
MEETING	EXECUTIVE
DATE	12 FEBRUARY 2008
PRESENT	COUNCILLORS STEVE GALLOWAY (CHAIR), ASPDEN, SUE GALLOWAY, JAMIESON-BALL, REID, RUNCIMAN, SUNDERLAND, VASSIE AND WALLER

PART B - MATTERS REFERRED TO COUNCIL

163. Revenue Budget 2008/09

Members considered a report which presented the Revenue Budget proposals for 2008/09, detailed the financial position for the Council in 2009/10 and 2010/11 and asked them to recommend the budget proposals to full Council.

The report presented a balanced budget for 2008/09, with the following key features:

- a) Revenue investment of £15.822m, to be funded by:
 - Revenue savings of £4.296m
 - An additional £4m from a Council Tax rise of 4.95%
 - Meeting £1.823m one-off expenditure from reserves
 - Additional Revenue Support Grant funding of £4.023m
 - A reduced contribution from the collection fund surplus (£0.65m)Other budget adjustments and non-general grant totalling £2.33m
- b) A net revenue budget of £112.423m, to be funded by:
 - Council Tax income of £68.234m
 - Government grant of £42.366m
 - Use of reserves of £1.823m
- c) Funding for pupil-led aspects of education of £86.329m, to be met by the Dedicated Schools Grant.

The recommendations were based upon a set of proposed growth and savings items which, when amalgamated with the grant settlement and Council Tax increase, produced a balanced budget. These included efficiency savings and income generation proposals of £4.296m, to help fund rising budget pressures and keep Council Tax down. Key issues that could add significant pressure to this and future budgets included:

- The deficit on the pension fund
- The introduction of job evaluation
- The future costs of waste management
- The increasing numbers of elderly persons requiring services
- The threatened cuts in grants for 'supporting people'

- The Highways PFI bid and funding needed to address the backlog of works to the highways infrastructure and work to Council buildings.

As part of the budget process, a comprehensive consultation exercise had been carried out, feedback from which was contained in Annex 11 to the report. Other options that had formed part of this consultation but were not currently included in the budget proposals were detailed in Annex 5. Members were invited to consider which of these options to include in their recommendations to Council.

Executive Members responded individually on those aspects of the budget proposals that fell within their respective portfolio areas. With reference to the issues raised under Public Participation, the Executive Member for Adult Social Services noted that changes to the Home Support Service were needed to release capacity for use in other areas of home care, particularly high dependency, where demand was greater. The changes would only affect a very small number of staff, mainly those in supervisory roles.

Having noted the comments of the Shadow Executive, it was

RECOMMENDED: (i) That Council agree the following amendments to the budget proposals:

- a) A reduction of the proposed Council Tax increase from 4.95% to 4.75% and consequent amendment of the income figure used (Annex 1).
- b) An addition to potential calls on contingency of a possible increase in expenditure on Scrutiny activities (Annex 2).
- c) **Acceptance** of the following savings and growth options for consultation listed in Annex 5:

Savings:

- Corpnew2 – remove contingency for capital programme running costs (£350k)
- CSMS2 – increase Standard Stay Car Parking Charges by 20p for visitors (£250k)
- HSHS12 – reduction in mediation service (£35k)
- NSNS4 – reduce gum busting carried out, by targeting priority areas (£17k)
- LCHS – Archive one day closure (£16k)
- NSLS4 – increase entry charge to Union Terrace Toilets from 20p to 30p (£10k)
- LCMDS5 – closure of Burton Stone Lane Flexible Learning Centre (£4k)
- LCMDS6 – School Swimming Support: cease support of the service (£2k)

Growth:

- CSIG16 – inflationary increase to Voluntary Sector grants (£20k)
 - Corpnew2 – continuation of funding for Christmas lights display (no increase in expenditure from current year) (£30k)
 - NSIG5 – improve recycling levels (£30k)
 - HSIG1 – phased increase in residential and nursing fees (£50k)
 - NSIG2 – end of LPSA funding available for Out of Hours Noise Service (£50k)
 - NSNG7 – pilot the extension of recycling to terraced properties (£80k)
 - CSYG2 – end of Prudential Borrowing, Highways & Street Ops (£294k)
- d) **Rejection** of the remaining savings and growth options for consultation listed in Annex 5.

REASON:

In order to take account of the views expressed by residents during consultation, whilst maintaining a balance between long term prudence and the need to sustain public standards in the City.

(ii) That, subject to the above amendments, Council approve the proposals set out in the report, namely:

- a) The net revenue expenditure requirement for 2008/09 of £112.423m, as set out in Table 1 (paragraph 17);
- b) The housing revenue account proposals outlined in Annex 12;
- c) The dedicated schools grant proposals outlined from paragraph 80 onwards;
- d) The revenue growth proposals for 2008/09 outlined in Annex 3;
- e) The revenue savings proposals for 2008/09 outlined in Annex 4;
- f) The use in 2008/09 of £1.823m of revenue reserves, as outlined in paragraph 49;
- g) The adoption of a risk based calculation to inform the Director of Resources' opinion on the appropriate minimum level of general reserves, as described in paragraph 51;
- h) The fees and charges proposals in Annex 8.

REASON:

To provide Council with a balanced set of budget proposals to consider when reaching a decision on the budget and resultant Council Tax to be set for 2008/09.

(iii) That the total Council Tax increase, including the Parish, Police and Fire Authority precepts be

agreed at the Council meeting, on the basis of a 4.75% increase in the City of York element of the Council Tax.

REASON: In accordance with the above recommendations on the budget proposals and taking into account the requirements of the other organisations involved.

(iv) That Council approve the increase for council dwelling rents by an average of 5.25%, in line with government guidance on rent restructuring, as set out in Annex 13.

REASON: To ensure a balanced Housing Revenue Account.

RESOLVED: That authority be delegated to the Director of Resources to revise words, correct any factual or typographical errors, improve presentation and make minor amendments to figures in order to incorporate the changes proposed into the information presented to full Council on 21 February 2008.

REASON: To ensure that decisions taken at Council are based upon correct and accurate information.

S F Galloway, Chair

[The meeting started at 2.00 pm and finished at 3.00 pm].