

POLICY & FINANCE COMMITTEE – 16 DECEMBER 2009

COUNCIL'S DRAFT BUDGET AND PRECEPT 2010/2011

1. INTRODUCTION

- 1.1 Members considered the Policy and Finance Committee's own draft budget earlier in the meeting. The Committee now needs to consider the draft proposals from all the Committees and recommend to Council the overall budget and precept for 2010/2011.

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: – Summary of the Council's revised budget for 2009/10, the draft budget for 2010/11, new bids and the draft precept level for 2010/11.

Appendix B: – New proposals approved by Recreation, Leisure & Open Spaces Committee, (RLOS), and Policy & Finance Committee, (P&F). The P&F Committee's proposals are those approved at its last meeting, and may be amended at this meeting.

- 2.2 The RLOS Committee considers that all the items included in its draft budget and its new bids are essential.
- 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 £24,420. This has the effect of increasing the amount to be transferred from the General Reserve from £15,380 to £39,800.
- 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 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 budget before new bids for 2010/11 is £384,920. This level includes inflation and known changes to the 2009/10 budget. When all the new bids are included, amounting to £27,670, the draft budget would be £412,590.
- 2.6 Page 2 of Appendix A also provides indicative Council Tax levels. It assumes that all of the bids shown in Appendix B are approved. The Council's precept requirement would be £412,590, an increase of £35,660 over 2009/10. This level assumes that no transfer would be made to, or from, the General Reserve.
- 2.7 The indicative precept level would produce a Council Tax of £75.28, an increase of £6.09, (12p. per week), over 2009/10. The Council Tax would vary by one penny per week for each £2,900 variation in the precept level.

- 2.8** By not providing for a transfer from the General Reserve for 2010/11, the estimated balance at 31 March 2011 would be about £144,000, 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 the proposed bids of all Committees are approved for 2010/11, the Council Tax would increase by £6.09 for the year, i.e. from £69.19 to £75.28.
- 3.2** The estimated level of the General Reserve as at 31 March 2011 would be about £144,000, 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:-**
- 4.1.1)** The draft budget before new bids for the Council for 2010/11, and as set out in Appendix A to this report, be approved.
 - 4.1.2)** The proposed new bids for the Recreation, Leisure & Open Spaces Committee, and the Policy and Finance Committee, as set out in Appendix B to this report, be accepted and included in the Council's overall budget for 2010/2011
- 4.2** Subject to the approval of the recommendations in paragraph 4.1 above, the Committee be requested to make recommendations to Council on the provisional budget and the level of the precept for 2010/11.

For further information, please contact:

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

Col. 1	2	3	4
Description	Original Budget 2009/10 £	Revised Budget 2009/10 £	Original Budget 2010/11 £
EXPEND			
--POLICY & FINANCE COM.	201,030	195,870	197,580
--RECREATION, LEIS & O/S	198,390	208,690	191,290
--CEMETERY	40,180	39,580	41,590
--ALLOTMENTS	10,690	11,030	11,180
--PLANNING, TOWN & ENVIR.	22,810	18,900	13,530
--REC, LEIS & O/S-CAP EXP	26,000	122,930	113,000
--PLAN, TOWN & ENV.-CAP EXP	0	0	55,000
TOTAL EXPENDITURE	499,100	597,000	623,170
INCOME			
--POLICY & FINANCE COM.	-32,080	-23,050	-26,330
--RECREATION, LEIS & O/S	-45,560	-65,290	-39,370
--CEMETERY	-13,650	-14,030	-14,050
--ALLOTMENTS	-2,500	-2,400	-2,700
--REC, LEIS & O/S-CAP FIN	-13,000	-75,500	-105,000
--PLAN, TOWN & ENV.-CAP FIN	0	0	-54,800
TOTAL INCOME	-106,790	-180,270	-242,250
COMMITTEES' NET EXPEND BEFORE NEW BIDS	392,310	416,730	380,920
Add new recur.bids			1,300
--POLICY & FINANCE COM.			0
--RECREATION, LEIS & O/S			0
--PLANNING, TOWN & ENVIR.			8,340
Add new non-rec bids			10,200
--POLICY & FINANCE COM.			0
--RECREATION, LEIS & O/S			
--PLANNING, TOWN & ENVIR.			
COUNCIL'S NET BUDGET	392,310	416,730	400,760
Transfers from(-) or to General Reserve	-15,380	-39,800	0
COUNCIL'S PRECEPTS	376,930	376,930	400,760

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
capital expenditure financed from revenue		-5,000
reduction in Christmas lights		-3,000
reduction in newsletter budget		-1,000
Add:- reduction in interest earnings		4,400
reduction in rent received for offices		1,350
increase in insurance premium		1,300
increase in computer maintenance		700
reduction in revenue developers' contributions		3,960
increase in business rates at the cemetery		1,000
increase in police community support officers contribution		1,000
increase in costs of employment		7,160
other variations & inflation (0.8%)		2,370
	Council's net expenditure (before new bids) for 2010/11	380,920
Add:- proposed new recurring Revenue Expenditure bids	1,300	
proposed new non-recurring Revenue Expenditure bids	18,540	
	Sub Total additions	19,840
DRAFT PRECEPT 2010/11 (WITHOUT TRANSFER TO/FROM GEN RESERVE)		400,760

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

	2009/10 Actual	2010/11 Estimated	Increase Over 09/10
Precept Level	£376,930	£400,760	
Tax Base Band 'D' Properties	5,448	5,481	
Council Tax Per Band D Dwelling	£69.19	£73.12	
		Per Year	£3.93
		Per week	£0.08

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.
383,000	69.88	0.69	1.3
386,800	70.57	1.38	2.7
390,600	71.26	2.08	4.0
394,400	71.96	2.77	5.3
398,200	72.65	3.46	6.7
400,760	73.12	3.93	7.6
402,000	73.34	4.16	8.0
405,700	74.02	4.83	9.3
409,500	74.71	5.53	10.6
413,300	75.41	6.22	12.0
417,100	76.10	6.91	13.3

Note

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

APPENDIX 'B'

RECREATION, LEISURE AND OPEN SPACES COMMITTEE AND POLICY AND FINANCE COMMITTEE NEW BUDGET BUDGET PROPOSALS FOR 2010/11

NO.	ITEM	REASON	BUDGET £	C A P	R E V	PRI ORI TY
	<u>RECREATION, LEISURE AND OPEN SPACES COMMITTEE</u>					
1.	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.	4,000		X	1
2.	Cemetery-fuel tank security. Non recurring.	Implement additional security work in garages at the cemetery.	2,000		X	2
3.	Cemetery-improve security. Non recurring.	Strengthen doors on office and garage.	1,200		X	3
4.	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	4
5.	Cemetery-memorial walls for ashes. Non recurring.	Not yet costed. Design work for 2010/11, construction in 2011/12.	1,000		X	5
6.	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	6
		SUB TOTAL	10,200			
	<u>POLICY AND FINANCE COMMITTEE</u>					
1.	Fire resistant filing cabinet. Non recurring.	Additional fire resistant filing space is required for certain records. The existing cabinets have reached their maximum capacity.	840		X	1
2.	Replacement server. Non recurring.	The current server needs to be replaced in 2010. The estimated cost for hardware, software, & installation is £7,500.	7,500	X		2
3.	Support for twinning. Recurring.	To facilitate twinning committee meetings for the newly resurgent twinning arrangements.	300		X	3
4.	Grants payable. Recurring.	To increase the budget to support more local organisations.	1,000		X	4
		SUB TOTAL	9,640			