

POLICY & FINANCE COMMITTEE – 18 NOVEMBER 2009**DRAFT BUDGET AND PRECEPT 2010/2011****1. INTRODUCTION**

- 1.1** Members considered the Policy & Finance Committee's own draft budget earlier in the meeting. The Committee will now need to consider the draft proposals from the other two Committees. A recommendation to Council on its overall budget and precept for 2010/2011 will be made at the next meeting of this Committee on 16 December 2009.

2. BUDGET PROPOSALS BY COMMITTEES

- 2.1** Other Committees have considered their budgets prior to this meeting. Attached for the Committee's consideration are the following documents:-

Appendix A – First draft summary Council budget 2010/11, including base budgets approved by the Recreation, Leisure & Open Spaces Committee, and Planning, Town & Environment Committee.

Appendix B. – New proposals approved by Recreation, Leisure & Open Spaces Committee, and Planning, Town & Environment Committee.

- 2.2** In addition, Members will also need to consider its own proposals as shown in Appendices B and C (as amended at the meeting) to the report elsewhere in the agenda relating to this Committee's budget.
- 2.3** The analysis carried out on the 2009/10 budget has identified likely changes to the original base budget. In overall terms, there are a number of increases throughout the Council's budgets. The significant increases, relating to capital expenditure, have already been reported to and approved by this Committee as part of the budgetary control process. In total, the increases amount to £30,610. This has the effect of increasing the amount to be transferred from the General Reserve from £15,380 to £45,990.
- 2.4** The draft base budget for 2010/11 includes continuing to make some contributions to provisions during 2010/11 in order to mitigate the effects of expenditure requirements in later years. A separate report reviewing provisions will be submitted to this Committee later in this financial year.
- 2.5** Appendix A to this report shows the first draft summary of the overall position with respect to the Council's original and revised budgets for 2009/2010, together with the draft budget proposals for 2010/2011, subject to this Committee agreeing the proposals now submitted. The draft base budget for 2010/11 is £385,300. This level includes inflation and known changes to the 2009/10 budget. This base budget level allows Members to include new expenditure bids in 2010/11 for the benefit of the residents of Ringwood. The level of new bids will be determined by the level of precept that Members recommend to Council.
- 2.6** Page two of Appendix A also provides indicative Council Tax levels. It assumes that all of the remaining bids shown in Appendix A to the Committee's own budget papers, and all of the bids approved by the Recreation, Leisure and Open Spaces Committee and the Planning, Town and Environment Committee are

C

approved. If all the new bids are approved, the Council's precept requirement would be £438,030, an increase of £61,100 over 2009/10. Any bids that are rejected, increased, or decreased, would affect the total precept requirement.

- 2.7 The indicative precept level would produce a Council Tax of £80.08, an increase of £10.89, (21p. per week), over 2009/10. The Council Tax would be increased by 1 penny per week for each £2,900 increase in expenditure.
- 2.8 By not providing for a transfer from the General Reserve for 2010/11, the estimated balance at 31 March 2011 would be £135,000, which is slightly below the financially prudent level of £150,000. Future transfers from the General Reserve cannot be sustained. Indeed, for future years, Members should consider making transfers back to the General Reserve.

3. CONCLUSIONS

- 3.1 If all the proposed bids of all Committees are approved for 2010/2011, the Council Tax would increase by £10.89 for the year, i.e. from £69.19 to £80.08.
- 3.2 The estimated level of the General Reserve as at 31 March 2011 would be £135,000, which is slightly below the prudential level of £150,000.

4. RECOMMENDATIONS

- 4.1 Subject to any amendments that Members may wish to make at this meeting, **it is recommended that:-**
- 1) The provisional base budget for Recreation, Leisure & Open Spaces Committee, and the Planning, Town & Environment Committee, as set out in Appendix A to this report, be approved.
 - 2) The proposed new bids for the Recreation, Leisure & Open Spaces Committee, and the Planning, Town & Environment Committee, as set out in Appendix B to this report, be accepted and included in the Council's overall budget for 2010/2011
 - 3) The Committee's own provisional base budget, as set out in Appendix C to the report elsewhere on this Agenda on the Committee's own budget, be approved.
 - 4) The provisional priority proposals determined at this meeting in Appendix B to the Committee's own budget report elsewhere on this agenda, be approved.
- 4.2 Subject to further amendments to the draft budget for 2010/11 that will be considered by this Committee at its meeting on 16 December, the Committee is requested to make recommendations to Council on the provisional budget and the level of the precept for 2010/11.

For any further information, please contact:

