated by the Council in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.

7. NOTE that the County Council and the Police Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.

Surrey County Council

Valuation Bands							
A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
813.12	948.64	1,084.16	1,219.68	1,490.72	1,761.76	2,032.80	2,439.36

Surrey Police and Crime Commissioner

Valuation Bands							
A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
143.93	167.91	191.90	215.89	263.87	311.84	359.82	431.78

8. RESOLVE that the Council, in accordance with sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2015/16 for each part of its area and for each of the categories of dwellings.

Parish precepts and special expenses

Valuation Band								
Part of Area	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Bisley	29.80	34.76	39.73	44.70	54.64	64.57	74.50	89.40
Chobham	26.54	30.95	35.38	39.80	48.65	57.49	66.33	79.60
Frimley and Camberley	5.00	5.82	6.66	7.49	9.16	10.82	12.49	14.98
West End	27.18	31.71	36.24	40.77	49.83	58.89	67.95	81.54
Windlesham	23.87	27.85	31.83	35.81	43.77	51.73	59.68	71.62

Surrey Heath Borough Council

Valuation Bands							
A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
128.37	149.77	171.16	192.56	235.35	278.14	320.93	385.12

Aggregate of Parish and Surrey Heath Borough Council

Valuation Band								
Part of Area	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Bisley	158.17	184.54	210.90	237.26	289.98	342.71	395.43	474.52
Chobham	154.91	180.72	206.54	232.36	284.00	335.63	387.27	464.72
Frimley & Camberley	133.37	155.59	177.82	200.05	244.51	288.96	333.42	400.10
West End	155.55	181.48	207.40	233.33	285.18	337.03	388.88	466.66
Windlesham	152.25	177.62	203.00	228.37	279.12	329.87	380.62	456.74

Total of all Precepts

Valuation Band								
	A	B	C	D	E	F	G	H
Part of Area	£	£	£	£	£	£	£	£
Bisley	1,115.22	1,301.09	1,486.96	1,672.83	2,044.57	2,416.31	2,788.05	3,345.66
Chobham	1,111.96	1,297.27	1,482.60	1,667.93	2,038.59	2,409.23	2,779.89	3,335.86
Frimley & Camberley	1,090.42	1,272.14	1,453.88	1,635.62	1,999.10	2,362.56	2,726.04	3,271.24
West End	1,112.60	1,298.03	1,483.46	1,668.90	2,039.77	2,410.63	2,781.50	3,337.80
Windlesham	1,109.30	1,294.17	1,479.06	1,663.94	2,033.71	2,403.47	2,773.24	3,327.88

9. NOTE that the Council's basic amount of Council Tax for 2015/16 is NOT excessive in accordance with the principles approved under Section 52ZB Local Government Finance Act 1992.

Relevant amount of Council Tax 2014/15 for the basis of the referendum £192.56

Relevant amount of Council Tax 2015/16 for the basis of the referendum £192.56

Percentage Increase 0.00%

As this is less than 2.0% the basic amount of Council Tax for 2015/16 is NOT deemed to be excessive and the council will qualify for the freeze grant

NB: Parishes are not subject to the "Excessiveness Principles" and so are free to levy any increase they wish

OPTION B – Recommendation to increase Council Tax by 1.94% for Surrey Heath

Council Tax Levels for 2015/16

1. The following Parish Precepts have been received for the financial year 2015/16:

Parish councils	2014/15			2015/16			% Change per Band D
	Tax Base	Precepts £	Council Tax Band D	Tax Base	Precepts £	Council Tax Band D	
Bisley	1,464.72	64,523	44.05	1,507.32	67,381	44.70	1.5%
Chobham	1,895.73	74,037	39.05	1,922.82	76,537	39.80	1.9%
West End	1,988.67	80,278	40.37	1,997.80	81,453	40.77	1.0%
Windlesham	7,913.83	277,970	35.12	8,046.62	288,146	35.81	1.9%
TOTAL/AVERAGE	13,262.95	496,808	37.46	13,474.56	513,517	38.11	1.7%
Frimley & Camberley	22,974.07	173,111	7.54	23,125.93	176,000	7.61	0.9%
TOTAL/AVERAGE	36,237.02	669,919	18.49	36,600.49	689,517	18.76	1.5%

2. The table below sets out the basic Council Tax at Band D properties for 2015/16 as compared with 2014/15.

	2014/15 £	2015/16 £	Increase £	%
Borough Council	192.56	196.30	3.74	1.94
County Council	1,195.83	1,219.68	23.85	1.99
Police Authority	211.68	215.89	4.21	1.99
Basic Council Tax	£1,600.07	£1,631.87	£31.80	1.99%

3. The Council will note that Surrey Heath's Council Tax is the smallest of the three principal precepting authorities and represents 12% of the total Council Tax Bill. In cash terms this represents 54p per day for each Band D property.

Set of Recommendations B – 1.94% increase in Council Tax for Surrey Heath

The Council is recommended to:

4. NOTE that the Council Tax Base for 2015/16 is calculated in accordance with regulations made under Section 33(5) of the Local Government Finance Act 1992:
- e) for the whole Council area as 36,600.49 (Item T in the formula in Section 31B of the Local Government finance Act 1992, as amended (the "Act")); and
 - f) for dwellings in those parts of its area to which a Parish precept relates as in Table B below.

