

LIBERAL DEMOCRAT GROUP

GENERAL FUND REVENUE & CAPITAL BUDGET AND COUNCIL TAX **2012/13**

AMENDMENT

It is recommended that Council :

GENERAL FUND REVENUE

- 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 £5.0M 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.
- xxi) Instructs the Chief Executive and Chief Officers to pursue the development of options for savings from the Capita contract with the aim of achieving a further minimum saving of £500,000 per annum by 1 September 2012. These options are to include a review of HR and services to schools.
- xxii) Requires the Chief Executive and Chief Officers to review the council tax discounts which are applicable to second homes and empty properties within the legislative framework, and in response to any future changes.

GENERAL FUND CAPITAL

- xxiii) Approves the additions to the Capital Programme as set out in Annex 4 to this amendment.

LIBERAL DEMOCRAT 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	ASCH Re-Investment of ASCH 15 saving reducing at risk by 4.5 FTE (to include provision for investment in LATCO or alternative provision)		800.0
NEW b	Highways additional funding		800.0
NEW c	Investment in the Night Time Economy		35.0
NEW d	Localities Initiatives (5 Posts)		250.0
NEW e	Public Transport		100.0
NEW f	Carers Initiatives (To include young carers)		200.0
NEW g	Junior Wardens		20.0
NEW h	Social Housing Initiatives (in lieu of New Homes Bonus; to include maintenance of service levels under HOU 15). One Year Initiative		500.0
NEW i	NEETS Initiatives (To include promotion of Apprenticeships)		150.0
NEW j	Grants for Voluntary Sector Innovations		200.0
<u>Section B - Additional Savings</u>			
NEW a	Reduce Council Tax Discount by 50% per annum	(500.0)	
NEW b	Release of DRF from Balances for Civic Centre refurbishment replaced by Asset Sales or borrowing as necessary	(2,749.5)	
NEW c	Remove Eastpoint demolition DRF funding	(350.0)	
NEW d	Communications Savings - Cease City View	(39.2)	
NEW e	Corporate Saving - Cut Design & Print	(60.8)	
NEW f	RES 9 & RES 10 - Increase saving to be delivered from property related budgets	(100.0)	
NEW g	Corporate Savings - Cut Supplies & Services budgets	(200.0)	
NEW h	Reduced Provision for Redundancy Reflecting 9.50 FTE (13 Employees) Net Reduction in Posts Deleted	(360.3)	
<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 16	Commissioning - Reduction in contracted advice and advocacy.		120.0
CSL 9	Prevention & Inclusion Service - Specifically (a) championing children at risk of falling out of mainstream education (£50k); (b) education welfare services (£50k); (c) alternative learning provision for difficult pupils in years 10 & 11 (£60k).		160.0
CSL 13	Play and Youth Provision. Specifically commissioning community providers of play and youth services		100.0
HOU 3	Natural Environment - Hawthorns Wildlife Centre to operate at no cost to the council by 2013/14		73.0
HOU 9	Parks & Street Cleansing - Reduction in parks maintenance in non-HRA areas within East, West and Central District areas.		119.0

LIBERAL DEMOCRAT GROUP BUDGET PROPOSALS
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REF.		BETTER £000's	WORSE £000's
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
HOU 13	Parks & Street Cleansing - Remove 'find and fix' budget for green spaces		160.0
LEAD 8	Community Safety and Emergency Planning - Increase income generation through efficiency of Emergency Planning, ICE bus and night time economy initiatives		25.0
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
LEAD 13	Economic Development Regeneration & Renewal - Removal of development budget		100.0
LEAD 14	Regeneration & Renewal - Reductions in running costs within regeneration service		12.0
LEAD 15	Legal Services - Part abatement of saving by 1 post to maintain legal support for planning, development control and enforcement		32.0
LC 9	Remove one Leisure Marketing Officer		26.0
<u>Section D - Balances</u>			
	Increased Draw From Balances	(80.2)	
		<u>(4,440.0)</u>	<u>4,440.0</u>
	Net Gap / (Surplus)		<u><u>0.0</u></u>

(Future target for savings to be achieved from the Capita contract by 01/09/2012 of at least £500,000 per annum. To include a review of HR and services to schools)

