

Cabinet Budget Proposal 4th February – Amended Resolutions

(Amendments shown in italics)

2 RECOMMENDATION

The Cabinet is asked to recommend:

2.1 That the Council approve:

- a) The General Fund net revenue budget for 2009/10 of £123.261m and the associated Council Tax increase of 3.50%.
- b) That no Special Expenses be charged other than Town and Parish Council precepts for 2009/10.
- c) The working balances statement at Appendix 2 Annex 4 with un-earmarked revenue balances set at £10.685m, which is at the target risk-assessed level.
- d) The individual service cash limits for 2009/10 contained in Annex 1 to the budget proposal.
- e) That proposals for use of the ‘one off’ and invest to save funding provisionally allocated as set out in Appendix 2 Annex 2, be subject to final agreement of the Cabinet Member for Resources in consultation with the Chief Executive and s151 Officer, and agrees the parameters and criteria as set out in Appendix 2 Section 1E.
- f) *That the remaining ‘headroom’ be allocated as set out in Appendix 2 Annex 2B, including use of the proposed initial drawdown from the Exceptional Risk Reserve – Recession Reserve of £220k.*
- g) The Adult Social Services fees and charges as set out in Appendix 2 Annex 7, and note that other decisions on fees and charges are delegated to officers, in consultation with the relevant Cabinet Member, on the basis that increases will be in line with the guidelines set out in section 1 paragraph H of Appendix 2.

2.2 That the Council include the Local Precepts of Town Councils, Parish Councils and the Charter Trustees of the City of Bath, and those of the Fire and Police Authorities in its Council Tax setting.

2.3 That the Council acknowledges the Section 151 officer's report on the robustness of the proposed budget and the adequacy of the Council's reserves (Appendix 2, Annex 5) and approves the conditions upon which the recommendations are made as set out throughout Appendix 2.

2.4 That in relation to the capital budget the Council:

- a) approves a capital payments budget of £79.120m for 2009/10 (excluding further slippage from 2008/09), as shown in Appendix 2 Annex 6i, and planned sources of funding, including the changes to the programme shown in Annex 6ii & Annex 6iii, and the consequent commitments of £29.172m in 2010/11, £7.891m in 2011/12, £5.200m in 2012/13 and £4.700m in 2013/14 (commitments in relation to specific projects / programmes).
- b) notes the indicative capital payments budgets (*italics items*) of £12.974m in 2009/10, £41.717m in 2010/11, £42.208m in 2011/12 and £49.706m in 2012/13 and £11.908m in 2013/14, as shown in Appendix 2 Annex 6i, and planned sources of funding, including potential changes to the programme shown in Annex 6ii & Annex 6iii
- c) agrees that the authorisation of any expenditure in 2009/10, and any consequential future commitments, in respect of the items shown in *italics* in Annex 6i-iii, be subject to review and approval by the relevant Cabinet Member and the Cabinet Member for Resources, in consultation with the s151 Officer.
- d) notes the Capital Contingency of £6.735m in 2009/10 and agrees that any use of the contingency be subject to the approval of the s151 Officer in consultation with the Cabinet Member for Resources.
- e) agrees that any further additions to the programme can be authorised by the Cabinet Member for Resources, in consultation with the Chief Executive and the s151 Officer, subject to confirmation of available additional capital funding (government or third party funding and/or capital receipts) and in the case of the latter an evaluation of the balance of the relative benefits from additional capital investment and further reducing unsupported borrowing in the light of future years' revenue budget pressures.

2.5 *That the Council agree that any grant allocation to Council under the Local Authority Business Growth Incentive Scheme be treated as an addition to the Exceptional Risk Reserve – Recession Reserve.*

2.6 That the Council note the O&S review of Medium Term Service and Resource Plans and 2009/10 Service Action Plans and instructs the relevant officers to finalise and publish their Medium Term Service and Resource Plans and Service Action Plans by end of March 2009, in consultation with the relevant Cabinet Member *and partners (where appropriate)*, in light of feedback from the O&S review, and in line with the cash limits set out in Annex 1 of Appendix 2, unless amended under 2.6 below.

- 2.7 That the Council authorise the Divisional Director - Finance, in consultation with the Cabinet Member (Resources) to amend the cash limits set out in Annex 1 of Appendix 2 to take account of the final re-allocation of budgets in respect of the actual pay award, any inflation adjustments or other minor technical items when these are known.
- 2.8 That in light of the likely medium term funding gaps arising from pressures on public sector spending generally, the Council instruct the Strategic Directors Group to work on ideas for reducing the overall cost base of the Council's services in order to protect essential service delivery into 2010/11 and beyond, with initial feedback in July 2009, recommending actions to pursue in this and future years.
- 2.9 Authorise the Council's s151 Officer in consultation with the Cabinet Member (Resources), to draw down on the exceptional risk reserve, if required, consistent with the purposes set out in Section 4 of Appendix 2 to this report.
- 2.10 Authorise the Council's s151 Officer in consultation with the Cabinet Member (Resources), to decide whether the provision for increased pension contributions in 2009/10 should be held as an earmarked reserve as currently contemplated or actually paid over as increased contributions to the Avon Pension Fund.
- 2.11 Authorise the Divisional Director - Finance, in consultation with the Cabinet Member (Resources), to make any necessary presentational improvements to the draft Budget Proposal prior to submission to Council.
- 2.12 *That the Council note the funding within the Budget proposal of £20k per annum to fund the free concessionary Internet usage following its approval of Cllr Speir's resolution on this issue in September 2008.*
- 2.13 *That the Council note the allocation from headroom of £35k in 2009/10 rising to £186k per annum by 2011/12 in respect of potential debt charges arising from the 'places for change' project (to enhance facilities for the homeless in Bath) should it be necessary for the Council to match the £2.5m from the Department for Communities and Local Government and any further external capital contributions, e.g. from the Homes & Communities Agency, with a Council capital contribution of up to £3m.*
- 2.14 *That the Council note the note the allocation from headroom of £25k in 2009/10 for Youth Homelessness which is as proposed in the Labour Group Budget amendment notified to CPR O&S on 2 February 2009.*
- 2.15 *That the Council note the measures already being taken or which are planned to be taken by the Council in response to the recession, as set out in the Corporate Plan, and the additional funding set aside in the allocation of headroom and through the creation of and proposed uses of the 'Recession Reserve'.*