Bisley	1,507.32
Chobham	1,922.82
Frimley and Camberley	23,125.93

West End	1,997.80
Windlesham	8,046.62

being the amounts calculated by the Council in accordance with regulation 6 of the Regulations, as the amount of its Council Tax base for the year for dwellings in those parts of its area to which special items relate.

5. RESOLVE that the Council Tax requirement for the Council's own purposes for 2015/16 (excluding parish precepts and special expenses) is £7,184,678.
6. RESOLVE that the following amounts be calculated for the year 2015/16 in accordance with Sections 31 to 36 of the Act:
 - a) 50,343,736 being the aggregate of the amounts which the Council estimates for the items set out in Section 31(A)2 of the Act taking into account all precepts issued to it by Parish Councils.
 - b) 42,469,541 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - c) 7,874,195 being the amount by which the aggregate at 6(a) above exceeds the aggregate at 6(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
 - d) £215.14 being the amount at 6(c) above (Item R), as divided by Item T (1(a) above) calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts)
 - e) 689,517 being the aggregate amount of all special items referred to in Section 34(1) of the Act (as per para 1 above)
 - f) £196.30 being the amount at 6(d) above less the result given by dividing the amount at 6(e) above by Item T (1(a) above), calculated by the Council in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.

7. NOTE that the County Council and the Police Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.

Surrey County Council

Valuation Bands							
A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
813.12	948.64	1,084.16	1,219.68	1,490.72	1,761.76	2,032.80	2,439.36

Surrey Police and Crime Commissioner

Valuation Bands							
A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
143.93	167.91	191.90	215.89	263.87	311.84	359.82	431.78

8. RESOLVE that the Council, in accordance with sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2015/16 for each part of its area and for each of the categories of dwellings.

Parish precepts and special expenses

Valuation Band								
Part of Area	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Bisley	29.80	34.76	39.73	44.70	54.64	64.57	74.50	89.40
Chobham	26.53	30.95	35.38	39.80	48.65	57.49	66.33	79.60
Frimley and Camberley	5.07	5.92	6.76	7.61	9.30	11.00	12.68	15.22
West End	27.18	31.71	36.24	40.77	49.83	58.89	67.95	81.54
Windlesham	23.87	27.85	31.83	35.81	43.77	51.73	59.68	71.62

Surrey Heath Borough Council

Valuation Bands							
A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
130.87	152.68	174.49	196.30	239.92	283.54	327.17	392.60

Aggregate of Parish and Surrey Heath Borough Council

Valuation Band								
Part of Area	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Bisley	160.67	187.44	214.22	241.00	294.56	348.11	401.67	482.00
Chobham	157.40	183.63	209.87	236.10	288.57	341.03	393.50	472.20
Frimley and Camberley	135.94	158.60	181.25	203.91	249.22	294.54	339.85	407.82
West End	158.05	184.39	210.73	237.07	289.75	342.43	395.12	474.14
Windlesham	154.74	180.53	206.32	232.11	283.69	335.27	386.85	464.22

Total of all Precepts

Valuation Band								
	A	B	C	D	E	F	G	H
Part of Area	£	£	£	£	£	£	£	£
Bisley	1,117.72	1,303.99	1,490.28	1,676.57	2,049.15	2,421.71	2,794.29	3,353.14
Chobham	1,114.45	1,300.18	1,485.93	1,671.67	2,043.16	2,414.63	2,786.12	3,343.34
Frimley & Camberley	1,092.99	1,275.15	1,457.31	1,639.48	2,003.81	2,368.14	2,732.47	3,278.96
West End	1,115.10	1,300.94	1,486.79	1,672.64	2,044.34	2,416.03	2,787.74	3,345.28
Windlesham	1,111.79	1,297.08	1,482.38	1,667.68	2,038.28	2,408.87	2,779.47	3,335.36

9. NOTE that the Council's basic amount of Council Tax for 2015/16 is NOT excessive in accordance with the principles approved under Section 52ZB Local Government Finance Act 1992.

Relevant amount of Council Tax 2014/15 for the basis of the referendum £192.56

Relevant amount of Council Tax 2015/16 for the basis of the referendum £196.30

Percentage Increase

As this is less than 2.0% the basic amount of Council Tax for 2015/16 is NOT deemed to be excessive.

NB: Parishes are not subject to the "Excessiveness Principles" and so are free to levy any increase they wish.

Background Papers: None

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Business Rates Reliefs

Portfolio:	Finance
Ward(s) Affected:	All

Purpose

To implement the changes to Business Rate Reliefs announced by the Chancellor of the Exchequer in the Autumn statement.

1. In the autumn statement, the Chancellor announced changes to two business rate reliefs as follows:
 - a) To extend transitional relief for business rate payers with a 31st March 2010 rateable value of under £50,000, for a further 2 year, to 31st March 2017 and;
 - b) To increase the maximum amount available for Retail Relief to £1,500 for 2015/16. All other aspects of the scheme to remain unchanged.
2. As these are only temporary changes, the Government expects local authorities to grant the relief using their discretionary relief powers, under section 47 of the Local Government Finance Act 1988, as amended.
3. Both of these reliefs will help smaller businesses which are still coming out of the recession.

Resource Implications

4. Central government has committed to fully reimburse local authorities for the cost of these reliefs by way of a section 31 grant provided they fulfil the Government's criteria. The recommendation as proposed does meet this condition.

