

**CANNOCK CHASE COUNCIL**

**COUNCIL MEETING**

**8 FEBRUARY 2017**

**GENERAL FUND BUDGET RESOLUTIONS**

**ALTERNATIVE BUDGET PROPOSAL BY SHADOW CABINET ON  
BEHALF OF THE CONSERVATIVE GROUP**

**An alternative General Fund Budget, as proposed by the Shadow Cabinet on behalf of the Conservative Group, is detailed below and, in light of this alternative budget, Council is recommended to refer back the Cabinets Budget recommendations for further consideration.**

**GENERAL FUND REVENUE BUDGET 2017-18 TO 2019-20**

**The Alternative Budget is attached as Annex 1 and replaces Table 6 and 8 of the Cabinet Report Item No 7.12 Dated 19/01/17.**

**In accordance with the above the following changes are made to the Recommendations to Council as per Paragraph 2.1 of the above report.**

- (a) the level of net spending for the General Fund Revenue Budget for 2017-18 be set at £11.133 million; with indicative net spending for 2018-19 and 2019-20 of £11.436 million and £11.521 million respectively;
- (b) the detailed portfolio budgets as set out in Appendix 2 (as amended by the changes as contained in Annex 2);
- (e) the working balances be set at £0.615 million; £0.723 million and £0.856 million for 2017-18 to 2019-20 respectively;

**The changes to the Cabinet's Budget are attached as Annex 2 and can be summarised as follows:**

**Proposals for Savings**

**The Shadow Cabinet proposes that the following saving option is implemented:**

- **The Shared Service initiative (with Stafford Borough Council or another neighbouring Authority) is extended to Front Line Services with a Phase 1 to be implemented in 2018-19**

**That the following saving proposals as contained in the Cabinets Budget be deleted.**

**Culture and Sport Portfolio (Appendix 2 - Item 7.44 /7.45)**

- **I9 – Increase Fees by 20% Football Pitches**

**Environment Portfolio (Appendix 2- Item 7.55/7.56)**

- **I14 – Increase Parking charges**

**Town Centre Regeneration Portfolio (Appendix 2 Item 7.66)**

- **I5 – Increase in Trading Days – Cannock Indoor**
- **I7 - Bus stations- increase revenue**

**That saving options for Stafford Borough Council led Shared Services: premise savings re the Citizens Advice Bureau and Shared Services (Phase 2) be developed in relation to balancing the budget for 2019-20.**

## Annex1

<b>ALTERNATIVE BUDGET AS PROPOSED BY SHADOW CABINET ON BEHALF OF THE CONSERVATIVE GROUP</b>			
<b>Table 6 :General Fund Draft Budget 2017-18 to 2019-20</b>			
	<b>Budget 2017-18</b>	<b>Budget 2018-19</b>	<b>Budget 2019-20</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Net Expenditure</b>			
Portfolio budgets	10,956	11,057	11,277
Investment interest	(158)	(158)	(158)
Technical items	475	537	402
Actuarial Reserve	(140)		
<b>Net Spending</b>	<b>11,133</b>	<b>11,436</b>	<b>11,521</b>
<b>Less: Government Grants</b>			
NNDR Multiplier	(41)	(41)	(41)
New Homes Bonus	(974)	(959)	(1,042)
<b>Budget Requirement</b>	<b>10,118</b>	<b>10,436</b>	<b>10,438</b>
<b>Financing</b>			
Business Rates	(3,662)	(2,944)	(4,261)
Business Rates Equalisation	680	(680)	
Revenue Support Grant	(776)	(384)	54
Collection Fund surplus	(16)		
Council Tax Income	(5,759)	(5,945)	(6,136)
<b>Total Financing</b>	<b>(9,533)</b>	<b>(9,953)</b>	<b>(10,343)</b>
<b>Transfer to Working Balances</b>			
<b>Transfer from Working Balances</b>	<b>(585)</b>	<b>(483)</b>	<b>(95)</b>

<b>Table 8 : Level of Working Balances</b>				
	<b>31/03/17</b>	<b>31/03/18</b>	<b>31/03/19</b>	<b>31/03/20</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Balance B/fwd.	2.057	2.451	1.866	1.383
(Applied) in Year	0.394	(0.585)	(0.483)	(0.095)
<b>Balance C/fwd.</b>	<b>2.451</b>	<b>1.866</b>	<b>1.383</b>	<b>1.288</b>
<b>Minimum</b>	<b>(0.633)</b>	<b>(0.615)</b>	<b>(0.723)</b>	<b>(0.856)</b>
<b>Surplus to Support Budget</b>	<b>1.818</b>	<b>1.251</b>	<b>0.660</b>	<b>0.432</b>