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Finance Manager

or

Terry Simpson
Town Clerk

**FIRST DRAFT REVISED BUDGET 2009/10 & ORIGINAL BUDGET 2010/11
AND PRECEPT SUMMARY (Including New Bids)**

Col. 1	2	3	4
Description	Orig Est 09/10 £	Revised 09/10 £	Orig Est 10/11 £
EXPEND			
--POLICY & FINANCE COM.	201,030	194,860	200,200
--RECREATION, LEIS & O/S	198,390	211,560	189,260
--CEMETERY	40,180	39,500	40,990
--ALLOTMENTS	10,690	10,950	11,000
--PLANNING, TOWN & ENVIR.	22,810	13,790	18,300
--REC, LEIS & O/S-CAP EXP	26,000	137,930	98,000
--PLAN, TOWN & ENV.-CAP EXP	0	35,000	25,000
TOTAL EXPENDITURE	499,100	643,590	582,750
INCOME			
--POLICY & FINANCE COM.	-32,080	-23,050	-26,330
--RECREATION, LEIS & O/S	-45,560	-65,890	-39,370
--CEMETERY	-13,650	-14,030	-14,050
--ALLOTMENTS	-2,500	-2,400	-2,700
--REC, LEIS & O/S-CAP FIN	-13,000	-90,500	-90,000
--PLAN, TOWN & ENV.-CAP FIN	0	-24,800	-25,000
TOTAL INCOME	-106,790	-220,670	-197,450
COMMITTEES' NET EXPEND BEFORE NEW BIDS	392,310	422,920	385,300
Add new recur.bids			
--POLICY & FINANCE COM.			
--RECREATION, LEIS & O/S			
--PLANNING, TOWN & ENVIR.			
Add new non-rec bids			
--POLICY & FINANCE COM.			
--RECREATION, LEIS & O/S			
--PLANNING, TOWN & ENVIR.			
Less financed from provisions			
COUNCIL'S NET BUDGET	392,310	422,920	385,300
Transfers from(-) or to General Reserve	-15,380	-45,990	12,100
COUNCIL'S PRECEPTS	376,930	376,930	397,400

Variation Analysis from Precept 2009/10 to Draft Precept 2010/11

	£	£
Precept 2009/10		376,930
Add:- transfer from General Reserve		15,380
Sub Total (Net Budget 2008/09)		392,310
Deduct:- non-recurring items included in 2009/10 budget		-25,630
Add:- reduction in interest earnings		4,400
reduction in revenue developers' contributions		3,960
items deferred to 2010/11 (Southampton Rd environ enhancement)		5,000
increase in business rates at the cemetery		1,000
increase in police community support officers contribution		1,000
other variations & inflation (0.8%)		3,260
Council's net expenditure (before new bids) for 2010/11		385,300
Add:- proposed new recurring Revenue Expenditure bids	20,000	
proposed new non-recurring Revenue Expenditure bids	32,730	
Sub Total additions	52,730	52,730
DRAFT PRECEPT 2010/11 (BEFORE TRANSFERS TO/FROM GEN RESERVE)		438,030

COUNCIL TAX LEVELS FOR 2008/09, 2009/10 (ACTUAL) & 2010/11 (ESTIMATED)

Council Tax Per Band D Dwelling Based on Precepts Above	2008/09 64.66	2009/10 69.19	2010/11 80.08	Increase
			Per Year	£10.89
			Per week	£0.21

2008/09		
TAX BASE BAND D PROPS	PRECEPT £	C TAX PER BAND D DWELL £
5,414	350,080	64.66

2009/10		
TAX BASE BAND D PROPS	PRECEPT £	C TAX PER BAND D DWELL £
5,448	376,930	69.19
2010/11		
5,470	438,030	80.08

2010/11 Precept Levels at varying % increases in band D Council Tax Levels

Precept Levels	C TAX PER BAND D DWELLING	INCREASE FOR YR OVER 2009/10	INCREASE PER WK OVER 2009/10
£	£	£	p.
378,450	69.19	0.00	0.0
382,200	69.87	0.69	1.3
386,000	70.57	1.38	2.7
389,800	71.26	2.07	4.0
393,600	71.96	2.77	5.3
397,400	72.65	3.46	6.7
401,200	73.35	4.16	8.0
404,900	74.02	4.84	9.3
408,700	74.72	5.53	10.6
412,500	75.41	6.22	12.0
416,300	76.11	6.92	13.3
438,030	80.08	10.89	20.9

Note

A 1p per week increase at Council Tax level = about £2,900 increase in expenditure.

RECREATION, LEISURE AND OPEN SPACES COMMITTEE AND PLANNING TOWN AND ENVIRONMENT COMMITTEE
APPENDIX 'B'
NEW BUDGET PROPOSALS FOR 2010/11

NO.	ITEM	REASON	BUDGET £	C A P	R E V	PRI ORI TY
	RECREATION, LEISURE AND OPEN SPACES COMMITTEE					
1.	Cemetery notice board. Non recurring.	To enable notices/information to be displayed for visitors to the cemetery.	1,200		X	
2.	Cemetery- repair wall between old cem & new extension. Non recurring.	Repair wall between old cem & new extension would have cost £10,000+. Part of the allotment site is now to be used for burials, allows integration of new & old parts of the cem. at reduced bid of £1,000.	1,000		X	
3.	Footpaths-repair tree root damage. Non recurring.	Damage has been caused to various footpaths, e.g. in Jubilee Gardens, & Forest Edge, & is becoming a H&S issue.	3,000		X	
4.	The Bickerley-Bollards. Non recurring.	The existing wooden dragon's teeth on the green outside Old Mill Flats do not provide much protection against illegal entry by travellers. Replacement concrete bollards in a concrete base will improve security.	3,000		X	
5.	Cemetery-memorial walls for ashes. Non recurring.	Not yet costed. Design work for 2010/11, construction in 2011/12.	1,000		X	
6.	Cemetery trees. Non recurring.	Undertake survey in 2010/11, (£1,000 revenue), and carry out a new tree planting programme in 2011/12 (£5,000).	1,000		X	
7.	Cemetery-improve security. Non recurring.	Strengthen door on garage.	1,200		X	
8.	Cemetery-fuel tank security. Non recurring.	Implement additional security work in garages at the cemetery.	2,000		X	
		TOTAL	13,400			
	PLANNING, TOWN AND ENVIRONMENT COMMITTEE					
1.	Speed indicator Devices(SIDs) and Speed Limit Reminders(SLRs). Non recurring.	The District Council has previously indicated that it may be necessary for the Town Council to contribute to the future installation of sleeves, and deployment of SIDs and SLRs. The estimated cost for 1 sleeve, where no suitable column is available, and deployment of 1 SID for 1 week in each direction is £760.	1,520		X	
		TOTAL	1,520			