



LATE REPORTS, URGENT BUSINESS and SUPPLEMENTARY INFORMATION

Council

Wednesday, 4 March 2009

The following report was received too late to be included on the main agenda for this meeting and is now enclosed, as follows:

Agenda Item Number	Page	Title	Reason for Late Report
10	1 - 4	2009/10 BUDGET AND POLICY FRAMEWORK - GENERAL FUND REVENUE BUDGET	Revised recommendations of Cabinet as a result of the meeting on 3 rd March to consider recommendations an Overview & Scrutiny call in.

COUNCIL

2009/10 Budget and Policy Framework – General Fund Revenue Budget

4th March 2009

Supplementary Report of the Head of Democratic Services

PURPOSE OF REPORT
To advise Council of the updated recommendations of Cabinet regarding the revenue budget, following the call-in of the decision to close various public toilets.
This report is public.

RECOMMENDATIONS OF CABINET

In respect of the General Fund Revenue Budget

1. That the City Council's 2009/10 General Fund Revenue Budget of £23.999M be approved, together with the updated supporting proposals as set out at Appendix A to this report, and the further supporting proposals as set out at Appendices B and C of the main agenda item.
2. That the Medium Term Financial Strategy for 2009/12 as set out at Appendix E of the main agenda item, as updated for recommendation (1) above, be approved.
3. That Council notes the Section 151 Officer's advice regarding robustness of budget estimates, the adequacy of reserves and balances and the affordability of borrowing, as set out in the main agenda item.

1.0 Report

- 1.1 At its meeting held on the 3rd March 2009, Cabinet considered the Overview and Scrutiny Committee's recommendations on the call-in regarding Cabinet's recommendations to Council on Public Toilet Review. After considering the call-in regarding Cabinet Minute 140 2008/09 Cabinet resolved:

“(1) That the toilets remain open with the exception of Regent Road and those adjacent to the Dome, Morecambe and that savings be made from the following budgets:

£12,000 savings from the mothballing of the 2 public toilets located at Regent Road and those adjacent to the Dome, Morecambe.

£11,000 additional savings from the Communications and Marketing Review, resulting in total savings of £41,000 in Year 1 and £61,000 for Years 2 and beyond. (To be achieved by including Your District Matters in the totality of the expenditure as part of the review.)

£31,000 of growth to be removed, in relation to the recurring item for Schools Recycling of £7,000 per year, and the one-off item for undertaking a Review of Parish Financial Arrangements.

- (2) That the Parish and Town Councils be consulted as to whether they would be prepared to take over the toilets in the long term.
- (3) That with regard to the Community Toilet Scheme the Council continues to discuss proposals for the use of toilets with local businesses.”

1.2 Following the decision of Cabinet, a revised schedule of Savings and Growth proposals is set out at **Appendix A**, for consideration by Council. This replaces the version included within the main agenda. In addition, an updated summary statement on future years' prospects is also provided at **Appendix B** to this report. This shows updated projections regarding Council Tax levels for future years, and summarises the new savings requirements assuming that Council retains a 4% target increase for Council Tax in future years. This assumption underpins the proposed Medium Term Financial Strategy.

1.3 With regard to the Capital Programme, there are no changes proposed, following the call-in. At present there is £100K allocated in 2010/11 for Toilets generally and this will be reviewed during next year, in view of the outcome of the consultation with parishes and discussions with local businesses.

SECTION 151 OFFICER'S COMMENTS

The s151 Officer's comments are included in the main agenda item and she has nothing further to add.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

BACKGROUND PAPERS

None.

Contact Officer: Gillian Noall
Telephone: 01524 582060
E-mail: gnoall@lancaster.gov.uk

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SAVINGS & GROWTH PROPOSALS

APPENDIX A (UPDATED)

For Consideration by Council 04 March 2009

Updated, following Cabinet 03 March 2009 (re Call-in of Decision regarding Toilets)

