



## **CABINET REPORT**

<b>Report Title</b>	<b>COUNCIL WIDE BUDGET 2010/11 – 2012/13</b>
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**AGENDA STATUS: PUBLIC**

<b>Cabinet Meeting Date:</b>	16 December 2009
<b>Key Decision:</b>	YES
<b>Listed on Forward Plan:</b>	YES
<b>Within Policy:</b>	YES
<b>Policy Document:</b>	NO
<b>Directorate:</b>	Finance and Support Services
<b>Accountable Cabinet Member:</b>	Cllr David Perkins
<b>Ward(s)</b>	N/A

### **1. Purpose**

1.1 The purpose of this report is:

- To present for consultation the Cabinet's draft budget proposals for 2010/11 and the forecast budgets for 2011/12 and 2012/13 for:
  - The General Fund (revenue) as attached summarised in Annex A detailed in Annex B and supporting annexes and recommended Council Tax levels for public consultation.
  - The Housing Revenue Account (HRA) excluding rents, charges and subsidy
  - The draft capital programme and funding proposals
- To approve for consultation the Council's draft Capital Strategy for 2010/11 to 2012/13.

- 1.2 To provide details of the current financial climate and progress in compiling the 2010/11 to 2012/13 General Fund revenue budget, setting out the issues considered as part of the revenue budget setting process.

## **2 Recommendations**

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- 2.1 That the Cabinet's General fund draft budget proposals for 2010/11 and indicative budgets for 2011/12, and 2012/13 as summarised in Annexes A to E be approved for public consultation.
- 2.2 That the proposed council tax increase of 2.47% for 2010/11 and the indicative 2.47% for 2011/12, and 2012/13 be approved for public consultation.
- 2.3 That the Cabinet's draft capital programme and financing as detailed in annexes I, J, and K be approved for public consultation
- 2.4 That Cabinet approve the draft Housing Revenue Account (HRA) budget excluding charges, subsidy and rents.
- 2.5 That the draft Capital Strategy at appendix L be approved for consultation.
- 2.6 That the consultation leaflet be delegated to the Assistant Chief Executive in consultation with the Leader and Portfolio Holder for Finance for approval.
- 2.7 That the Chief Executive and Director of Finance, in consultation with the relevant portfolio holders, undertake the preparatory work in relation to the savings and efficiencies built into the draft budget proposals, subject to any actions being rescinded should any budget options not be approved by 25 February 2010 Council.

## **3. Issues and Choices**

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### **3.1 Report Background**

#### **Local Preparation**

- 3.1.1 The Board approved the timetable and process for the Medium Term Plan and budgets in the summer. The report set out the financial parameters for budget projections 2010/11 to 2012/13.
- 3.1.2 The budget process was closely linked to the corporate plan and the objectives set out in it, which are also reflected in the Medium Term Financial Strategy.

#### **Timetable**

- 3.1.3 The Revised Provisional Formula Grant was announced on 26 November and the time timetable following this draft budget report is as follows:
- January – main public consultation on budget and proposed level of council tax.
  - End January/February – Final Formula Grant settlement announcement is received from Government.
  - February – Cabinet recommends budget to Council. Council agrees budget and council tax.