Proposals

5. It is proposed that:
 - i) Members grant a local scheme of discretionary relief under section 47 of the Local Government Finance Act 1988, as amended, to extend awards of transitional relief for properties with a rateable value of up to an including £50,000 from 1 April 2015 to 31 March 2017.
 - ii) The relief be calculated in accordance with Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2009 No. 3343. I.e. In accordance with the rules existing as at 1 March 2015.
 - iii) Any discretionary transitional relief granted will be re-calculated in the event of a change to the rating list for the property concerned (retrospective or otherwise).
 - iv) To increase the amount of discount given in the "Business Rates Retail Relief Scheme", as approved by full Council on the 26th February 2015, to £1,500 pa, from the current £1,000pa with effect from the 1st April 2015.

Options

6. Members can decide to grant, reject or vary the scheme of discretionary reliefs as outlined. It should be noted that only those meeting the Government's requirements will be fully funded.

Recommendation

7. It is recommended that:
 - i) Members grant a local scheme of discretionary relief under section 47 of the Local Government Finance Act 1988, as amended, to extend awards of transitional relief for properties with a rateable value of up to and including £50,000, from 1 April 2015 to 31 March 2017.
 - ii) The relief be calculated in accordance with Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2009 No. 3343. i.e. In accordance with the rules existing as at 1 March 2015.
 - iii) Any discretionary transitional relief granted will be re-calculated in the event of a change to the rating list for the property concerned (retrospective or otherwise).
 - iv) To increase the amount of discount given in the "Business Rates Retail Relief Scheme", as approved by full Council on the 26th February 2015, to £1,500 pa from the current £1,000pa, with effect from the 1st April 2015.

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The Governance Working Group

Portfolio	Non Executive Function
Ward(s) Affected:	n/a

Purpose

To consider the recommendations of the Governance Working Group in relation to

- (a) a revised Scheme of Delegation of Functions to Officers in respect of the non- executive functions of Council; and**
- (b) amendments to Council Procedure Rules and the Petitions Scheme.**

The Scheme of Delegation of Functions to Officers

Introduction

1. The Scheme of Delegation of Functions to Officers has been in existence for many years and has been added to and amended in an ad hoc manner. Despite many revisions it has never been subject to a complete overhaul. The current scheme, because it is detailed and specific, requires constant revision to keep it up to date and inevitably there are gaps in provision.
2. With the increasing speed of change, both external and internal, there is a need for a flexible, generic and user-friendly Scheme of Delegation to meet the needs of a modern local authority. As a result the Scheme of Delegation has been rewritten with a view to achieving these aims.
3. In addition, many of the Council’s new Policies and Procedures set out in detail who is responsible for making decisions.
4. As the approach to the new scheme is very different to the existing scheme it is not possible to show tracked changes. However, an audit trail of the migration of the existing delegations into the new scheme has been kept, and is available for Members to view in the Members’ Room.

The New Approach

5. The new approach to the Scheme provides for:
 - a. the migration of delegations from subject headings to the Statutory Officers and Executive Head service areas to make the scheme more accessible;

- b. many of the delegations (particularly those from the Planning Applications Committee, the Licensing Committee and the Council in relation to HR functions) to be dealt with on an exceptions basis i.e. the decisions to be made by the Committee have been identified and reserved to that Committee. The officers are authorised to take all remaining actions relating to that function;
- c. the removal of day to day management and administrative actions. The scheme now includes only actual decisions;
- d. the removal of outdated and redundant delegations;
- e. the transfer, to the General Principles, of a number of areas common to officers across the Council such as the service of notices, authorisations to enter premises, taking urgent action, etc.

New Delegations

- 6. In order to increase efficiency, decrease bureaucracy and reduce costs, a requirement for some new non-executive delegations has been identified. It is, therefore, proposed that the following delegations be amended or added as follows:
 - a. The development delegations from the Planning Applications Committee to be extended to allow officers to determine a wider range of planning applications;
 - b. To allow the Head of Paid Service to amend the Terms and Conditions of Employment for Staff and Human Resources Policies where there are no additional budget implications and where there is a unanimous decision of the Joint Staff Consultative Group;

Consultation

- 7. The Planning Applications Committee and Licensing Committee have been consulted in relation to their areas of responsibility and their functions under their Terms of Reference.
- 8. The Planning Applications Committee considered the revised Scheme in relation to Development Management functions at its meeting on 22 September 2014. The Committee recommended that all delegations be adopted as proposed.
- 9. The Licensing Committee considered the revised Scheme in relation to licensing functions at its meeting on 3 September 2014. The Committee proposed that an existing delegation authorising officers to approve increases to hackney carriage fare scales and hackney

carriage and private hire licence fees, after consultation with the Chairman and Vice Chairman, be removed. All other delegations were recommended for adoption.

The Governance Working Group

10. The Governance Working Group, at its meetings on 7 November and 12 December 2014, considered in detail the revised scheme.
11. The Working Group endorsed the proposal for a number of delegations, particularly those from the Planning Applications, the Licensing Committees and the Council in relation to HR functions, to be dealt with on an exceptions basis i.e. the decisions to be made by the Committee have been identified and reserved to that Committee; Officers are authorised to take all remaining actions relating to that function.
12. The Working Group has recommended
 - a. to the Full Council, in respect of the non-executive; and
 - b. to the Executive, in respect of the executive functions;that the amended Scheme of Delegation of Functions to Officers be adopted.

Executive Functions

13. The Executive, at its meeting on 27 January 2015, considered the revised Scheme of Delegation as recommended by the Governance Working Group and resolved that the revised Scheme in respect of the Executive Functions be adopted.

