

Agenda Item:

Report to: Overview & Scrutiny Committee for Resources

Date: 7 February 2008

Report from: Deputy Chief Executive & Director of Corporate Resources

Title of report: **CONSULTATION ON THE REVENUE BUDGET 2007- 08
REVISED & 2008- 09 CAPITAL PROGRAMME 2008- 09 TO
2010- 11**

Purpose of report: To consult members of the Overview & Scrutiny Committee on the Revenue Budget and Capital Programme as part of the public consultation process

Recommendations: Members comments are sought and will be reported back to the Budget Cabinet on 20 February 2008

1.0 Summary

- 1.1 The Revenue Budget 2007-08 Revised & 2008-09 and the Capital Programme 2007-08 to 2010-11 went before Cabinet on 21 January 2008 for their consideration.
- 1.2 Cabinet resolved that the Revenue Budget and Capital Programme now went to the Overview & Scrutiny Committees as part of the public consultation process.
- 1.3 The comments received from the consultation process will be reported back to the Budget Cabinet meeting on 20 February 2008.

Appendices

Appendix 1 – Excerpt from Cabinet minutes (21 January 2008)

Appendix 2 – Revenue Budget 2007-08 Revised & 2008-09 and the Capital Programme 2007-08 to 2010-11 report to Cabinet (21 January 2008)

It is not possible to publish Appendix 2 on the Internet due to the complex images it contains. If you require a copy, please contact Katrina Strong either by email kstrong@hastings.gov.uk or telephone 01424 451747

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CABINET, 21 JANUARY 2008

98 REVENUE BUDGET 2007-08 REVISED AND 2008-09 CAPITAL PROGRAMME 2007-08 TO 2010-11

The Deputy Chief Executive & Director of Corporate Resources and the Executive Manager, Financial Services submitted a report containing proposals for the Council's revenue budget and Capital Programme. The priorities and initiatives set out in the Corporate Plan would be resourced by this budget.

Capital investment for the three years commencing 1 April 2008 was programmed at over £14m of which approximately half would need to be financed by the Borough Council. This was the maximum affordable.

Despite having to provide additional funds for concessionary bus passes and for the Foreshore Trust, the revenue budget for 2007-08 had been contained within the overall level set twelve months ago. Net expenditure of £16.5m, of which Council taxpayers would meet £6.5m, was proposed for 2008-09. If the recommendations in the report were approved, the increase in the Borough's part of the Council Tax would be 3.5%. The Revenue Budget Forward Plan showed deficits in 2009-10 and 2010-11, and a continuing focus would need to be given to the Priorities, Income and Expenditure Reviews (PIER) in order to balance future budgets.

Extensive consultation would be carried out as outlined in the report. The comments from all sources will be reported to the meeting of Cabinet on 20 February. Recommendations on the level of the Council Tax could not be made until that meeting. By then the County Council, Fire & Rescue Authority and the Police Authority precepts should be known. Council later on the 20 February would make the final decisions.

Councillor Beaver moved the recommendation to the report, which was seconded by Councillor Pragnell.

Councillor Birch proposed an amendment, seconded by Councillor Daniel, to add at the end of 10.1 "subject to any changes officers may consider necessary to incorporate the proposals set out in 10.2 below." Then to include additional words as follows:-

"10.2 Add, also for the purposes of consultation:-

£200,000 to the budget for environmental community officers to maintain a warden service funded from the Working Neighbourhoods Fund,

£200,000 to the budget to fund two additional neighbourhood manager posts and to retain the current dedicated youth and community officer post and the two community partnership officer posts funded from the Working Neighbourhoods Fund and

£36,000 be allocated to retain the current dedicated cultural development officer post to be funded by reducing the revenue contribution to the Renewal and Repairs Reserve to £364,000."

The amendment was approved by 5 votes to 0 with 4 abstentions.

RESOLVED (by 8 votes to 0 with 1 abstention) – that: -

- (A) the following be approved for the purposes of public consultation subject to any changes officers may consider necessary to incorporate the proposals set out in (B) below:-**

Capital Programme

- (1) approve the capital programme for the period to 31 March 2011, together with assumed slippage in the programme of £1m;**
- (2) schemes marked with an asterisk can proceed without further reference to Cabinet or Council;**
- (3) the Land Disposal Programme be approved;**

2007-08 Revised Budget

- (4) approve the revised revenue budget for 2007-08, including the transfer from the General Reserve and other reserve transfers;**

Reserves

- (5) agree the proposed expenditure from the Renewal and Repairs Reserve and Information Technology Reserve (Appendices J and I respectively) and those items from other reserves shown in Appendix H that can proceed without further reference to Cabinet;**

2008-09 Budget

- (6) assume an allowance for staff turnover of £125,000;**
- (7) agree to a contingency of £275,000 (£175,000 general expenditure and £100,000 Renewal & Repairs Reserve) being included within the budget;**
- (8) approve the 2008-09 revenue budget at a figure of £16,850,540;**
- (9) use £377,000 from the General Reserve during 2008-09 to support all expenditure over £16,473,540;**
- (10) consider further use of area based grants at the meeting on 20 February 2008; and**

2008-09 and Beyond

- (11) agree that a continuing focus be given to the Priorities Income and Expenditure Reviews (PIER) process to balance the future budget position. Further reassessment of corporate and service priorities will be necessary.**

- (B) Add, also for the purposes of consultation: -**

£200,000 to the budget for environmental community officers to maintain a warden service funded from the Working Neighbourhoods Fund;

£200,000 to the budget to fund two additional neighbourhood manager posts and to retain the current dedicated youth and community officer post and the two community partnership officer posts funded from the Working Neighbourhoods Fund;and

£36,000 be allocated to retain the current dedicated cultural development officer post to be funded by reducing the revenue contribution to the Renewal and Repairs Reserve to £364,000.