## **3.2 Overview**

- 3.2.1 The budget is being set at a time of unprecedented economic and financial turmoil accompanied by political uncertainty with a general election due in the Spring. The Cabinet has made its determination absolutely clear to continue on the path of improvement and to transform this Council into an excellent performing organisation which is providing value for money services to the community. The Council will not be deflected from this aim by these external factors however it does recognise that they make it more challenging to accomplish.
- 3.2.2 In January 2007 the Audit Commission severely criticised the Council for its performance. It stated that the Council had made little real progress since 2004, and had failed to improve on its "poor" rating. The report picked out numerous failings including the management team, political leadership and budgetary control.
- 3.2.3 In the latest annual assessment report, published on 9 December 2009, the Commission now states that Northampton Borough Council has transformed how it works and it demonstrates a huge improvement in the performance of the Council.
- 3.2.4 The report comments positively on how "new staff and departments have enabled the Council to improve services for local people" and that the Council is now performing as well as most other district authorities in the county."
- 3.2.5 The Audit Commission notes that there are excellent prospects for improvement and that the Council has put in place clear plans to continue to improve. The Borough Council is now listed as performing adequately, which is a huge improvement since the previous inspection that rated the Council as among the worst 13 local authorities in the country.
- 3.2.6 The report also notes that there are still areas for improvement, such as making it easier to contact the Council and becoming more cost effective but recognises that the Council is aware of this. Council staff are "committed to improve services" and the Council has good plans in place for continuing these improvements.
- 3.2.7 The report highlights how the Council is now better at listening and helping residents get involved. The ongoing regeneration and rejuvenation of the town centre is praised. There is also recognition that "good progress" has been made to improve the Council's Revenues and Benefits service and Housing department, which are both areas of the Council that support some of the town's most vulnerable residents.
- 3.2.8 This report confirms the progress the Council has made, and underpins it's ambition to be the best in terms of Public Service by 2013. It recognises that not only have we made improvements, but that we will continue to improve despite the economic climate change which is having a huge affect on our finances.

## **3.3 Issues**

- 3.3.1 This report sets out the issues facing decision makers, with the aim of allowing as much information as possible to be in the public domain, as early as possible.

- 3.3.2 The Council is facing an extremely challenging financial situation in the short to medium term, particularly due to the Economic Environment, Government Policy in relation to funding and technical changes in accounting.

### **Economic Environment**

- 3.3.3 The national economy remains in a period of downturn and instability. This has had specific repercussions locally.
- 3.3.4 The impact on the housing market has seen continuing low levels of related income such as building control and land charges.
- 3.3.5 Trip volumes on concessionary fares are continuing to rise, and are expected to continue to do so over the medium term.
- 3.3.6 Investment interest levels remain low, and are expected to do so for the next 12 months before rising slowly thereafter.
- 3.3.7 The funding for capital expenditure is linked both to revenue funding in relation to borrowing costs and its ability to generate capital receipts in these difficult times.
- 3.3.8 The impact on the housing market has had the effect of reducing income levels i.e. right to buy receipts have virtually dried up and buyers are difficult to secure for other types of property, particularly at the right price. This will have an impact on the availability of capital receipts to fund capital expenditure.
- 3.3.9 In terms of borrowing, the differential between investment and borrowing rates are higher than they have been over the past few years, and the cost of borrowing is expected to rise significantly in comparison to the investment rates which are expected to remain around 1%.
- 3.3.10 Overall the effects of the economic downturn on local citizens and businesses are such that there is likely to be an increased draw on certain services, such as homelessness, which in turn, draws on the Council's resources.

### **Government Policy**

- 3.3.11 There are several areas of Government policy that have influenced the Council in considering the costs of growth and limits placed on Government grant.
- 3.3.12 The population figures used in the funding formula that determines the overall settlement, which Northampton receives, are understated by around 8,000 people in 2010/11 compared to the mid 2008 estimate published by the Office of National Statistics in August 2009. The implication of this is that this authority is providing services for over 8,000 people who are not taken into account in the Government funding formula.
- 3.3.13 The limited recognition of growth that exists in the formula means that in the majority of years this authority remains below the floor mechanism and therefore receives the minimum possible grant increase. For 2010/11 this will be 0.5% compared to CPI of +1.1% and RPIX of +1.3% as at September 2009 (RPI -1.4%). The average increase nationally for district authorities was +1.4%.

- 3.3.14 The 2007 Spending Review was always expected to generate a real terms minimal funding increase for local government, with a far greater emphasis on cashable efficiency savings. In the event a real terms increase of 1% was announced nationally, however economic events have moved on since the assumptions behind that announcement were made. The 0.5% increase for NBC equates to only £94k more than last year in monetary terms.