Council Functions

14. Annex A sets out the non-executive Council functions only. It should be noted that the authorities delegated to some Executive Heads are solely executive functions and as a result these are not shown in Annex A.

Council Procedure Rules

15. The Working Group has noted that there are currently no procedure rules to govern Portfolio Holder Question Time. Members felt that a Procedure Rule should be introduced, which would provide that the total time for Portfolio Holder Question Time would be no more than 20 minutes and emphasise that the time was for the Portfolio Holder to receive questions rather than give speeches.

The Petitions Scheme

16. The Working Group reviewed the Council's Petition Scheme.
17. Members were reminded that, in order for it to be considered, the Scheme required a petition to have received 50 signatures in support of the proposed action. It was agreed that the table in paragraph 3.2 of the Scheme should be amended to make it clearer that only petitions which had received between 50 and 99 signatures would receive a response from the relevant officer. It was, however, also agreed to add a sentence stating that, in the event that a petition did not receive the required 50 signatures, the petition would be passed to the relevant Executive Head or Service Head for information.
18. Members considered whether the signature thresholds which determined how the Council responded to a petition were still relevant and agreed that they should remain the same at the present time.

Options

19. The Council may agree, amend or reject the amendments to the Constitution as proposed.

Resource Implications

20. In relation to the Scheme of Delegation of Functions to Officers, there will be some savings in officer time, and reduced costs in relation to printing, postage and attendance at meetings. There are no resource implications in relation to the other proposed amendments.

Recommendation

21. It is proposed that the Council resolves that
 - (a) the amended Scheme of Delegation of Functions to Officers in respect of the non-executive functions as set out at Annex A, be adopted;
 - (b) a Procedure Rule for Portfolio Holder Question Time be adopted, as follows:

11A. Portfolio Holder Question Time

11A.1 The purpose of Portfolio Holder Question Time is to allow Members to ask questions of the Portfolio Holder which relate to their area of responsibility.

11A.2 One Portfolio Holder, as identified by the Leader, will respond to questions from Members each meeting.

11A.3 The Portfolio Holder may respond orally, by reference to published material or that which is readily available to the members, or in writing. The Questions will be put and answered without debate.

11A.3 The total time allocated to Portfolio Holder Question Time will be no more than 20 minutes.

(c) the Petitions Scheme at Part 4, Section L of the Constitution be amended as follows:

3.2 The response from the Council will depend upon the number of signatures received:

Number of signatures received	Minimum response
50 to 99	A response from the relevant officer
100 to 749	A response from the relevant Member of the Executive
750 to 3,499	Referred to the Executive
3,500 or more	Debated at a meeting of the full Council

Annexes: Annex A - Scheme of Delegation of Functions to Officers – Non Executive Functions

Background Papers: None

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Part 3 – Section B

SCHEME OF DELEGATION OF FUNCTIONS TO OFFICERS

General Principles

Statutory Officers

Head of Paid Service

The Returning Officer and Electoral Registration Officer

The Monitoring Officer

The Section 151 Officer

Chief Executive

Executive Head – Business

Executive Head – Community

Executive Head – Corporate

Executive Head – Finance

Executive Head – Regulatory

Executive Head – Transformation

Head of Legal Services

Part 3 – Section B

SCHEME OF DELEGATION OF FUNCTIONS TO OFFICERS

General Principles

1. Powers

- 1.1 This Scheme of Delegation is made pursuant to the Local Government Act 1972 Section 101 and by reference to Section 100G and the Local Government Act 2000 Section 15 and The Local Authorities (Functions and Responsibilities) (England) Regulations 2000/2853 (as amended) and all other enabling powers.
- 1.2 The powers in this Scheme of Delegation are only exercisable within the limitations in the Scheme and are subject to the provisions of the Council's Constitution, including Financial Regulations, Contracts Procedural Rules and the Council's Procurement Strategy.
- 1.3 Where the Council, a Committee, Sub-Committee, the Leader, the Executive, Portfolio Holder or this Scheme of Delegation gives authority for any action, the officer designated shall be entitled to take all necessary steps for the doing of such thing.
- 1.4 In the event that an Executive Head of Service or a Head of Service's post ceases to exist or his or her responsibilities are transferred to another Executive Head of Service or Head of Service (as the case may be), temporarily or permanently, then the powers given by this Scheme of Delegation shall be exercisable by the officer in whose area of responsibility the power falls to be exercised.

2. Exercise of Functions

- 2.1 All decisions by officers made under this Scheme of Delegation, may only be exercised provided they are within budgetary provision and in accordance with proper authorities, in particular Financial Regulations.
- 2.2 The Chief Executive may appoint one or more deputies to exercise his or her functions owing to absence or illness and such deputies are authorised to exercise the functions of the Chief Executive pursuant to the Constitution, Financial Regulations and this Scheme of Delegation.
- 2.3 The Chief Executive may exercise the powers delegated to any Executive Head of Service or Head of Service except in relation to those functions

allocated to the chief finance officer (within the meaning of Section 151 of the Local Government Act 1972 and Section 112-114A of the Local Government Finance Act 1988) and to the Monitoring Officer (within the meaning of Sections 5, 5A of the Local Government and Housing Act 1989).

3. Sub-Delegation Scheme

3.1 Where the Chief Executive, Executive Head of Service or Head of Service, are authorised to take decisions, action to implement such decisions will be taken

3.1.1 in the name of (but not necessarily personally by) the Chief Executive, Executive Head of Service or Head of Service; or

3.1.2 by any other officer authorised by Chief Executive, Executive Head of Service or Head of Service to take such action in their name or the sub delegates own name.

