

# Crawley Borough Council

## Minutes of Cabinet

Wednesday, 5 February 2020 at 7.00 pm

### Councillors Present:

P K Lamb (Chair)	Leader of the Council
I T Irvine	Cabinet Member for Housing
G S Jhans	Cabinet Member for Environmental Services and Sustainability
B A Smith	Cabinet Member for Public Protection and Community Engagement
P C Smith	Cabinet Member for Planning and Economic Development and Deputy Leader

### Also in Attendance:

Councillor D Crow, R D Burrett and T Rana

### Officers Present:

Natalie Brahma-Pearl	Chief Executive
Ann-Maria Brown	Head of Legal, Democracy and HR
Karen Hayes	Head of Corporate Finance
Chris Pedlow	Democratic Services Manager

### Apologies for Absence:

Councillor C J Mullins

#### 1. Disclosures of Interest

No disclosures of interests were made.

#### 2. Minutes

The minutes of the meeting of the Cabinet held on 15 January 2020 were approved as a correct record and signed by the Leader.

#### 3. Public Question Time

The Cabinet received a question from Mr Symonds from Ifield asking: 'were Bovis in breach of planning rules by building the Maples development within the landscape character edge of Ifield Brook Meadows, local green space? My question has been

prompted by Councillor Duncan Peck who wrote in the Crawley Observer today (Wednesday) under the headline 'Planning rules need to be taken seriously' – unfortunately, we have seen some examples in Crawley of companies building without planning permission.'

In response Councillor P. Smith responded, commenting that the development application was 100% in the Horsham District Council area, and as an Ifield Councillor, he personally objected to it and believed the Council did so also, but would confirm this. Horsham DC refused the planning permission for the site, but it was granted on appeal by the Planning Inspectorate.

As a Council, we take planning enforcement seriously and the Local Plan and associated planning policies were strong and well-written and as such allows us the ability to challenge those that build without planning permission or at odds with our policies. People do seek retrospective planning permission and we ensure that those retrospective applications were aligned with our policies, otherwise they would be enforced. Recently the Council lost a well-publicised retrospective planning permission case at appeal, but it was fought as it was believed that the building was at odds with planning policies.

#### **4. Matters referred to the Cabinet and Report from the Chair of the Overview and Scrutiny Commission**

It was confirmed that no matters had been referred to the Cabinet for further consideration.

#### **5. 2020/2021 Budget and Council Tax**

The Leader of the Council presented report [FIN/491](#) of the Head of Corporate Finance which set out the Budget and level of Council Tax for the year 2020/21. It was noted that the report detailed each of the Revenue, Capital and Housing Revenue Accounts that combine together to formulate 'The Budget'. In proposing the level of Council Tax for the Financial Year 2020/21, each of those accounts identified had been considered. The proposed Council Tax for 2020/21 was to be increased by 2.43%.

It was emphasised that the Council has a statutory responsibility to set Council Tax and its Budget in advance of the commencement of the new financial year (1 April to 31 March). The Council Tax had to be set by 11 March, each year.

The Cabinet was informed that the proposed Budget had been produced based on the principles set in the Budget Strategy which was approved by Full Council on 16 December 2019. That included achieving a balanced Budget over a three year period, including putting back into reserves when the Budget is in surplus.

The Leader emphasised that the Budget had been set against the background of general uncertainty over local government finance. It was noted that there had been two consultation papers relating to local government finance, namely the Fair Funding Review and the Business Rates retention reform. It had been expected to present their findings in advance of the Budget setting period, but both reviews had been deferred because of factors such as the General Election. The outcome of these consultations will change the way the Council is funded in the future, and as a result it will be difficult to project forwards.

It was noted that a supplementary agenda had been published that included a replacement to the table within paragraph 5.5.1 of the original report.

Councillor Rana presented the Overview and Scrutiny Commission's comments on the report to the Cabinet following consideration of the matter at its meeting on 3 February 2020. The Commission Chair stated that the Budget report was generally well received at the Commission, where a lengthy and in-depth discussion was held with the Leader over the contents of the Budget report. It was conveyed that five Members of the Commission expressed their support for the report, with the other four Members preferring to abstain and reserve comments for the Full Council meeting being held on 26 February 2020.

Councillors P Smith, Irvine and Jhans all spoke in support during the discussion on the proposed Budget and Council report.

## **RESOLVED**

That Full Council be recommended to approve the following items regarding the 2020/21 Budget:

- a) to approve the proposed 2020/21 General Fund Budget including savings and growth as set out in section 6 and Appendix 1 and Appendix 2 of the report [FIN/491](#),
- b) to approve the proposed 2020/21 Housing Revenue Account Budget as set out in section 10 and Appendix 3 of the report [FIN/491](#),
- c) to approve the 2019/20 to 2022/23 Capital Programme and funding as set out in paragraph 11.5 of the report [FIN/491](#),
- d) to agree that the Council's share of Council Tax for 2020/21 be increased by 2.43% from £203.94 to £208.89 for a band D property as set out in paragraphs 5.5.1 and 13.3 of report [FIN/491](#),
- e) to approve the Pay Policy Statement for 2020/2021 as outlined in paragraph 16.3 and Appendix 6 of the report [FIN/491](#).

## **Reasons for the Recommendations**

To provide adequate funding for the proposed level of services and to fulfil the statutory requirement to set a Budget and Council Tax and report on the robustness of estimates.