### **Technical Issues**

- 3.3.15 Over the three-year period there are a number of technical changes to bring local government accounting treatment into line with international financial reporting standards.
- 3.3.16 The first area, which relates to accounting for capital borrowing was put into place in 2008/09. This means that the value of the asset must now be written down over the life of the asset rather than 4% on reducing balance. As a district authority a significant part of our new capital investments tend to relate to short-lived assets such as software, vehicles, plant and equipment, therefore the impact is particularly significant.
- 3.3.17 In relation to International Financial Reporting Standards (IFRS) implementation, there are two areas in particular that pose a risk to the council's General Fund Revenue Budgets, which are the effects of leasing classification and the employee benefits accrual.
- 3.3.18 CIPFA are due to publish the final Code of Practice for IFRS in December. The first key milestone date for IFRS work being the 31 December 2009.
- 3.3.19 Based on the latest information provided by CIPFA, it is currently anticipated that there will be legislative mitigation for these effects, so at this stage they have been taken into account in the risk assessment of reserves and have not being included in the main budget.

### **Government Lobbying**

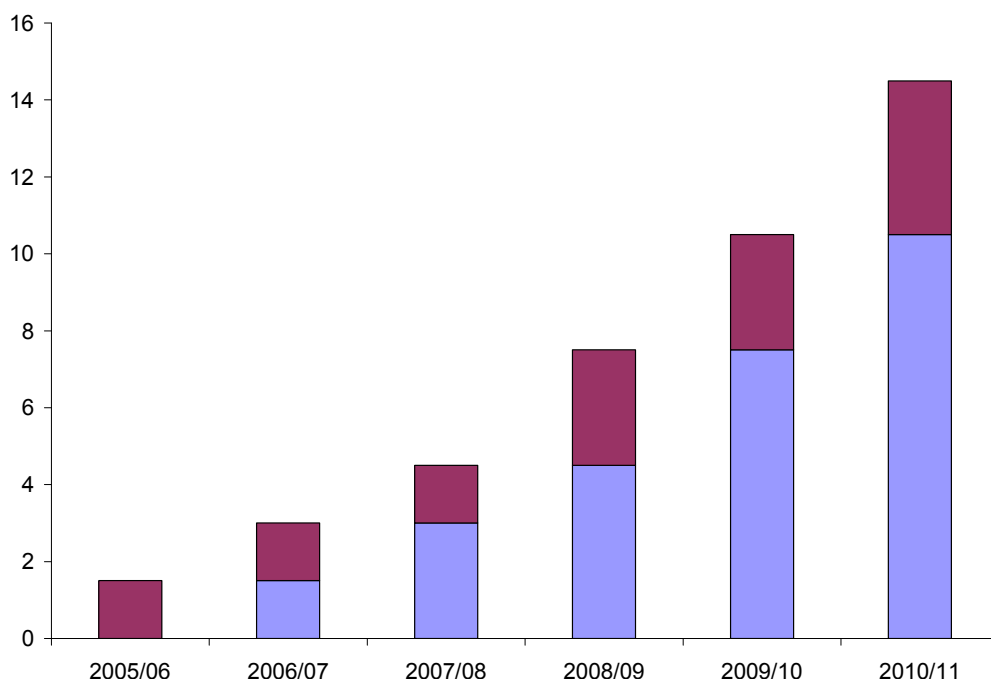
- 3.3.20 Last year representatives of the Borough Council met with the minister to discuss Northamptonshire's particular issues with funding, in particular relating to the borough's improvement journey and the expansion of Northampton. This year the Borough will make written representations, but the minister has made it clear he will not meet with individual authorities, only groups who represent the interest of local authorities.

### **3.4 Revenue Budget**

- 3.4.1 The overall summary budget summary can be found at annex A to this report. From the summary it can be seen that a key feature of the budget process has been a focus on obtaining further efficiency for the latest year of Annual Efficiency targets.
- 3.4.2 As part of the budget report 2009 the Chancellor increased the cashable efficiency savings target that local authorities need to make to 4%. As in previous years, these need to be new efficiencies on top of the targets set by the Chancellor in previous budget rounds.