**ALTERNATIVE BUDGET AS PROPOSED BY SHADOW  
CABINET ON BEHALF OF THE CONSERVATIVE GROUP**

**PROPOSED CHANGES TO SAVING OPTIONS (DECEMBER 2016)**

**REVENUE BUDGET**

Ref.	Title		2017-18	2018-19	2019-20
			£	£	£
<b>D</b>	<b>SHARED SERVICES</b>				
D5	Development Control& Env'n Services	*		-180,000	-180,000
	<b>TOTAL Shared Services</b>		<b>0</b>	<b>-180,000</b>	<b>-180,000</b>
15	Increase in Trading Days - Cannock Indoor Market		20,000	35,000	35,000
17	Bus Stations - Increasing Revenue		4,000	4,040	4,080
19	Increase fees by 15% on Cemeteries/ 20% Football services.		3,460	3,850	4,260
I14	Increase Parking Charges		50,000	50,000	50,000
	<b>Total Reduction in Frontline Services to the Public &amp; income Generation Proposals</b>		<b>77,460</b>	<b>92,890</b>	<b>93,340</b>
	<b>Changes to Draft Budget</b>		<b>77,460</b>	<b>-87,110</b>	<b>-86,660</b>

**Extracts from General Fund Revenue Budget and Capital Programme 2017-18 to 2019-20 Report, as presented to 19 January, 2017, Cabinet meeting**

Paragraph 6.1 (Item No. 7.12 of the Cabinet report)

<b>Table 6 :General Fund Draft Budget 2017-18 to 2019-20</b>			
	<b>Budget 2017-18</b>	<b>Budget 2018-19</b>	<b>Budget 2019-20</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Net Expenditure</b>			
Portfolio budgets	10,879	11,145	11,363
Investment interest	(158)	(158)	(158)
Technical items	475	537	402
Actuarial Reserve	(140)		
<b>Net Spending</b>	<b>11,056</b>	<b>11,524</b>	<b>11,607</b>
<b>Less: Government Grants</b>			
NNDR Multiplier	(41)	(41)	(41)
New Homes Bonus	(974)	(959)	(1,042)
<b>Budget Requirement</b>	<b>10,041</b>	<b>10,524</b>	<b>10,524</b>
<b>Financing</b>			
Business Rates	(3,662)	(2,944)	(4,261)
Business Rates Equalisation	680	(680)	
Revenue Support Grant	(776)	(384)	54
Collection Fund surplus	(16)		
Council Tax Income	(5,759)	(5,945)	(6,136)
<b>Total Financing</b>	<b>(9,533)</b>	<b>(9,953)</b>	<b>(10,343)</b>
<b>Transfer to Working Balances</b>			
<b>Transfer from Working Balances</b>	<b>(508)</b>	<b>(571)</b>	<b>(181)</b>

Paragraph 6.5 (Item No. 7.13 of the Cabinet report)

<b>Table 8 : Level of Working Balances</b>				
	<b>31/03/17</b>	<b>31/03/18</b>	<b>31/03/19</b>	<b>31/03/20</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Balance B/fwd.	2.057	2.451	1.943	1.372
(Applied) in Year	0.394	(0.508)	(0.571)	(0.181)
<b>Balance C/fwd.</b>	<b>2.451</b>	<b>1.943</b>	<b>1.372</b>	<b>1.191</b>
<b>Minimum</b>	<b>(0.633)</b>	<b>(0.615)</b>	<b>(0.633)</b>	<b>(0.856)</b>
<b>Surplus to Support Budget</b>	<b>1.818</b>	<b>1.328</b>	<b>0.739</b>	<b>0.335</b>

Paragraph 6.3 (Item No. 7.13 of the Cabinet report)

The budget in each of the years shows the Budget Requirement exceeding Total Financing and requires a Contribution from Working Balances in that year. A small deficit is however now forecast for 2019-20 of £0.181 million. No account has however been made for the ongoing savings from Stafford Borough Council led Shared Services: premise savings re the Citizens Advice Bureau or the savings from additional Shared Services hence a sustainable budget is likely to exist.

**Proposed Real Terms / Efficiency Variations**

**2017/18 Change**

	£'000	£'000	
<b><u>Real Term Variations</u></b>			
Savings options			
Premises			
B14 Insource Staffed Parks Contract	-16	-16	
Transport			
A3 Grounds Maintenance - Leasing Charges	-7	-7	
Supplies			
B13 Reduction in operational costs Parks and Open Spaces	-7		
I17 Discretionary NNDR	-20		
I18 Planned maintenance - minor improvements	-10		
I19 Prince of Wales - revised operating model	-15		
I20 Footgolf - additional 6 hours provision	-20		
I21 Prince of Wales - increase private hire fees	-5		
I22 Investment Proposal	-12		
I23 Reduction in Arts and Sports Project Funding severance	-9		
Income	9	-89	
B9 Discretionary Rate relief share - WLCT	-18		
B16 Hednesford Park Café Income	-8		
I9 Increase fees by 15% on Cemeteries /20% football services	-25	-51	-163
Reduced grounds maintenance recharge owing to savings		-171	
Inflation savings Leisure Management contract cost		-28	
minor variations		-3	
		<b>-365</b>	