3.2 The Chief Executive, Executive Head of Service and each Head of Service must prepare and maintain a Sub-Delegation Scheme setting out which officers have been authorised to make decisions under their delegated powers and subject to which terms and conditions. Sub-delegation Schemes must be lodged with the Democratic Services Manager.

3.3 Where delegations are to be exercised after consultation with the Leader, Portfolio Holder, Group Leaders, ward members or nominated officers, the authorised officer will carry out the consultation and ensure that a record is made.

3.4 Where delegations are to be exercised after consultation with a Portfolio Holder and that Portfolio Holder is unavailable, consultation shall take place with the Leader.

3.5 Where delegations are to be exercised after consultation with other officers, if agreement between officers cannot be reached, the matter must be referred to the Chief Executive for consideration.

4. Urgent Action

4.1 The Chief Executive, Executive Head of Service or Head of Service are authorised to determine matters of an urgent nature which cannot wait for the next meeting of the decision-making body which are not key decisions and which do not contravene established policies or budgets,

- 4.1.1 after consultation with the Leader and Mayor in relation to Council functions;
 - 4.1.2 after consultation with the Leader or relevant Portfolio holder and with the Chairman or Vice-Chairman of the relevant Scrutiny Committee in relation to Executive functions;
 - 4.1.3 after consultation with the Chairman or Vice Chairman of the relevant regulatory Committee.
- 4.2 All matters will be reported to the next meeting of the appropriate decision-making body.

5. Budgets

- 5.1 The Chief Executive, Executive Heads of Service or Heads of Service are authorised to set annual discretionary fees and charges after consultation with the Leader or relevant Portfolio Holder and Executive Head of Finance, as set out in Financial Regulations.
- 5.2 The Chief Executive, Executive Heads of Service, Heads of Service, or Returning Officer are authorised to vire amounts specified in revenue budget headings in accordance with Financial Regulations, subject to the approval of Management Board.

6. Schedule of Authorisations

- 6.1 A schedule of authorisations is attached at Appendix 1.

7. Amendments

- 7.1 Amendments to this Scheme will be approved as follows:
 - 7.1.1 Non-executive functions – by the full Council
 - 7.1.2 Executive functions - by the Leader/Executive
 - 7.1.3 in respect of the officers designated to exercise delegated authorities where changes in the management structure and post titles have resulted from organisational restructures – by the Monitoring Officer.
 - 7.1.4 updates to reflect new legislation where there is no extension to the limit of the existing delegation – the Monitoring Officer.

8. Interpretation

- 8.1 Any reference to a statute or statutory instrument should be taken to include any subsequent statute or statutory instrument that replaces, amends or extends it, or contains related provisions.
- 8.2 The terms “officer”, “staff” or “employee” include any person employed by the Council irrespective of the particular terms and conditions under which they are employed.
- 8.3 Where a delegation is shown as being both an Executive and Non-Executive Function, advice should be sought from the Monitoring Officer regarding the individual circumstances.

Schedule of Authorisations

1. Legal Proceedings

- 1.1 In accordance with Article 14 of the Constitution the Head of Legal Services is authorised to institute legal proceedings in respect of all functions of the Council.
- 1.2 The Executive Head of Finance and Head of Legal are authorised to investigate and prosecute using the powers contained within the Prevention of Social Housing Fraud Act 2013 and any current or amending legislation relating to fraudulent acts associated with the provision of social housing.
- 1.3 The Head of Legal Services is authorised to institute criminal or civil proceedings in respect of any corporate fraud offence on behalf of the Council or the DWP or any other relevant stakeholder and/or partner.

2. Representing the Council in Legal Proceedings

- 2.1 The Head of Legal Services is authorised to appoint any appropriate officer to appear on behalf of the Council and to conduct legal proceedings or complete formal proof in court or tribunal. A record of those officers so appointed will be kept by the Head of Legal Services in accordance with the Sub Delegation Scheme.

3. Land, premises, samples, records, articles, equipment or information

- 3.1 The Chief Executive, Executive Head of Service, Head of Service, and any other officer authorised by those officers, are authorised to
 - 3.1.1 enter, visit or inspect premises,
 - 3.1.2 procure samples,
 - 3.1.3 inspect, seize, detain or destroy any goods, articles or equipment;
 - 3.1.4 inspect, seize and detain any records, including records held in electronic form;
 - 3.1.5 demand or require information

in accordance with and as provided for by any legislation covering any Council function.
- 3.2 The Chief Executive, Executive Head of Service, Head of Service, and any other officer authorised by those officers, may apply to the Justices of the Peace to obtain warrants to enter premises as provided for by any legislation covering any Council function.

- 3.3 A record of any other officers authorised as set out above, will be kept by the Chief Executive, Executive Head of Service or Head of Service as appropriate in accordance with the Sub Delegation Scheme referred to in the General Principles.

4. Instruments of Appointment

- 4.1 The Chief Executive is authorised to issue Instruments of Appointment to the Executive Head of Community as an inspector under the Health & Safety at Work Act 1974 and associated Acts together with all related Regulations and Orders specifying the powers exercisable, having regard to that inspector's qualifications and duties.
- 4.2 The Executive Head of Community is authorised to issue Instruments of Appointment to an inspector under the Health & Safety at Work etc Act 1974 and associated Acts together with all related Regulations and Orders specifying the powers exercisable having regard to that inspector's qualifications and duties.