- 3.4.3 The borough council has achieved these targets each year to date, and these savings have contributed towards investment in priority areas and minimising service cuts. As time goes on it becomes increasingly challenging to find new efficiency savings and the council works hard to be as efficient as possible. Chart 1 Summaries the increase in cashable efficiency targets which the Council has met or exceeded each year.

**Chart 1: Incremental Government Efficiency Targets met by NBC**



- 3.4.4 The changes that are being proposed are part of the reorganisation of the Council that are necessary to achieve excellent status and are an essential part of the requirement to deliver more with less and to raise our productivity and customer focus. These changes are part of an ongoing plan for the next three years and include:
- 3.4.5 The authority is pro-actively working on delivering major changes through its work on:
- Change Plan
  - Strategic Business Reviews
  - Investigating opportunities for Partnership working
- 3.4.6 The change plan looks to give us a forward looking picture of the Council services over the medium term, translating the corporate plan into a programme of project delivery whilst the Strategic Business Reviews, which are contained within the change plan, aim to establish the most economic and efficient way to deliver services.
- 3.4.7 The Council recognises that it will be necessary to share services with other authorities in order to deliver change. We are very open with regard to working with partners and overall recognise that we need a change of delivery model in some areas to enable local authority services to be delivered efficiently and effectively in this difficult financial environment.

## Efficiencies

3.4.8 As part of the 2010/11 budget process each department was asked to develop efficiency options. Whilst work is still underway, **Table 1** below summaries what has already been built into the 2010/11 budget, and a full schedule can be found at annex E.

**Table 1: Efficiency Savings**

	£m
Assistant Chief Executive	0.299
Environment & Culture	2.017
Planning and Regeneration	0.149
Finance and Support	1.525
Borough Solicitor	0.016
Housing General Fund	0.393
	<b>4.399</b>

## Closing the Budget Gap

3.4.9 The Council's aim of delivering efficient cost effective services, have effectively closed the majority of the budget / funding gap, but there is still the need to consider the balance between using reduction in service levels in some areas (Annex B), increasing income in others (Annex C) along with council tax increases to balance the budget, taking into account both customer needs and whether the Council Tax they set could be deemed to be excessive and therefore be subject to capping by Government.

3.4.10 Over the next six to eight weeks members and officers will continue to review services in order to identify further savings with the view of minimising the impact on the public. Due to timescales, these further options will not form part of the budget consultation, but may be used, along with use of reserves, to balance the final budget.

## General Fund Balances

3.4.11 A prudent level of reserves, along with appropriate application of reserves, should be part of the overall budget. An annual risk assessment is undertaken to ascertain the minimum level of reserves the authority should hold. This suggests that £3.0m should be the minimum for 2010/11.

3.4.12 This is a significant change since the last review, which is a reflection of three key areas:

- Tighter requirements to plan to mitigate counterparty risk in investment.
- Provision for emergency asset maintenance risks.
- General increased risk levels due to the unstable political and financial climate nationally.

3.4.13 In the current financial climate it is not possible to move directly from £2m to £3m. It is therefore recommended that the authority moves to this level of reserves over the next 3-5 years, beginning by contributing £0.1m to reserves in 2010/11.

## Planning Levels of Resources

- 3.4.14 There are two main funding streams for local authorities general fund revenue budgets. The first is local taxation, and the second is from Government – Formula Grant, consisting of Revenue Support Grant (RSG) and the redistributed Business Rate (NNDR).

## Council Tax

- 3.4.15 Options for Council Tax levels were considered by Cabinet in December 2009. This included the option of a small increase, a nil increase, or a reduction. The Cabinet has chosen to consult with the public on a 2.47% increase.
- 3.4.16 Latest projections show that a 1% increase in Council Tax generates approximately £135k.
- 3.4.17 It is estimated that there will be a collection fund deficit of circa £1,098k for 2009/10. Northampton's share of the deficit equates to £171,360 and is built into the 2010/11 draft budget. Any surplus or deficit is distributed between the precepting authorities.