## **6. Treasury Management Strategy 2020/2021**

The Leader of the Council presented report [FIN/493](#) of the Head of Corporate Finance which set out that the strategy covered two main areas: treasury management issues and capital related matters. It was noted that the Council was required under statute to produce a Treasury Management Strategy.

It was confirmed that the treasury management element, as referred to, ensures that the Council's cash flow was adequately planned, with cash being available when it was needed to operate a balanced Budget. Whilst surplus monies were invested in

low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.

Whilst the capital element provides a guide to the borrowing need of the Council, essentially the longer term cash flow planning ensures that the Council can meet its capital spending obligations. That management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

The Cabinet was informed that the Council's investment priorities were security first, portfolio liquidity second and then yield (return). The Council's ethical investment policy was also considered when investments were sought.

Councillor Rana presented the Overview and Scrutiny Commission's comments on the report to the Cabinet following consideration of the matter at its meeting on 3 February 2020.

Councillor B Smith spoke as part of the discussion on the report, noting that the reason that there was no capital expenditure for her portfolio was due to the nature of the areas covered by her remit, which were more revenue based functions.

## **RESOLVED**

That Full Council be recommended to approve:

- a) the Treasury Prudential Indicators and the Minimum Revenue Provision (MRP) Statement contained within Section 5 of report [FIN/493](#);
- b) the Treasury Management Strategy contained within Section 6 of report [FIN/493](#);
- c) the Investment Strategy contained within Section 7, and the detailed criteria included in Appendix 3 of report [FIN/493](#).

## **Reasons for the Recommendations**

The Council's financial regulations, in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice for Treasury Management, requires a Treasury Management Strategy to be approved for the forthcoming financial year. The Local Government Act 2003 and supporting regulations requires Council to have regard to the Prudential Code and to set prudential indicators to ensure that the Council's capital investment plans are affordable, prudent and sustainable. Report [FIN/493](#) complies with these requirements.

## **7. 2019/2020 Budget Monitoring - Quarter 3**

The Leader of the Council presented report [FIN/492](#) of the Head of **Corporate Finance** to the Cabinet which provided a summary of the Council's actual revenue and capital spending up to the third quarter ending December 2019. It identified the main variations from the approved spending levels and any potential impact on future budgets.

Councillor P Smith also spoke on the item, commenting that pleasingly the projected revenue shortfall relating to planning applications had reduced by £46,000 with the projected £59,000 shortfall. It was hoped that a number of major planning applications, which had been on hold due to a number of national factors, would be coming through soon and should equate for the missing revenue.

## RESOLVED

That Cabinet notes the projected outturn for the year 2019/2020 as summarised in report [FIN/492](#).

### Reasons for the Recommendations

To report to Councillors on the projected outturn for the year (2019/2020) compared to the approved budget.

## 8. Irrecoverable Debts 2019/2020

The Leader of the Council presented report [FIN/490](#) of the Head of Corporate Finance, which sought approval to write-off debts to the Council that were considered to be irrecoverable and exceed the delegated limit of £50,000 per write-off. The proposed write-off in excess of £50,000 totalled £301,982.60.

## RESOLVED

That the Cabinet approves the write-off of the Business Rates debt as set out below

Name and Address	Reason	Total £
Genus UK Ltd 15 County Mall	In Administration	57,529.67
Monsoon Ltd 10 & 11 County Mall	Entered into Company Voluntary Arrangements	82,320.00
Premier Parking Gatwick Ltd Land Peeks Brook Lane	In Liquidation	162,132.93
<b>Total</b>		<b>301,982.60</b>

### Reasons for the Recommendations

The Council's Constitution necessitates amounts exceeding £50,000 requiring write-off to be approved by the Cabinet.

## 9. Social Value Charter

The Leader of the Council presented report [FIN/488](#) of the Head of Corporate Finance. It was explained that currently Crawley Borough Council has several policies and charters that request the supply chain, through the procurement process, to

support economic, environmental and social improvements in the community. The number of different Charters and policies had been found to be confusing for suppliers and officers trying to ensure that policy requirements were incorporated in relevant tenders. The Social Value Charter therefore seeks to combine these charters and policy commitments into one easy to read document.

Councillors Jhans, P Smith and Irvine all spoke in support of the proposal as part of the discussion on the report.

## **RESOLVED**

That the Cabinet:

- a) approves the Social Value Charter for implementation (as detailed in Appendix A of report [FIN/488](#)) and its associated policy commitments.
- b) delegates authority to the Head of Corporate Finance in consultation with the Head of Legal and Democracy and HR and Head of Economy and Planning to finalise the Charter and arrangements for supplier sign-up, monitoring and make minor amendments to the Social Value Charter when required due to changes in policy or legislation, this will be in consultation with the Leader of the Council (*Generic delegation 7 will be used to enact this recommendation*).
- c) requests that a progress report be presented to Cabinet following the implementation and take up of the Social Value Charter in 12 months' time

## **Reasons for the Recommendations**

Having one Social Value Charter ensures that all of the Council's policy commitments are in one easy to use document. This benefits our suppliers by making our tender processes simpler to follow, clearly stating what our expectations are and enables us to more easily monitor their implementation.

## **Closure of Meeting**

With the business of the Cabinet concluded, the Chair declared the meeting closed at 5.24 pm

**P K LAMB**  
Chair