**2018/19 Change**

	£'000	£'000	
<b><u>Real Term Variations</u></b>			
Savings options			
Premises			
B14 Insource Staffed Parks Contract	-16	-16	
Transport			
A3 Grounds Maintenance - Leasing Charges	-7	-7	
Supplies			
B13 Reduction in operational costs Parks and Open Spaces	-7		
I17 Discretionary NNDR	-20		
I18 Planned maintenance - minor improvements	-10		
I19 Prince of Wales - revised operating model	-15		
I20 Footgolf - additional 6 hours provision	-20		
I21 Prince of Wales - increase private hire fees	-5		
I22 Investment Proposal	-17		
I23 Reduction in Arts and Sports Project Funding	-9	-103	
Income			
B9 Discretionary Rate relief share - WLCT	-19		
B16 Hednesford Park Café Income	-8		
I9 Increase fees by 15% on Cemeteries /20% football services	-25	-52	-178
Reduced grounds maintenance recharge owing to savings		-171	
Reduced street cleansing recharge owing to savings		-26	
Inflation savings Leisure Management contract cost		-28	
minor variations		-9	
		<b>-412</b>	

# Appendix 2 (Item No. 7.55-7.56)

## Environment Portfolio

### Proposed Real Terms / Efficiency Variations

#### 2017/18 Change

	£'000	£'000	
<b>Real Term Variations</b>			
Saving options			
Employees			
B20 Delete Unallocated Hours - Env health	-20		
B27 Review of Waste & Engineering Team	-19		
C2 Delete Senior Management post - Environmental Health	-87		
I2 Delete 1 Environmental Enforcement Assistant post	-32		
I13 Reduction in Grass cutting frequencies on Council owned land	-23		
Severance	172	-9	
Premises			
B1 Off street parking - Env maintenance	-9	-9	
Transport			
A3 Grounds Maintenance - Leasing Charges	-89		
B13 Reduction in operational costs Parks and Open spaces	-5	-94	
Supplies			
A2 Wheelie bins	-135		
B13 Reduction in operational costs Parks and Open spaces	-1		
B15 Reduction in Parks & Open spaces contingency budget	-64	-200	
Income			
I14 Increase Parking Charges	-50	-50	-362
Parking			
Expenditure	10		
Income	-1	9	
Reduced licensing income		40	
Reduced grounds maintenance recharge after savings		180	
Waste increased recycling tonnages and schedule 2 properties			
Expenditure	73		
Income	-81	-8	
minor variations		6	
		<b>-135</b>	

#### 2018/19 Change

	£'000	£'000	
<b>Real Term Variations</b>			
Saving options			
Employees			
B20 Delete Unallocated Hours - Env health	-20		
B27 Review of Waste & Engineering Team	-19		
C2 Delete Senior Management post - Environmental Health	-87		
I2 Delete 1 Environmental Enforcement Assistant post	-32		
I10 Deletion of Countryside Officer Post	-26		
I13 Reduction in Grass cutting frequencies on Council owned land	-24	-208	
Premises			
B1 Off street parking - Env maintenance	-9	-9	
Transport			
A1 Street Cleansing - Hired vehicles / leasing charges	-98		
A3 Grounds Maintenance - Leasing Charges	-90		
B13 Reduction in operational costs Parks and Open spaces	-5	-193	
Supplies			
A2 Wheelie bins	-136		
B13 Reduction in operational costs Parks and Open spaces	-1		
B15 Reduction in Parks & Open spaces contingency budget	-63	-200	
Income			
I14 Increase Parking Charges	-50	-50	-660
Parking			
Expenditure	10		
Income	-36	-26	
Reduced licensing income		40	
Reduced grounds maintenance recharge after savings		181	
Rates revaluation		18	
Waste increased recycling tonnages and schedule 2 properties			
Expenditure	73		
Income	-74	-1	
Street cleansing recharges			
Expenditure	-68		
Income	90	22	
minor variations		3	
		<b>-423</b>	

**Proposed Real Terms / Efficiency Variations**

**2017/18 Change**

	£'000	£'000	
<b><u>Real Term Variations</u></b>			
Saving options			
Premises			
B28 Demolition of Rugeley Squash Courts	-6	-6	
Supplies			
A8 Rent revaluations	-15	-15	
Income			
I4 Increase cannock market hall fees	-6		
I5 Increase in Trading days - cannock indoor	-20		
I6 New entrance and additional stalls at cannock market hall	-8		
I7 Bus Stations - Increasing revenue	-4	-38	-59
Additional rates cost			14
Reduced markets income			10
Reduced rental income Town Centre management			3
minor variations			3
			<b><u>-29</u></b>

**2018/19 Change**

	£'000	£'000	
<b><u>Real Term Variations</u></b>			
Saving options			
Premises			
B28 Demolition of Rugeley Squash Courts	-6	-6	
Supplies			
A8 Rent revaluations	-15	-15	
Income			
I4 Increase cannock market hall fees	-6		
I5 Increase in Trading days - cannock indoor	-35		
I6 New entrance and additional stalls at cannock market hall	-16		
I7 Bus Stations - Increasing revenue	-4	-61	-82
Additional rates cost			14
Reduced markets income			10
Reduced rental income Town Centre management			3
minor variations			1
			<b><u>-54</u></b>