## 2010/11 Provisional Settlement

- 3.4.18 On 26 November 2009 the Government announced the proposed Local Government Settlement for 2010/11. This is shown in **Table 2** below.

**Table 2: Proposed 2010/11 Settlement**

	<b>2010/11 £m</b>
Revenue Support Grant	2,401
Redistributed Business Rates	16,535
<b>Total Formula Grant</b>	<b>18,936</b>

- 3.4.19 At this stage it must be stressed that the Formula Grant projections from 2010/11 onwards are from the provisional settlement, as the final settlement announcement due in January 2010 could differ from the provisional announcement, although this is unlikely.

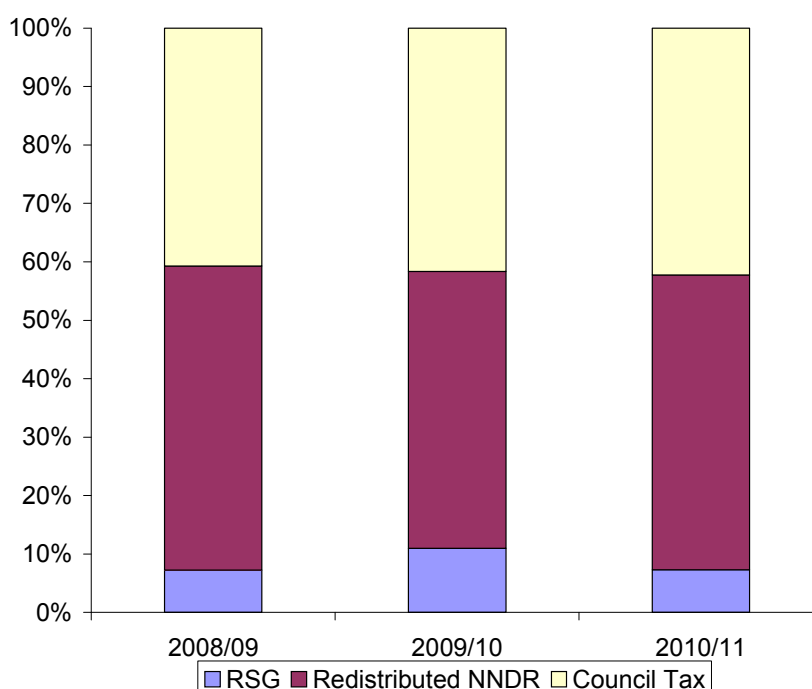
## Council Tax Recommendations

- 3.4.20 The Borough Council's 2009/10 Band D Council Tax is £204.60, excluding amounts raised for parish precepts. In 2010/11, the Band D at the resource illustration is £209.65, representing a 2.47% increase in Council Tax.
- 3.4.21 The Medium Term Plan requires the Council to look ahead. Whilst the budgets for years 2, and 3 have been comprehensively prepared, there may be opportunities to reduce expenditure, or changes to the Government funding arrangements in the future.

## Total Resources

3.4.22 The total resources available to the Council are estimated as shown below in **Chart 2** below:

**Chart 2: Resources available to Northampton Borough Council over SR2007**



*\*Note that this does not include fees and charges, investment or similar income streams.*

