

COUNCIL

Wednesday, 15th February 2012
at 2.00 pm

LABOUR GROUP BUDGET PROPOSALS

This meeting is open to the public

Members

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LABOUR GROUP

GENERAL FUND REVENUE BUDGET AND COUNCIL TAX 2012/13

AMENDMENT

It is recommended that Council :

- i) Notes the Consultation process that was followed as outlined in Appendix 1 to the General Fund Revenue Budget 2012/13 to 2014/15 report on the Council agenda.
- ii) Notes the Equality Impact Assessment process that was followed as outlined in Appendix 2 to the General Fund Revenue Budget 2012/13 to 2014/15 report on the Council agenda.
- iii) Approves the revised estimate for 2011/12 as set out in Appendix 3 to the General Fund Revenue Budget 2012/13 to 2014/15 report on the Council agenda.
- iv) Approves the use of £563,000 of in year under spend to increase the Interest Equalisation Reserve in 2011/12 to ensure that adequate provision is made for the future increase in interest costs associated with the ongoing utilisation of variable interest rates.
- v) Notes the position on the forecast roll forward budget for 2012/13 as set out in paragraphs 23 to 35 of the General Fund Revenue Budget 2012/13 to 2014/15 report on the Council agenda.
- vi) Approves the revenue bids set out in Appendix 4 to the General Fund Revenue Budget 2012/13 to 2014/15 report on the Council agenda as amended by the changes in Section A of Annex 1 to this Amendment.
- vii) Approves the efficiencies, income and service reductions as set out in Appendix 5 to the General Fund Revenue Budget 2012/13 to 2014/15 report on the Council agenda as amended by the changes in Section B & C of Annex 1 to this Amendment.
- viii) Approves the setting up of a Pay Reserve, as set out in paragraph 63 of the General Fund Revenue Budget 2012/13 to 2014/15 report on the Council agenda.
- ix) Approves the changes to the discretionary redundancy policy as set out in paragraphs 65 to 72 of the General Fund Revenue Budget 2012/13 to 2014/15 report on the Council agenda.
- x) Notes the position of the current negotiations with Trade Unions with respect to Terms & Conditions changes implemented on 11 July, as set out in paragraphs 55 to 64 of the General Fund Revenue Budget 2012/13 to 2014/15 report on the Council agenda.
- xi) Agrees to accept the one off Council Tax freeze grant funding for 2012/13 of £2.1M.

- xii) Approves the General Fund Revenue Budget as set out in Annex 2 to this Amendment which implements a council tax freeze.
- xiii) Delegates authority to the Chief Financial Officer to action all budget changes arising from the approved pressures, bids, efficiencies, income and service reductions and incorporate any other approved amendments into the General Fund estimates.
- xiv) Approves a revised minimum balance of £5.0M as recommended by the Chief Financial Officer in line with the policy guidance outlined in paragraphs 81 to 83 of the General Fund Revenue Budget 2012/13 to 2014/15 report on the Council agenda.
- xv) Notes that after taking these items into account, there is an estimated General Fund balance of £5.1M at the end of 2015/16.
- xvi) Delegates authority to the Chief Financial Officer, in consultation with the Executive Director of Corporate Services, to do anything necessary to give effect to the recommendations in this report.
- xvii) Sets the Council Tax Requirement for 2012/13 at £83,205,500.
- xviii) Notes the estimates of precepts on the Council Tax collection fund for 2012/13 as set out in Appendix 8 to the General Fund Revenue Budget 2012/13 to 2014/15 report on the Council agenda.
- xix) Notes the Medium Term Forecast as set out in Annex 3 to this amendment.
- xx) Authorises the Chief Executive and Chief Officers to pursue the development of the options for efficiencies, income and service reductions as set out in Appendix 5 to the General Fund Revenue Budget 2012/13 to 2014/15 report on the Council agenda for the financial years 2013/14 and 2014/15 as amended by the changes in Section B & C of Annex 1 to this Amendment and continue to develop options to close the remaining projected gaps in those years.

