

Subject: Budget and Council Tax setting
for 2010/11

Status: For Publication

Report to: Overview & Scrutiny

Date: 3rd February 2010

Report of: Head of Financial Services

Portfolio

Holder: Finance and Resources

Key Decision: NO

Forward Plan General Exception Special Urgency "X" In
Relevant Box

1. PURPOSE OF REPORT

- 1.1 The purpose of the report is to consult Members on the 2010/11 budget and its implications for Council Tax.

2. CORPORATE PRIORITIES

- 2.1 The matters discussed in this report are linked to and support each of the Council's priority areas as follows:
- *Delivering quality services to our customers*
 - *Delivering regeneration across the Borough*
 - *Keeping our Borough clean, green and safe*
 - *Promoting the Borough*
 - *Encouraging healthy and respectful communities*
 - *Providing value for money services*

3. RISK ASSESSMENT IMPLICATIONS

- 3.1 All the issues raised and the recommendations in this report have involved risk considerations as set out below:
- 3.1.1 As part of the final recommendations to Council Section 25 of the Local Government Act 2003 places a requirement on the Chief Financial Officer of each local authority (in Rossendale this is the Head of Financial Services) to advise councillors during the budget process on "the robustness of the estimates made for the purposes of the

budget calculations and the adequacy of the proposed financial reserves”. This provision is designed to ensure that councillors have information which will support responsible financial management over the longer term. The report will form part of the final papers to Council on 25th February 2010.

4. BACKGROUND AND OPTIONS

- 4.1 The Council has launched its public consultation on the 2010/11 budget and the implications for Council Tax (see appendix 1).
- 4.2 The consultation, amongst other things, continues the “Pride in Rossendale” theme.
- 4.3 The Council has previously agreed a Medium Term Financial Strategy (February 2009) which indicated future council tax increases of no more than 3%. Based on this and other assumption, known implications and given the forecast for costs and charges for 2010/11 compared to assumed resources the current budget position indicates a surplus of £108k.
- 4.4 However, there are a number of options for potential investments and savings – these are detailed on pages 11 to 13 of the appendix.
- 4.5 This year the public consultation document includes a matrix (page 15 and Council website) which quantifies various options known to the Council in deciding the Councils final budget and the level of Council Tax increase or otherwise. The consultation, therefore, asks members of the public to make their own budget choices and forward their suggestions to the Council via the Head of Finance.
- 4.6 The budget process has been significantly influenced by the 2009/10 Review of Leisure. Any final decisions on leisure must be taken as part of the wider considerations for the 2010/11 budget and beyond. In particular this and other councils will face increasing pressure on financial resources beyond 2010/11 as central government balances the allocation of financial resources to Councils (via a new three year settlement) with other demands on the public purse.

COMMENTS FROM STATUTORY OFFICERS:

5. SECTION 151 OFFICER

- 5.1 Financial matters are dealt with within the report.

6. MONITORING OFFICER

- 6.1 Unless specifically commented upon within the report and the appendix, there are no other specific implications for consideration.

7. HEAD OF PEOPLE AND POLICY (ON BEHALF OF THE HEAD OF PAID SERVICE)

7.1 Unless specifically commented upon within the report and the appendix, there are no other implications for consideration.

8. CONCLUSION

8.1 There are a number of different options for Members to consider in finalising the Council's budget and setting council tax for 2010/11.

9. RECOMMENDATIONS

9.1 That Members note and consider the contents of the report and make their recommendations to Cabinet.

10. CONSULTATION CARRIED OUT

10.1 Directors,

10.2 Public (via Web, Neighbourhood forums and 2009 leisure review)

10.3 Secondary schools (via local democracy week and direct mail).

11. EQUALITY IMPACT ASSESSMENT

Is a Community Impact Assessment required ~~Yes~~ / No

Is a Community Impact Assessment attached ~~Yes~~ / No

12. BIODIVERSITY IMPACT ASSESSMENT

Is a Biodiversity Impact Assessment required ~~Yes~~ / No

Is a Biodiversity Impact Assessment attached ~~Yes~~ / No

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Background Papers	
Document	Place of Inspection
Medium Term Financial Strategy (Feb' 2009)	Financial Services or http://www.rossendale.gov.uk/downloads/Item_F1_-_MTFS_Feb_09_Update_V4_110209.pdf
Budget Consultation 2010/11	Council website: http://www.rossendale.gov.uk

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