## 3.5 HOUSING REVENUE ACCOUNT

- 3.5.1 The Housing Revenue Account (HRA) is a ring-fenced account that represents the costs of holding the Council's housing stock. There are strict rules surrounding the costs and income that can be charged to this account.
- 3.5.2 Much of the income and expenditure is dictated by legislation and regulation leaving the Council with direct control over a limited number of these budgets. Rental income, by far the largest single budget within the HRA, is calculated by applying the rent restructuring formula as defined by the Government.
- 3.5.3 The Draft HRA Determinations have not yet been issued and so an indicative position relating to subsidy and the rental increase is not known.
- 3.5.4 Rents within the HRA are currently being restructured in line with the Government Rent Restructuring formula. The intention of this restructuring is to have a consistent approach to rental charges across the whole of the Public Sector housing stock.
- 3.5.5 The Government has undertaken a fundamental review of Housing Finance and the subsidy mechanism. This review has been consulted upon and the Government is currently considering the responses. The review, therefore, does not form part of this budget process. Since the calculation of rent is dependent upon the Final Determination, this will be considered in detail for the February meeting where the rents will be set. For the purposes of these draft budgets, it has been assumed that HRA rents will remain at 2009/10 levels.

3.5.6 The Housing Revenue Account Draft Budget does not include the effect of rent and charges increases at this stage, for the reasons stated above. These cannot be set until the final subsidy determination is released. Rents and charges and the associated budgets will be considered and set in February.

3.5.7 The HRA budgets will continue to be scrutinised and reviewed and updated figures will be brought to a February Cabinet for consideration and approval.

### **Summary of Overall HRA Position**

3.5.11 A summary of the draft HRA budget figures is contained in Appendix F, which includes budgeted efficiencies of £726k, and medium term planning investment and efficiency options are shown at Appendix G & H respectively.

### **3.6 Capital Programme**

3.6.1 The proposed capital programme for 2010/11 to 2012/13 is attached at Annex I. The programme is split between General Fund (GF) and Housing Revenue Account (HRA) schemes, and is made up of:

- Continuation schemes from 2009/10;
- New bids for 2010/11 starts;

3.6.2 The value of the total proposed capital programme for 2010-11 is £25.337m.

3.6.3 The table below outlines how it is planned to fund the proposed capital programme in 2010/11.

**Table 3: Proposed Capital Programme Funding**

<b>Funding source</b>	<b>GF</b>	<b>HRA</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Capital Programme 2010-11</b>	<b>8,471</b>	<b>16,866</b>	<b>25,337</b>
Supported Borrowing		0.500	0.500
Prudential Borrowing	5.424	0.433	5.857
Capital Receipts	0.110	0.140	0.250
Major Repairs Allowance		8.100	8.100
Grants & Third Party Contributions	2.386	0.835	3.221
Revenue Contributions/Earmarked Reserves	0.551	6.857	7.408
<b>Total</b>	<b>8,471</b>	<b>16,866</b>	<b>25,337</b>

3.6.4 A more detailed breakdown of the funding assumptions for the next three years is set out at Annex J.

3.6.5 Annex K sets out how the new bids for 2010/11 starts in the proposed capital programme contribute to the Council's corporate priorities for 2009/2012.

## **HRA Capital Programme**

- 3.6.6 The budget for 2010/11 includes £8.2m for the Major Repairs Allowance. This can only be used to finance HRA capital expenditure. Currently, there is no budget provision for Revenue Contribution to Capital Expenditure (RCCE) built into the budget shown at Annex F, however it is assumed that the contribution to earmarked reserves will be spent on financing the capital programme. The HRA capital programme has a direct impact on the revenue position of the HRA. Expenditure for capital purposes and the effect on revenue expenditure continue to be considered together.

### **3.7 Capital Strategy**

- 3.7.1 The proposed Capital Strategy for 2010/11 to 2012/13 is attached at Annex L. This updates the Capital Strategy for 2009/10 to 2011/12 approved by Council on 26 February 2009.
- 3.7.2 Capital expenditure represents major investment in new and improved assets such as land, buildings, infrastructure, equipment and information technology. It therefore plays a key part in the development of the Council's services.
- 3.7.3 The Government expects each local authority to produce a capital strategy. The aim of the capital strategy is to provide a clear framework for capital funding and expenditure decisions. This is in the context of the Council's vision, values, objectives and priorities, financial resources, and spending plans.
- 3.7.4 The strategy supports the development of an approved capital programme that shows the Council's commitment to maintaining and improving its capital stock and infrastructure. This in turn underpins the delivery of high quality and value for money services and helps to secure a better environment for the people of Northampton.
- 3.7.5 The strategy covers both the present position and future plans - the former setting the context for the latter. It also includes an action plan for future improvements. The capital strategy also outlines the management and monitoring arrangements that the Council has in place for effective delivery of the strategy.
- 3.7.6 The strategy includes the Council's capital funding strategy for 2010/11.