LABOUR GROUP BUDGET PROPOSALS
AMENDMENTS TO GENERAL FUND REVENUE BUDGET PAPERS

REF.		BETTER £000's	WORSE £000's
<u>Section A - Revenue Bids</u>			
NEW a	EMA Scheme		100.0
NEW b	Apprenticeship Scheme		75.0
NEW c	Mount Pleasant Language School (One Year Initiative)		70.0
<u>Section B - Additional Savings</u>			
NEW a	Remove Council Tax Discount	(1,000.0)	
NEW b	Reduced Provision for Redundancy - Reflecting 5.00 FTE (7 Employees) Reduction in Posts at Risk Deleted	(203.3)	
<u>Section C - Rejected Savings Proposals</u>			
ASCH 12	Adult Disability Care Services - To increase income from clients in residential and non residential care through altering the charging policy and becoming more efficient with billing arrangements.		100.0
ASCH 14	Client Income - Increase in income from clients due to changes in the charging policy relating to predominantly day care and extra care schemes. In addition the full cost charged for Domicilliary care will be reviewed.		100.0
ASCH 16	Commissioning - Reduction in contracted advice and advocacy.		120.0
E&T 2	Bereavement - Cemetery staff reduction		13.0
E&T 3	Environmental Health - Review of the Pest Control service		50.0
HOU 4	Parks & Street Cleansing - Improve efficiency of specialist sports pitch maintenance team.		21.0
HOU 6	Communities - Delete one managerial post		53.0
HOU 7	Parks & Street Cleansing - Charge organisers for events support in parks and review opportunities for charging for hosted commercial events.		10.0
HOU 9	Parks & Street Cleansing - Reduction in parks maintenance in non-HRA areas within East, West and Central District areas.		119.0
HOU 10	Parks & Street Cleansing - Reductions in Central District street cleansing activities		117.0
HOU 11	Parks & Street Cleansing - Reduce expenditure on East and West District street cleansing activities.		127.0
HOU 12	Parks & Street Cleansing - Reduction in Central Parks maintenance expenditure		24.0
LEAD 10	Community Safety and Emergency Planning - Reduce discretionary service activities by 60% (excluding minimum requirements for Emergency planning, statutory duties, plus public protection including specialist direct advice to highest risk victims of domestic violence and ASB and ICE bus)		90.0
<u>Section D - Balances</u>			
	Increased Addition to Balances		14.3
		(1,203.3)	1,203.3
Net Gap / (Surplus)			0.0

2012/13 GENERAL FUND REVENUE ACCOUNT

Portfolios	2012/13 Forecast £000's	Revenue Bids £000's	Revenue Pressures £000's	Savings & Income £000's	2012/13 Budget £000's
Adult Social Care & Health	73,438.2	0.0	0.0	(2,930.0)	70,508.2
Childrens Services & Learning	63,552.0	170.0	0.0	(3,315.0)	60,407.0
Environment & Transport	34,581.9	30.0	0.0	(1,821.0)	32,790.9
Housing	10,029.5	0.0	0.0	(519.0)	9,510.5
Leader's Portfolio	8,969.9	75.0	0.0	(1,072.0)	7,972.9
Leisure & Culture	14,146.0	0.0	0.0	(486.0)	13,660.0
Resources	17,958.2	0.0	0.0	(1,555.0)	16,403.2
Sub-total for Portfolios	222,675.7	275.0	0.0	(11,698.0)	211,252.7
Levies & Contributions					
Southern Seas Fisheries Levy	46.0				46.0
Flood Defence Levy	43.0				43.0
Coroners Service	560.0				560.0
	649.0	0.0	0.0	0.0	649.0
Capital Asset Management					
Capital Financing Charges	14,264.5				14,264.5
Capital Asset Management Account	(25,565.1)				(25,565.1)
	(11,300.6)	0.0	0.0	0.0	(11,300.6)
Other Expenditure & Income					
Direct Revenue Financing of Capital	492.0				492.0
Trading Areas (Surplus) / Deficit	(69.5)			(100.0)	(169.5)
Net Housing Benefit Payments	(881.9)				(881.9)
Market Supplements	500.0				500.0
Terms & Conditions	600.0				600.0
Removal of Council Tax Discount	0.0			(1,000.0)	(1,000.0)
Non-Specific Government Grants (*)	(120,810.8)				(120,810.8)
Council Tax Freeze Grant	(2,070.9)				(2,070.9)
Collection Fund Surplus	(373.2)				(373.2)
Open Spaces and HRA	535.7			(100.0)	435.7
Risk Fund	6,300.0				6,300.0
Contingencies	400.0				400.0
	(115,378.6)	0.0	0.0	(1,200.0)	(116,578.6)
NET GF SPENDING	96,645.5	275.0	0.0	(12,898.0)	84,022.5
Draw from Balances:					
Addition to / (Draw From) Balances	864.0			(1,189.0)	(325.0)
To Fund the Capital Programme	(492.0)				(492.0)
	372.0	0.0	0.0	(1,189.0)	(817.0)
Net Gap in Budget	13,812.0	275.0	0.0	(14,087.0)	(0.0)
COUNCIL TAX REQUIREMENT	83,205.5	0.0	0.0	(83,205.5)	0.0