	2009/10 £000	2010/11 £000	2011/12 £000
BUDGET PROJECTIONS : Per Budget Report to Cabinet 17 February 2009	25,324.2	26,857.1	28,113.0
TARGET REVENUE BUDGET (for a 4% increase in basic Council Tax, assumed year on year)	23,999.0	24,712.0	25,383.0
SAVINGS REQUIREMENT TO ACHIEVE A 4% COUNCIL TAX	1,325.2	2,145.1	2,730.0
Further Base Budget Adjustments	+3.9	-	-
Proposed Savings (see schedule below)	-1,345.3	-1,063.6	-1,398.8
Proposed Growth (see schedule below)	+16.2	+16.5	+16.8
Net Total	-1,325.2	-1,047.1	-1,382.0
REMAINING SAVINGS REQUIREMENT (assuming 4% year on year increase in Council Tax)	-0.0	1,098.0	1,348.0

BUDGET PROPOSALS :

SAVINGS :	NOTES	-1,345.3	-1,063.6	-1,398.8
Corporate				
Management Restructure		-50.0	-50.0	-50.0
Amendments to profiling of capital projects funded from revenue		-179.0	+179.0	-139.0
Removal of 2009/10 inflation increase (general supplies and services only)		-50.0	-51.0	-52.0
Conferences & Seminars : 50% reduction for all Services		-5.2	-5.4	-5.5
Democratic Services				
Democratic & Member Support : Printing & Stationery		-7.1	-7.2	-7.3
Member Development & Conferences		-6.7	-6.9	+0.0
Civic & Ceremonial : Civic & Mayoral Functions	Cabinet 17 Feb 09	-4.3	-4.4	-4.5
Civic & Ceremonial : Floral Decorations	Cabinet 17 Feb 09	-2.3	-2.3	-2.3
Youth Games (withdrawal from 2010/11 onwards)		-	-8.0	-12.0
Corporate Strategy				
Service Restructure		-30.0	-30.6	-31.2
Communications & Marketing Review (increased by £11K pa, following call-in)	Cabinet 20 Jan 09	-41.0	-61.0	-61.0
Additional Income : withdrawal of free publicity for LSP (District Council Matters)		-2.0	-2.0	-2.0
Information & Customer Services				
IT Desktop & Telephony : use of multi-functional devices (MFD's) & Mobile Phone savings		-13.0	-15.0	-15.0
Revenue Services				
Council Tax & Housing Ben Admin : Staffing Restructures (combined savings)		-104.5	-109.6	-112.5
City Council (Direct) Services				
Waste Collection : Increase charge for Bulky Matters		-11.0	-11.2	-11.4
KIMO Subscription		-1.7	-1.7	-1.7
Finance/Admin/Depot/ Vehicle M'tce : Reduction in establishment		-10.1	-25.1	-28.0
Street Cleansing : Cease funding of 4 Environmental PCSOs		-49.9	-50.1	-50.3
Public Conveniences (Regent Road & the Dome toilets only, following call-in)	Cabinet 17 Feb 09	-12.0	-12.2	-12.4
Other Grounds Maintenance : reduced mowing of cemeteries & bridge embankment	Cabinet 17 Feb 09	-13.6	-13.8	-14.0
Reduction in Building Cleaning service		-24.0	-24.4	-24.8
Cultural Services				
Salt Ayre : Operational Savings (focusing on energy, as far as possible, & increasing income)	Cabinet 17 Feb 09	-119.0	-120.8	-122.6
Festivals Innovation Fund (FIF)	Cabinet 17 Feb 09	-26.9	-32.4	-33.0
Reduction in support for FIF Events		-30.0	-50.0	-50.0
Environmental Health & Strategic Housing				
Fees & Charges (all elements)	Cabinet 20 Jan 09	-37.0	-37.0	-37.0
Grounds Maintenance : Cemeteries		-8.8	-8.9	-9.0
Planning Services				
Achievement of Break-even for Building Control (reduction in staffing / increase in fees)		-143.4	-138.7	-137.2
Property Services				
Discontinuation of distribution to Members (Provisional, from 2010/11 onwards)		-	-9.0	-9.0
Community Transport : Introduction of Flat Fee (assumes 50% budget saving)	Cabinet 20 Jan 09	-78.0	-82.0	-86.0
Concessionary Travel: Re-negotiation of Reimbursement Rates		-134.0	-134.0	-134.0
Venue Hire to break even		-10.0	-10.0	-10.0
Economic Development & Tourism				
Removal of 2008/09 Growth (Regeneration Staffing)		-19.0	-	-
Reductions in Support to Outside Bodies				
Twinning	Cabinet 17 Feb 09	-6.3	-6.4	-6.5
Miscellaneous Grants		-7.5	-7.6	-7.7
Welfare Grants		-2.6	-2.6	-2.7
Ludus		-10.0	-10.2	-10.4
Morecambe Music Residency		-1.4	-1.4	-1.4
Community Projects		-10.8	-11.0	-11.2
Heysham Heritage		-5.1	-5.2	-5.3
Strategic Housing (savings from procurement exercise)		-6.7	-11.4	-15.9
CABs (£10K each : Linking to reduction in support for management costs)		-20.0	-20.0	-20.0
CVS		-3.9	-4.0	-4.1
Shopmobility		-1.0	-1.0	-1.0
The Dukes		-40.0	-40.6	-41.2
Countryside Projects		-3.0	-3.0	-3.1
Armside & Silverdale AONB	-2.5	-2.5	-2.6	
Forest of Bowland AONB	-1.0	-1.0	-1.0	
GROWTH :		+16.2	+16.5	+16.8
CC(D)S				
Schools Recycling (Growth proposal now removed, following call-in)		+0.0	+0.0	+0.0
Property Services				
Facilities Management : Energy Performance Certificates		+16.2	+16.5	+16.8
Financial Services				
Parish Financial Arrangements Review (Growth proposal now removed, following call-in)		+0.0	-	-
SAVINGS PROPOSALS TO BE TAKEN FORWARD DURING 2009/10 (for future years)		-	-	-
Corporate				
Management Restructure (potential for additional savings from 2010/11 onwards)		-	?	?
Support Services Review		-	?	?
Cultural Services				
Museum Partnership efficiency savings		-	?	?
Charging policy for Community Pools				
Planning Services				
Implications of Pitt Report (Flood Defence)		-	?	?
Property Services				
Facilities Management (including energy)		-	?	?