### **3.8 Corporate Plan and Consultation**

- 3.8.1 The Council agreed the Corporate Plan for 2009/2012 at its meeting on the 26 February 2009. The plan is renewed on an annual basis. The plan identified the council's priorities for 2009/2012 as:
- Safer, greener and cleaner communities
  - Housing health and well-being
  - A confident, ambitious and successful Northampton
  - Partnership and community engagement
  - A well-managed organisation that puts our customers at the heart of what we do
- 3.8.2 In order to develop the Council's Corporate Plan priorities for 2009/12 and outcomes to be achieved for each of the priorities, the Council sought the views of local residents and stakeholders.

- 3.8.3 The draft Corporate Plan 2010/13 will be developed using consultation feedback. The feedback will inform the development of specific outcomes, through detailed service planning, to ensure that the services we deliver against priorities, meet the needs of local communities.
- 3.8.4 The draft Corporate Plan priorities are currently being widely consulted upon and the consultation will continue alongside consultation on the budget proposals throughout January 2010. Different consultation mechanisms, supported by a comprehensive communications plan are being used to support access to the consultation process, including;
- Focus groups with Forum and Resident Panel members,
  - On-line public consultation through the Council's website,
  - Paper consultation using questionnaires available at all council public buildings,
  - Seven public meetings at venues across the town
- 3.8.5 The Cabinet will consider recommending for public consultation the draft budget for 2010/11 and its indicative budgets for 2011/12 and 2012/13 as set out in Annex A, which assume a 2.47% Council Tax increase in each of these years. In arriving at this decision the Cabinet has taken account of reviews of:
- corporate priorities;
  - continuation budgets;
  - efficiencies that have been achieved through the relevant processes;
  - impact on individuals in a difficult financial climate;
  - growth items identified through the Medium Term Planning (MTP) process;
  - the current and planned levels of reserves; and
  - the outcome of the formula grant settlement.
- 3.8.6 The Cabinet is keen to listen to the debate on the budget proposals for Northampton Borough Council. This debate takes place at a time when the issue of good public services and their funding is to the fore. Following receipt of the consultation analysis, the Cabinet will recommend approval of the new Corporate Plan and budget at its meeting in late February 2010, for consideration at the Council meeting on 26 February 2010.
- 3.8.7 The Cabinet has sought to protect the Council's corporate priorities from the brunt of service cuts and the growth items are targeted on the Council's priority areas.
- 3.8.8 The aim of the process was to arrive at a sound three-year financial plan that sought to improve services in the priority areas, consistent with maintaining a low Council Tax.

### **3.9 Choices (Options)**

- 3.9.1 The Cabinet can agree that the budget proposals for 2010/11, for General Fund Revenue, Housing Revenue Account and Capital, and indicative budgets for 2011/12, and 2012/13 as summarised in the annexes to this report are approved for public consultation, along with the capital strategy.

- 3.9.2 The Cabinet can agree that the proposed council tax increase of 2.47% for 2010/11 and the indicative 2.47% for 2010/11, and 2012/13 are approved for public consultation.
- 3.9.3 The Cabinet can choose to make changes to the budget proposals and the proposed council tax levels subject to the advice of the Chief Financial Officer.

#### **4. Implications (including financial implications)**

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##### **4.1 Policy**

- 4.1.1 The revenue and capital budgets are set in support of the council's priorities.
- 4.1.2 The General Fund Revenue Budget is set in the context of the Medium Term Financial Strategy, approved by Cabinet on 25 November 2009.
- 4.1.3 The capital programme is set in the context of the Council's Capital Strategy. The proposed Capital Strategy for 2010-11 to 2012-13 is attached at Annex L.