5. Serving of Notices

- 5.1 The Chief Executive, Executive Head of Service, Head of Service and any other authorised officer employed by the Council are authorised to serve any statutory notices as provided for by any legislation covering any Council function. A record of any other officers so authorised will be kept by the Chief Executive, Executive Head of Service or Head of Service as appropriate in accordance with the Sub Delegation Scheme referred to in the General Principles.

6. Cautions

- 6.1 The Chief Executive, Executive Head of Service, Head of Service and any other officer authorised by those officers, are authorised to act as Cautioning Officer in order to issue cautions to persons making a clear and reliable admission of an offence, where it is considered that the use of a formal caution is appropriate. A record of any other officers so authorised will be kept by the Chief Executive, Executive Head of Service or Head of Service as appropriate in accordance with the Sub Delegation Scheme referred to in the General Principles.

7. Appeals

- 7.1 Unless otherwise reserved to the Council, the Executive, a Committee or Sub Committee, as set out in their Terms of Reference, the Chief Executive, Executive Head of Service, Head of Service and any other officer authorised by those officers, are authorised to hear appeals as provided for by any legislation covering any Council function and in accordance with Council Policies. A record of any other officers so authorised will be kept by the Chief Executive, Executive Head of

Service or Head of Service as appropriate in accordance with the Sub Delegation Scheme referred to in the General Principles.

8. Regulation of Investigatory Powers Act 2000

- 8.1 The Chief Executive is authorised to agree the use of a covert human intelligence source where that source is a vulnerable person or a juvenile or where knowledge of confidential information is likely to be acquired under the Regulation of Investigatory Powers Act 2000.
- 8.2 The Executive Head of Community, the Executive Head of Finance and the Executive Head of Regulatory are authorised
 - 8.2.1 to agree the use of directed surveillance under Section 28 of the Regulation of Investigatory Powers Act 2000; and the use of covert human intelligence sources under Section 29 of the Regulation of Investigatory Powers Act 2000;
 - 8.2.2 as a Designated Person, to issue a Notice/Authority under Chapter II Part 1 of the Regulation of Investigatory Powers Act 2000 requiring communications data to be obtained and disclosed; and
 - 8.2.3 to undertake directed surveillance pursuant to Section 28 of the Regulation of Investigatory Powers Act 2000.
- 8.3 The Head of Legal Services is authorised
 - 8.3.1 after consultation with the appropriate portfolio holder and the Leader of the Council, to amend the Regulation of Investigatory Powers Act 2000 Policy and Procedure, to reflect changes to the legislation or for better performance of the Policy.
 - 8.3.2 to add to, or delete from, the list of authorised officers in Annex 1 of the Policy and Procedure pursuant to the Regulation of Investigatory Powers Act 2000.
- 8.4 The Audit and Investigations Manager is authorised to act as the Council's Single Point of Contact for the purposes of accessing and disclosing communications data under Chapter II Part 1 of the Regulation of Investigatory Powers Act 2000.

9. Consultant in Communicable Diseases Control

- 9.1 The Consultant in Communicable Diseases Control is authorised by the Council to carry out the following actions:
 - 9.1.1 To apply to Justices for orders and certificates with a view to preventing spread of disease.

- 9.1.2 To apply to Justices for orders and certificates for the removal of aged or infirm persons to hospital, after consultation with the patient's General Practitioner and the Executive Head of Community.
- 9.1.3 To serve notices relating to infected food and control of notifiable diseases.

Statutory Officers

Head of Paid Service

	Authority	Function
1.	<p>To make all decisions in relation to Human Resources functions in accordance with the Council's Policies and within budgetary provision, except (a), (b), (c), (d), and (e) below which are reserved to Full Council and (f) which is reserved to the Appointments Committee:</p> <p>(a) the appointment of the Chief Executive and the statutory posts;</p> <p>(b) amendments to Terms and Conditions of Employment for Staff and Human Resources Policies where there are additional budget implications or where there is no unanimous decision the Joint Staff Consultative Group;</p> <p>(c) the adoption of the annual Pay Policy Statement;</p> <p>(d) the approval of and amendments to the Pension Policy Statement;</p> <p>(e) the settlement of any staff pay award; and</p> <p>(f) the appointment of Executive Heads.</p>	Non-executive

The Returning Officer and Electoral Registration Officer

	Authority	After Consultation with	Function
1.	<p>Within the approved budget, to approve scales of remuneration of persons employed on Borough and Parish Council elections.</p>	Other local authorities in Surrey.	Non-executive
2.	<p>To amend the designation of a Polling Place, where within six months of an election,</p> <p>(a) a designated polling place unexpectedly becomes unavailable; and</p> <p>(b) it is impractical to report to Council.</p>	Ward councillors, local party agents and, if applicable, official candidates.	Non-Executive

Statutory Officers

The Monitoring Officer

	Authority	Function
1.	The delegations and authorisations for the Monitoring Officer are as set out in the Constitution at Article 12, the Members' Code of Conduct Part 5 Section A, and the Monitoring Officer Protocol at Part 5, Section J.	Non Executive

Chief Executive

Meetings, Members and the Constitution

	Authority	After Consultation with	Function
1.	To appoint members to the Independent Remuneration Panel.	The party group leaders. All decisions to be reported to all Members by email.	Non-Executive
2.	In respect of ad hoc appointments during the year, to appoint or nominate members and representatives on outside bodies; to appoint trustees; and to identify the meetings of outside bodies which are an approved duty for paying allowances.	The party group leaders. All decisions to be reported to all Members by email.	Non-Executive
3.	To approve the annual timetable of meetings of the Council and Standing Committees.	The Leader	Non-Executive