Future Years' Budgets, Provisional Settlements and associated Council Tax Rates

For Consideration by Council 04 March 2009

Updated, following Cabinet 03 March 2009 (re Call-in of Decision regarding Toilets)

	2008/09 Estimate £000	2009/10 Proposed £000	2010/11 Projection £000	2011/12 Projection £000
Original Revenue Budget Projection	23,211	24,726	25,925	0
Projection per MTFS Review November 2008	23,211	25,831	27,200	0
Base Budget Amendments :				
Changes resulting from Budget review to February 2009	+235	-528	-485	+28,042
Cabinet's Savings & Growth Proposals :				
Growth		+16	+17	+17
Savings		-1,345	-1,063	-1,398
Change in Contributions to (+) / From (-) Balances	-235	+25	+142	+71
Latest Revenue Budget Projection	23,211	23,999	25,810	26,731
Provisional Government Support	15,523	15,994	16,377	16,705
Collection Fund Deficit / (-) Surplus	+0	+0	+0	+0
Amount met by Council Tax	7,688	8,005	9,433	10,027

Latest Tax Base Estimates	43,150	43,200	43,250	43,300
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COUNCIL TAX IMPLICATIONS :

Band D Basic Council Tax (across district)	£178.17	£185.31	£218.10	£231.56
Percentage Increase Year on Year	4.6%	4.0%	17.7%	6.2%

As Compared with:

Original Projections	£201.43	£219.24
	13.1%	8.8%
MTFS Original Targets	£185.30	£192.70
	4.0%	4.0%

Assumed Target Year on Year Basic Council Tax Increase	In % terms	4.0%	4.0%	4.0%
	In £ terms (Band D)	£7.14	£7.41	£7.71
Target Basic City Council Tax Rate across the District		£185.31	£192.72	£200.43
Budget assumptions to achieve these targets:		£'000	£'000	£'000
Current Revenue Budget Projection (from above table)		23,999	25,810	26,731
Net Savings Requirement (-)		+0	-1,098	-1,348
Target Revenue Budget Requirement		23,999	24,712	25,383

The above net savings requirements would need to be increased to cover any additional growth proposals.