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	1,000.0	0.0	(3,030.0)	71,408.2
Childrens Services & Learning	63,552.0	150.0	0.0	(3,055.0)	60,647.0
Environment & Transport	34,581.9	930.0	0.0	(1,884.0)	33,627.9
Housing	10,029.5	970.0	0.0	(370.0)	10,629.5
Leader's Portfolio	8,969.9	35.0	0.0	(903.0)	8,101.9
Leisure & Culture	14,146.0	0.0	0.0	(499.2)	13,646.8
Resources	17,958.2	0.0	0.0	(1,655.0)	16,303.2
Sub-total for Portfolios	222,675.7	3,085.0	0.0	(11,396.2)	214,364.5
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			305.5	14,570.0
Capital Asset Management Account	(25,565.1)				(25,565.1)
	(11,300.6)	0.0	0.0	305.5	(10,995.1)
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			(500.0)	(500.0)
Corporate Savings	0.0			(260.8)	(260.8)
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	(960.8)	(116,339.4)
NET GF SPENDING	96,645.5	3,085.0	0.0	(12,051.5)	87,679.0
Draw from Balances:					
Addition to / (Draw From) Balances	864.0			(4,845.5)	(3,981.5)
To Fund the Capital Programme	(492.0)				(492.0)
	372.0	0.0	0.0	(4,845.5)	(4,473.5)
Net Gap in Budget	13,812.0	3,085.0	0.0	(16,897.0)	(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	71,408.2		71,408.2		71,408.2
Childrens Services & Learning	60,647.0		60,647.0		60,647.0
Environment & Transport	33,627.9		33,627.9		33,627.9
Housing	10,629.5		10,629.5		10,629.5
Leader's Portfolio	8,101.9		8,101.9		8,101.9
Leisure & Culture	13,646.8		13,646.8		13,646.8
Resources	16,303.2		16,303.2		16,303.2
Base Changes & Inflation		10,439.8	10,439.8	8,100.0	18,539.8
Sub-total for Portfolios	214,364.5	10,439.8	224,804.3	8,100.0	232,904.3
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	14,570.0	1,200.0	15,770.0	700.0	16,470.0
Capital Asset Management Account	(25,565.1)		(25,565.1)		(25,565.1)
	(10,995.1)	1,200.0	(9,795.1)	700.0	(9,095.1)
Other Expenditure & Income					
Direct Revenue Financing of Capital	492.0	(242.0)	250.0	(250.0)	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	(500.0)	(500.0)	(1,000.0)		(1,000.0)
Corporate Savings	(260.8)		(260.8)		(260.8)
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
	(116,339.4)	14,193.2	(102,146.2)	7,494.3	(94,651.9)
NET GF SPENDING	87,679.0	25,833.0	113,512.0	16,294.3	129,806.3
Draw from Balances:					
Addition to / (Draw From) Balances	(3,981.5)	7,981.5	4,000.0		4,000.0
To fund the Capital Programme	(492.0)	242.0	(250.0)	250.0	0.0
NET GAP IN BUDGET	(4,473.5)	8,223.5	3,750.0	250.0	4,000.0
Council Tax Requirement					
	83,205.5	34,056.5	117,262.0	16,544.3	133,806.3
Council Tax	83,205.5	2,078.5	85,284.0	2,133.6	87,417.6
Roll Forward Gap	(0.0)	31,978.0	31,978.0	14,410.7	46,388.7
Add Pressures - Future Years (Unknown)		1,000.0	1,000.0	1,000.0	2,000.0
Less Savings - Future Years (Known)		(2,357.0)	(2,357.0)	(260.0)	(2,617.0)
Less Savings - Future Years (Work In Progress)		(8,073.0)	(8,073.0)	(3,712.0)	(11,785.0)
Revised Gap	(0.0)	22,548.0	22,548.0	11,438.7	33,986.7

ADDITIONS TO THE CAPITAL PROGRAMME

	2012/13 £'000
<u>Environment & Transport</u>	
Cycleways	160
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	160
<u>Funding</u>	
Contributions (CIL Income)	-160
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	(160)

LIBERAL DEMOCRAT GROUP

HRA REVENUE BUDGET 2012/13

AMENDMENT

- xvi) Approves the Housing Revenue Account Revenue Estimates as set out in Appendix 1 of the Housing Revenue Account Budget Report and Business Plan on the Council agenda, with the amendment that the provision of £100,000 as set out in paragraph 32 which is to be utilised for other service developments such as tackling the health inequalities in some of our estates and enhancing skills opportunities for our tenants which includes working in partnership with local universities also includes working with local sixth forms and colleges.