	Authority	Function
4.	To make changes to the membership of any of the Council's Committees as necessary during the Council year in accordance with the wishes of the respective group leaders. Any changes made to be reported to the next meeting of the Council.	Non-Executive

Executive Head - Community

Licensing

	Authority	After Consultation with	Function
1.	<p>On behalf of the Council, to submit objections and pursue such objections at a public inquiry if needed to:</p> <p>(a) applications for operators licences (including variations) made under the Goods Vehicles (Licensing of Operators) Act 1995; and</p> <p>(b) reviews undertaken of existing licences.</p>	The appropriate ward councillors.	Non-executive
2.	<p>To approve</p> <p>(a) increases in the hackney carriage fare scale, having regard to any objections received; and</p> <p>(b) amendments to the scale of charges for hackney carriage and private hire licence fees, having regard to any objections received.</p>	The Chairman and Vice-Chairman of the Licensing Committee.	Non-executive
3.	The determination of applications for street collections to provide funding to meet a major local/national/international disaster.	The Chairman and Vice-Chairman of the Licensing Committee.	Non-executive

	Authority	Function
4.	<p>To make all decisions in accordance the Council's adopted policies under the following Acts</p> <p>(i) the Public Health Act 1936 and 1961</p> <p>(ii) The Pet Animals Act 1951</p> <p>(iii) Caravan Sites and Control of Development Act 1960</p> <p>(iv) Animal Boarding Establishments Act 1963</p> <p>(v) Riding Establishments Acts 1964 and 1970</p> <p>(vi) Dangerous Wild Animals Act 1976</p>	Non Executive

Executive Head - Community

- (vii) the Local Government (Miscellaneous Provisions) Act 1982,
- (viii) Breeding and Sale of Dogs (Welfare) Act 1999, Breeding of Dogs Act 1991 and Breeding of Dogs Act 1973
- (ix) The Regulatory Reform Act 2001
- (x) Licensing Act 2003,
- (xi) the Gambling Act 2005
- (i) the Scrap Metal Dealers Act 2013

and any subsequent legislation to take all actions relating to the Council's licensing functions, including but not limited to the following:

- A. Personal, premises, club premises licences and Temporary Event Notices*
- B. Hackney carriage vehicles and private hire vehicles*
- C. House to house and street collections*
- D. Street trading*
- E. Club gaming/club machine permits and small society lotteries*
- F. Sexual Entertainment Venues*
- G. Scrap metal dealers*
- H. Animal boarding establishments, riding establishments, dog breeders, pet shops and dangerous wild animals*
- I. Caravan, camping sites and gypsy sites*
- J. Game dealers*
- K. Tattooing, acupuncture, ear piercing, body piercing and electrolysis*

except for

- (a) approval of and amendments to the Statement of Licensing Policy and the Gambling Policy which are reserved to Council;
- (b) approval and amendments to policies relating to functions under the Acts set out above which is reserved to the Licensing Committee;
- (c) approval of increases in the hackney carriage fare scale and amendments to the scale of charges for hackney carriage and private hire licence fees, which is reserved to the Licensing Committee;**
- (d) the designation of and amendments to hackney carriage vehicle ranks which is reserved to the Licensing Committee;

Executive Head - Community

	<p>(e) the power to make an Order identifying a place as a designated public place for the purposes of police powers in relation to alcohol consumption which is reserved to the Licensing Committee;</p> <p>(f) all applications and appeals reserved to the Licensing Sub Committee as set out in its Terms of Reference at Part 3, Section E of the Constitution.</p>	
5.	<p>On behalf of the Council as the Responsible Authority for Environmental Health, the Responsible Authority for Health and Safety, or the Responsible Authority for Licensing, under the Licensing Act 2003, subsequent amendments and all relevant legislation and regulations:</p> <p>(a) to make a relevant representation</p> <p>(b) to apply for a review of a premises licence</p> <p>(c) to apply for a review of a club premises certificate</p>	Non Executive

Food and Safety

	Authority	Function
1.	<p>To make all decisions in accordance the Council's adopted policies under the following Acts</p> <p>(i) the European Communities Act 1972</p> <p>(ii) the Food and Environmental Protection Act 1985</p> <p>(iii) the Food Safety Act 1990,</p> <p>(iv) the Health & Safety at Work etc Act 1974</p> <p>and any associated regulations and any subsequent legislation, to take all actions relating to the Council's functions in respect of food and health & safety and pesticides, except the following which are reserved to the Executive after consultation with the Licensing Committee</p> <p>(a) Food law enforcement Service Plan</p> <p>(b) Food Hygiene Rating Scheme</p>	Non Executive/ Executive

Executive Head – Finance

Financial Management

	Authority	Function
1.	To determine rates of interest payable under: (a) Public Health Acts and Housing Acts (rechargeable works executed by the Council) (b) Local Government (Miscellaneous Provisions) Act 1976 (dangerous trees and restoration of supplies).	Non-Executive

