

<b>Item No.</b> 2.1	<b>Classification:</b> Open	<b>Date:</b> 22 February 2011	<b>Meeting Name:</b> Council Assembly
<b>Report title:</b>		Policy and Resources Strategy 2011/12 – Revenue Budget	
<b>Ward(s) or groups affected:</b>		All	
<b>From:</b>		Finance Director	

## RECOMMENDATIONS

1. That council assembly considers the cabinet's budget recommendation for 2011/12.

Note: The cabinet's recommendation will be circulated to all councillors following the reconvened cabinet meeting on 15 February 2011. The report to be considered by cabinet is attached as Appendix 1.

2. That the Housing Revenue Account (HRA) – Approval of Housing Revenue Account Budget 2011/12 report (attached as Appendix 2), and any recommendations agreed by cabinet at their meeting on 15 February relating to this report, be noted.

## BACKGROUND INFORMATION

3. The Policy and Resources Strategy 2011/12 to 2013/14 – Revenue Budget report sets out the background to how the cabinet have considered preparing budget proposals not least within the context of government announcements on local government funding. The report is attached as Appendix 1.
4. A report on the HRA budget is attached as Appendix 2.

## KEY ISSUES FOR CONSIDERATION

### Recommendation to council assembly

5. On 8 February 2011 the cabinet received a report on a balanced budget for 2011/12, with indicative budgets for 2012/13 and 2013/14. This meeting heard a number of deputations from local community groups and residents. The meeting on 8 February 2011 was adjourned and a specially reconvened meeting was arranged and will be held on 15 February 2011. This cabinet will consider the reports attached as Appendix 1 and 2. At this meeting the cabinet will consider its final recommendation to council assembly on the revenue budget which is meeting on 22 February 2011.
6. Further information on the budget proposals to be considered by cabinet on 15 February 2011 is set out in Appendix 1, including:
  - Overview and scrutiny committee recommendations
  - Reductions in government funding and frontloading

- Service area budget, including summary equalities impact
- Management restructuring and shared services
- Support to the voluntary and community sector
- Human Resources
- Consultation on the budget
- Equalities
- Community impact statement
- Legal advice

### **Housing Revenue Account**

7. The cabinet received a report on the HRA budget on the 8 February 2011. This report sets out proposals for efficiency savings following consultation with residents. The report asks cabinet to: note the savings required to deliver a balanced HRA for 2011/12; approve the proposals to deliver the savings; note the consultation carried out; and note the further consultation and assessments that will be carried out.
8. The report on the HRA budget will be considered at the reconvened cabinet meeting on 15 February 2011. The cabinet also requested that the report on the approval of housing revenue account budget 2011/12 be circulated to council assembly as an appendix.

### **REASONS FOR URGENCY**

9. The council has an obligation to set a lawful budget by the statutory deadlines and ensure all the necessary preparatory administrative and financial arrangements are in place prior to the next financial year. The council also required sufficient time to consider the implications of the government settlement on the budget proposals.
10. All local authorities are required to set their council tax by 11 March 2011. Any delay to this date would mean the council would have to move its instalment date beyond 1 April 2011 resulting in loss of income to the council.

### **REASONS FOR LATENESS**

11. This report is late because the cabinet wished to give due consideration of the issues raised through the consultation process, including deputations received, by 8 February 2011. Further, the details of the final grant settlement were only formally debated in Parliament on 9 February 2011.

### **BACKGROUND DOCUMENTS**

<b>Background Papers</b>	<b>Held At</b>	<b>Contact</b>
Cabinet – Reports and minutes 2010//11	160 Tooley Street London SE1 2TZ	Everton Roberts/ Paula Thornton 020 7525 7221

## APPENDICES

No.	Title
Appendix 1	Policy and Resources Strategy 2011/12-2013/14 – Revenue Budget (Cabinet report: 15 February 2011)
Appendix 2	Housing Revenue Account – Approval of Housing Revenue Account Budget 2011/12 (Cabinet report: 15 February 2011)

## AUDIT TRAIL

<b>Lead officer</b>	Duncan Whitfield, Finance Director	
<b>Report author</b>	Cathy Doran, Head of Financial Planning & Budgets Stephen Gaskell, Business and Partnerships Manager Ian Millichap, Constitutional Manager	
<b>Version</b>	Final	
<b>Dated</b>	14 February 2011	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Strategic Director of Communities, Law & Governance	Yes	See Appendix 1
Finance Director	Yes	See Appendix 1
<b>Date final report sent to Constitutional Team</b>		14 February 2011