##### **4.2 Resources and Risk**

- 4.2.1 In addition to the Borough Council's own Council Tax, there are separate Council Taxes for Northamptonshire County Council, the Parish Areas and the Police Authority.
- 4.2.2 The provisional local government finance settlement announced on 26 November 2009 is subject to change and will be updated when the final settlement is announced, at the end of January/early February 2010.
- 4.2.3 That Housing Revenue Account budgets will need to be updated when the final HRA subsidy determination settlement is announced, the date of which is anticipated to be sometime in January 2010.
- 4.2.4 The formula on which rents are based is included within the subsidy determination and so the rents budget cannot be set until after the final determination is received.
- 4.2.5 Information will be included in the report to the Council meeting in February 2010 on the level of spend for the county, the Parishes, the Police Authority, and the final Formula Grant settlement.

##### **4.3 Legal**

- 4.3.1 There are no specific legal issues arising from this report.

##### **4.4 Equality**

- 4.4.1 Equality and Diversity were considered as a part of the budget build process, and an equalities assessment is completed as part of each medium term planning option submitted.
- 4.4.2 Each completed capital project appraisal includes responses to the following questions:
- State specifically the equalities issues that have been identified that this project will address?
  - How will this project address the equalities issues that have been identified?
- 4.4.3 The Equalities Impact Assessment process will be completed for each scheme in the agreed capital programme as a condition of approval.

- 4.4.4 The Capital Strategy will undergo an Equalities Impact Assessment screening, to determine whether a full Assessment is required. As there are no direct impacts on individuals from the Capital Strategy itself it is anticipated that this will not be required.

#### **4.5 Consultees (Internal and External)**

- 4.5.1 Internally Heads of Service and Budget Managers have been consulted, and Management Board has carried out a detailed challenge of the budget.
- 4.5.2 This paper is to agree to put out a draft capital and revenue budget and council tax to public consultation, which will be undertaken with the general public, partners of the Council and businesses. This is in line with best practice and the statutory requirements of the Local Government Finance Act 1992.

#### **4.6 How the Proposals deliver Priority Outcomes**

- 4.6.1 All of the discretionary proposals in the draft revenue budget have been assessed against the corporate priorities as set out in the Corporate Plan.
- 4.6.2 The comparison of capital bids to corporate priorities is shown at annex K.

#### **4.7 Other Implications**

The **Annexes** are set out as follows:

- A. Proposed General Fund Revenue Budget 2010/11 and Budget Projections 2011/12 - 2012/13
- B. General Fund Savings Options
- C. General Fund Income Options
- D. General Fund Investment Options
- E. General Fund Efficiency Options
- F. Proposed HRA Revenue Budget 2010/11 and Budget Projections 2011/12 - 2012/13
- G. HRA Investment Options
- H. HRA Efficiency Options
- I. Proposed Capital Programme 2010/11
- J. Proposed Capital Programme Financing 2010/11
- K. Capital Programme Bids and the Corporate Priorities
- L. Proposed Capital Strategy

### **5. Background Papers**

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- 5.1 Cabinet Reports: 25 November 2009 General Fund Revenue Budget Monitoring 2009/10 – Position as at the end of September 2009  
25 November 2009 Housing Revenue Account Budget Monitoring 2009/10 Position at 30<sup>th</sup> September 2009  
25 November 2009 Capital Programme 2009-10 – Position as at End of September 2009

5.2 External documents:

- HM Treasury - 2009 Pre Budget Report (9 December 2009)
- HM Treasury - 2009 Budget Report.
- HM Treasury - 2007 Spending Review
- CLG – Provisional Local Government Finance settlement 2008/09 – 2010/11

5.3 Other Papers:

- Budget working papers
- Draft fees & charges schedule.

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