(* Now also includes NNDR and RSG)

MEDIUM TERM FINANCIAL FORECAST

Portfolios	2012/13 Forecast £000's	Base Changes £000's	2013/14 Forecast £000's	Base Changes £000's	2014/15 Forecast £000's
Adult Social Care & Health	70,508.2		70,508.2		70,508.2
Childrens Services & Learning	60,407.0		60,407.0		60,407.0
Environment & Transport	32,790.9		32,790.9		32,790.9
Housing	9,510.5		9,510.5		9,510.5
Leader's Portfolio	7,972.9		7,972.9		7,972.9
Leisure & Culture	13,660.0		13,660.0		13,660.0
Resources	16,403.2		16,403.2		16,403.2
Base Changes & Inflation		10,942.8	10,942.8	8,100.0	19,042.8
Sub-total for Portfolios	211,252.7	10,942.8	222,195.5	8,100.0	230,295.5
Levies & Contributions					
Southern Seas Fisheries Levy	46.0		46.0		46.0
Flood Defence Levy	43.0		43.0		43.0
Coroners Service	560.0		560.0		560.0
	649.0	0.0	649.0	0.0	649.0
Capital Asset Management					
Capital Financing Charges	14,264.5	1,200.0	15,464.5	700.0	16,164.5
Capital Asset Management Account	(25,565.1)		(25,565.1)		(25,565.1)
	(11,300.6)	1,200.0	(10,100.6)	700.0	(9,400.6)
Other Expenditure & Income					
Direct Revenue Financing of Capital	492.0	(492.0)	0.0	0.0	0.0
Trading Areas (Surplus) / Deficit	(169.5)		(169.5)		(169.5)
Net Housing Benefit Payments	(881.9)		(881.9)		(881.9)
Market Supplements	500.0		500.0		500.0
Terms & Conditions	600.0		600.0		600.0
Removal of Council Tax Discount	(1,000.0)		(1,000.0)		(1,000.0)
Non-Specific Government Grants	(120,810.8)	10,191.1	(110,619.7)	7,744.3	(102,875.4)
Council Tax Freeze Grant	(2,070.9)	2,070.9	0.0		0.0
Collection Fund Surplus	(373.2)	373.2	0.0		0.0
Open Spaces and HRA	435.7		435.7		435.7
Risk Fund	6,300.0	2,300.0	8,600.0		8,600.0
Contingencies	400.0		400.0		400.0
	(116,578.6)	14,443.2	(102,135.4)	7,744.3	(94,391.1)
NET GF SPENDING	84,022.5	26,586.0	110,608.5	16,544.3	127,152.8
Draw from Balances:					
Addition to / (Draw From) Balances	(325.0)	4,325.0	4,000.0		4,000.0
To fund the Capital Programme	(492.0)	492.0	0.0	0.0	0.0
NET GAP IN BUDGET	(817.0)	4,817.0	4,000.0	0.0	4,000.0
Council Tax Requirement	83,205.5	31,403.0	114,608.5	16,544.3	131,152.8
Council Tax	83,205.5	2,078.5	85,284.0	2,133.6	87,417.6
Roll Forward Gap	(0.0)	29,324.5	29,324.5	14,410.7	43,735.2
Add Pressures - Future Years (Unknown)		1,000.0	1,000.0	1,000.0	2,000.0
Less Savings - Future Years (Known)		(2,349.0)	(2,349.0)	(260.0)	(2,609.0)
Less Savings - Future Years (Work In Progress)		(8,073.0)	(8,073.0)	(3,712.0)	(11,785.0)
Revised Gap	(0.0)	19,902.5	19,902.5	11,438.7	31,341.2

