



MEETING OF THE CABINET
1 FEBRUARY 2010 - 11.00 AM - 11.45 AM

PRESENT:

Councillor Ray Auger
Councillor Paul Carpenter
Councillor Mrs Frances Cartwright
Councillor John Smith
Councillor Mike Taylor

Councillor Mrs. Linda Neal - Chairman

Chief Executive (Beverly Agass)
Interim Strategic Director (Tracey Blackwell)
Corporate Head of Finance & Customer Service
(Richard Wyles)
Monitoring Officer (Lucy Youles)
Cabinet Support Officer (Lucy Bonshor)

Non-Cabinet Members : Councillor Bob Adams
Councillor Reg Lovelock

CO52. MINUTES

The Minutes of the meeting held on 4th January 2010 were approved as a correct record.

CO53. DECLARATIONS OF INTEREST (IF ANY)

Councillor Smith declared a personal and prejudicial interest in agenda item 4 on account of his membership of a club that meets in Bourne Town Centre within the Bourne Core Area and therefore he did not participate in the vote on the budget in relation to the Capital Programme and agreed to leave the meeting if a discussion was held relating to that programme.

"Listening Learning Delivering"

CO54. *BUDGET 2010/11 AND INDICATIVE BUDGETS FOR 2011/12 AND 2012/13

DECISION:

General Fund Revenue Estimate

That Cabinet recommends parts a. to n. to Council:

- a. to set a General Fund budget requirement of £16.416M for 2010/11 (inclusive of special expenses) and note the indicative budget requirement figures of £15.893M for 2011/12 and £16.115M for 2012/13**
- b. to set a Council Tax increase of 2.5% for 2010/11 (1.2% inclusive of special expense areas)**
- c. to approve the original base estimate for 2010/11 and indicative base estimates for 2011/12 and 2012/13 as detailed in the summary at Appendix A page 1;**
- d. to approve the Treasury Management Strategy provided at Appendix E;**
- e. to approve increases in Fees and Charges for 2010/11 (in accordance with the Council's Fees and Charges Strategy) as set out in Appendix D**
- f. to approve the Revenue and Capital Reserves statement contained at Appendix C**
- g. to continue the fundamental review of services where the projected income levels show a continued reduction to ensure the allocated resources are proportionally aligned.**
- h. To approve a revised funding allocation of £56K per annum in respect of the town centre partnerships**
- i. To approve a service review programme to ensure all services delivered are cost efficient, aligned to priorities and providing value for money to the taxpayer**
- j. To approve the growth in the base budgets in respect of the following:**
 - o Choice based lettings set up costs (one-off)**
 - o Provision for additional benefits assessor**
 - o Civilian parking enforcement set up costs (one-off)**
 - o Creation of priority action plans provision**
 - o Efficiency initiatives provision**
 - o Service initiatives provision**
- k. To set cash releasing efficiency targets for each service area at corporate level in order for the Council to**

achieve its overall efficiency target

- I. to approve the use of the Housing and Planning Delivery Grant in respect of the works associated with the Local Development Framework
- m. to receive and consider at the meeting, the analysis of the outcome of budget consultation
- n. to approve the use of the priority themes and service improvement reserve to financially support the 'next steps' programme

Capital Programme

That Cabinet recommends parts o. to q. to Council:

- o. to note the forecast outturn Capital Programme for 2009/10 and approve the indicative programme for 2010/11 to 2012/13 detailed at Appendix B pages 1-3
- p. to authorise the funding proposals subject to an annual review of the financing options by the Corporate Head of Finance and Customer Services, in consultation with the Resources and Assets Portfolio Holder, during the preparation of the Statement of Accounts to optimise the use of Council resources.
- q. To approve the setting of a cash releasing efficiency target in respect of the Capital programme

Housing Revenue Account (HRA)

That Cabinet recommends parts r. to v. to Council:

- r. to set dwelling rent increases in accordance with Government guideline rent, of 3.1% providing an average rent of £61.86 (and an actual average rental increase of 1.78%)
- s. to set an increase in garage rents of 3.1%
- t. to increase service charges by 3.1%
- u. to approve the Housing Revenue Account for the year 2010/11 and indicative years 2011/12 and 2012/13 shown at Appendix A page 9
- v. to approve the setting of a cash releasing efficiency target in respect of the Housing Revenue Account

Considerations/Reasons for decisions:

- (1) Report number CHFCS87 by the Corporate Head, Finance and Customer Services in relation to:

- Revenue and Capital Expenditure together with the proposed use of reserves
- Proposals regarding the setting of the Council Tax
- The Treasury Management Strategy for the Council
- The level of fees and charges
- Providing advice to Councillors on the robustness of the Budget proposals and adequacy of balances and reserves as required by the Local Government Act 2003.
- The addendums circulated at the Cabinet meeting listing changes to report CHFCS87 concerning fees and charges and the result of the budget consultations that had taken place including the six Local Forums.

(2) The 2010/11 Budget and indicative budgets for 2011/12 to 2012/13 have been drawn up to take account of the Council's various strategies, policies and the financial context, in particular:

- The Corporate Plan
- The Council's priority theme action plans
- The Medium Term Financial Plan (MTFP)
- Service Strategies and Plans
- The economic downturn
- The 2009/10 forecast outturn

(3) The proposals have regard to accounting requirements and external factors affecting the budget;

- Capital Charges
- Prudential Code
- Integrated Service and Financial Planning
- Efficiency Agenda
- National settlement and three year budget planning

(4) A balanced budget has been produced however current and future resources are tight reflecting the fact that the four main income streams of Government Grant, specific grant, fees and charges and Council Tax are, and will continue to be, constrained at a time when the economic climate is uncertain and customer expectations are increasing;

(5) Comments on the risks and factors taken into account when formulating the budget;

- The possibility that the Government will cap excessive levels of Council Tax increases for Local Authorities
- Achieving the Council's efficiency savings target
- Anticipated grant settlement for 2011/12

- Economic downturn
- Financial costs relating to the proposed transfer of the national Concessionary Fare Scheme
- Procurement of the Leisure Services
- Continuing reduction of fees and charges income
- Balancing of the Building Control account
- Investment income
- Housing Revenue Account Capital Programme
- Level and use of the Council Reserves
- Indicative budgets for future years
- Housing Revenue Account
- Insurance Reserve

(6) Noting the comments of the Resources PDG and acknowledgement of work undertaken by the PDG on fees and charges;

(7) The speech commending the budget proposals by the Resources & Assets Portfolio Holder.

DATE DECISIONS EFFECTIVE:

Minute CO54 is a Policy Framework Proposal and therefore stands referred to the next Council meeting on 1st March 2010.

South Kesteven District Council, Council Offices, St. Peter's Hill, Grantham, Lincolnshire NG31 6PZ

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