Executive Head – Regulatory

Development Management

	Authority	After Consultation with	Function
1.	<p>To determine major planning applications where these are re-submitted applications previously refused only for SPA reasons which are now resolved and where:</p> <p>(a) the application is not materially different from the original application;</p> <p>(b) the material considerations affecting the decision have not changed;</p> <p>(c) there is no request from a councillor to call in the application for determination by the Committee as set out in 3(b) below.</p>	The Chairman of the Planning Applications Committee and Ward Councillors	Non-executive
2.	To agree variations to Section 106 legal agreements under the Town and Country Planning Act 1990 which relate to planning applications determined by the Planning Applications Committee or Full Council.	The Chairman of the Planning Applications Committee and Ward Councillors	Non-Executive

	Authority	Function
3.	<p>(A) to determine planning applications, applications for advertisement consent, non-material and minor material amendments applications, details to comply with conditions, variation/removal of condition applications, prior notifications/prior approval notices and certificates of lawfulness;</p> <p>(B) to determine applications for listed building and conservation area consent and to take action in relation to listed buildings and Conservation Areas; and</p> <p>(C) to respond to consultations and notifications, including Habitat Regulation Assessments;</p> <p>(D) to determine the need for an environmental impact assessments;</p> <p>(E) to take direct action/seek injunctions in relation to</p>	Non-Executive

Executive Head – Regulatory

	<p>breaches of planning control, remove unauthorised signage/advertisements and remedying the condition of land;</p> <p>(F) to serve notices (including enforcement notices, breaches of condition notices, temporary stop notices, stop notices planning contravention notices;</p> <p>under the Town and Country Planning Acts and any Regulations made in relation to this legislation or any amendments, except (a) (b) (c) (d) (e) and (f) set out below which are reserved for decision by the Planning Applications Committee or (g) set out below which is reserved for decision by the Full Council:</p> <p>(a) planning applications for</p> <ul style="list-style-type: none">(i) the erection of 10 or more dwelling houses;(ii) erection of flatted developments, or conversion of existing properties into 10 or more units;(iii) new developments, extensions or change of use for non-residential development of 1000 sq metres or more; <p>(b) any planning application, where within 28 days of the publication of the weekly list of planning applications, a councillor requests the Executive Head of Regulatory to refer an application to the next appropriate meeting of the Planning Applications Committee for determination-</p> <p>Where the 28 day call-in period has expired, but the Executive Head of Regulatory is satisfied that the circumstances are exceptional and the application has not been determined, they may, after consultation with the Chairman, arrange for that application to be referred to the Committee;</p> <p>(c) any planning application submitted by a serving Councillor, senior officers or any officers considered to be connected with the planning process, who are currently employed by the Council, or the spouse or partner of any of the above persons;</p> <p>(d) any planning application where an objection from a statutory consultee remains unresolved and the officer's recommendation is to approve the application;</p>	
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Executive Head – Regulatory

	<p>(e) any planning application where the Council is the applicant;</p> <p>(f) any planning application which is required to be referred to the Secretary of State;</p> <p>(g) large-scale planning applications relating to land owned by the Council, or elsewhere if the proposed development is likely to have a very significant impact on the community as set out in Article 4.2(n).</p>	
4.	To take action, make decisions, serve notices and carry out works relating to trees pursuant to the Town and Country Planning Act 1990, the Hedgerow Regulations 1997 and Section 23 of the Local Government (Miscellaneous Provisions) Act 1976, and any Regulations made in relation to this legislation or any amendments, except the confirmation or revocation of a tree preservation order where objections have been received which is reserved for decision by the Planning Applications Committee.	Non-Executive
5.	To agree the terms of, and variations to, Section 106 legal agreements under the Town and Country Planning Act 1990, in connection with the grant of planning permission under delegated powers.	Non-Executive

Licensing

	Authority	Function
1.	<p>Under the Licensing Act 2003</p> <p>(a) to respond to the licensing authority in connection with consultations on applications on behalf of the local planning authority;</p> <p>(b) to apply for a review of a premises licence or a club premises certificate.</p>	Non-executive

Executive Head – Transformation

Members Meetings and the Constitution

	Authority	After Consultation with	Function
1.	To review, update and amend the Documents Which Support the Constitution	Members of the Governance Working Group	Non-executive

	Authority	Function
1.	To amend the Constitution when the changes result from requirements of new legislation or to ensure compliance with the Local Government Act 2000 and associated regulations.	Non-executive
2.	To appoint the Licensing Committee Licensing Sub Committees.	Non-executive

Head of Legal Services

Estate Management

	Authority	After Consultation with	Function
1.	To approve expenditure from the Repairs and Maintenance Fund on individual or related items up to £20,000.	The Leader or the appropriate Portfolio Holder	Non-executive or Executive as appropriate to the function being exercised.

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EXECUTIVE PORTFOLIO – BUSINESS PORTFOLIO

All the members of the Executive have collective responsibility for decisions taken by the Executive under its terms of reference and for decisions taken by officers in accordance with the Scheme of Delegation as it relates to the functions of the Executive. The responsibilities of the portfolio holders are set out Part 3 Section D of the Constitution.

The role of a Portfolio Holder is to

- (a) to be accountable for those services within the portfolio areas of responsibility, taking the lead publicly in relation to the Executive's activities in those areas, both inside and outside the Council;
- (b) to take the lead on discussions at Executive meetings for those matters falling within the portfolio responsibilities;
- (c) to present any Executive recommendations on matters falling within the portfolio responsibilities to Council; and
- (d) to respond to issues raised by the scrutiny committees relating to the portfolio responsibilities.

The areas of responsibility currently identified for the Business Portfolio are:

- Camberley Theatre
- Green Space
- Museum
- Leisure
- Car Parking

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