

CANNOCK CHASE COUNCIL

COUNCIL MEETING

15 FEBRUARY 2012

GENERAL FUND BUDGET RESOLUTIONS

ALTERNATIVE BUDGET PROPOSAL BY COUNCILLOR MIKE SUTHERLAND

LEADER CONSERVATIVE GROUP

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

GENERAL FUND REVENUE BUDGET 2011-12 TO 2014-15

The Alternative Budget is attached (Annex 1 and 3 in accordance with Cabinet's Annexes and an additional Annex 9- Savings options).

The changes to the Cabinet's Budget can be summarised as follows:

Proposals for Service Developments (Annex 1)

The Conservative Group proposes the following changes are made to the Service Development proposals:

Additional Options

- Professional advice is commissioned to enable the development of the former Stadium site.
- A study is commissioned into the feasibility and business case for the further separation of refuse / recycling materials.

Deleted Option

- The option for Town Centre Toilet Provision is not supported.

Proposals for Savings (Annex 9)

The Conservative Group proposes that the following additional savings proposals are implemented:

- The post of Corporate Improvement Portfolio Holder on the Cabinet is deleted.
- The Shared Service initiative is extended to Front Line Services with a Phase 2 to be implemented in 2013-14.
- A shared Chief Executive Post option is developed for implementation in 2013-14.

In proposing the above options, the Conservative Group has included additional severance costs and amended the minimum working balances requirement to £1,256,000 and £834,000 for 2013-14 and 2014-15 respectively.

Council Tax Increases

In light of the above proposals, the Conservative Group proposes to maintain the Council Tax freeze for not only 2012-13, but 2013-14 as well, and to reduce the subsequent year indicative increase from 2.5% (Cabinet Proposal) to 1.5%.

Budget Proposal (Annex 3)

As a result of the above, the Conservative Group proposes the three year budget for 2012-13 to 2014-15 as set out at Annex 3.

GENERAL FUND CAPITAL PROGRAMME 2011-12 AND RESOURCES 2011-12 to 2014-15

Proposals for Service Developments (Annex 6)

The Conservative Group proposes the following change is made to the Service Development proposals:

- The option for Town Centre Improvements is deferred until the outcome of Cannock Town Centre Redevelopment option is known and Hednesford Redevelopment completed.

As a result of the above proposal, the Conservative Group proposes the three year Capital Programme Budget for 2012-13 to 2014-15 as set out at Annex 7 and hence the available resources for future Capital Programme initiatives is increased by £300,000 for 2012-13.

Financial Plan 2012-13 to 2014-15
Conservative Group Budget
Growth Options Allowed in the Budget

	2012-13	2013-14	2014-15
Option	Estimate	Estimate	Estimate
	£	£	£
Local Enterprise Partnership - Support Officer	35,000	35,000 *	
Pest Control	24,000	24,000	24,000
Street Nameplates	7,000	7,000	7,000
Chase Advice Centre	10,000	10,000	10,000
Customer Insight	5,000	5,000	5,000
Maintenance of Cemeteries Fees and Charges	5,590	12,420	12,420
Xmas Car Parking Charges	13,500	13,500	13,500
Development of Former Stadium Site - Professional Advice	10,000		
Study - Seperation of refuse/recycling materials	10,000		
Inflation		2,100	2,900
Total	<u>120,090</u>	<u>109,020</u>	<u>74,820</u>

Annex 9

Financial Plan 2012-13 to 2014-15
Conservative Group Budget
Savings Options

Option	2012-13	2013-14	2014-15
	Estimate	Estimate	Estimate
	£	£	£
Deletion of Corporate Improvement Portfolio	8,030	8,030	8,030
Shared Services - Phase 2 Front Line services		240,000	244,800
Joint Chief Executive post		81,000	82,620
Potential Severance Costs		-521,800	
Total	<u>8,030</u>	<u>-192,770</u>	<u>335,450</u>

General Fund Revenue Budget 2011-12 to 2015-16
Conservative Recommendation To Council

Annex 3

	Forecast Outturn 2011-12 £m	Standstill Budget 2012-13 £m	Standstill Budget 2013-14 £m	Standstill Budget 2014-15 £m	Standstill Budget 2015-16 £m
Original Budget 2011-12	13.412				
Standstill Budget 2011-12 to 2014-15		12.157	12.414	12.414	12.414
Supplementary Estimates since Original Budget Approval					
Rollovers	0.405				
LDF Core Strategy	0.010				
Approved Budget					
Committed Changes					
Car Park Charges - XMAS	0.013				
West Chadsmoor Family Centre	0.011				
District Elections				0.106	0.106
Chase Advice Centre	0.010				
Likely Additional Commitments					
Members Allowances	-0.025	-0.020	-0.020	-0.020	-0.020
Audit Fees		-0.011	-0.011	-0.011	-0.011
Leisure Outsourcing		-0.193	-0.239	-0.082	-0.168
Chase Leisure Centre - Pool	-0.232			-0.036	-0.050
Interest Rates		-0.043	-0.046	0.029	0.029
2010 Actuarial Valuation - Gross				0.063	0.126
HRA Recharges				-0.012	-0.024
Staffing reviews	0.051	-0.035	-0.032	-0.054	-0.161
Inflation					
Energy Costs		0.080	0.080	0.080	0.080
NNDR		0.018	0.018	0.018	0.018
Pay Cap 1%			-0.186	-0.280	-0.280
Pay Award/Inflation adj				0.343	0.714
Total Base Budget	13.655	11.954	11.979	12.559	12.774

General Fund Revenue Budget 2011-12 to 2015-16
Conservative Recommendation To Council

	Forecast Outturn 2011-12 £m	Standstill Budget 2012-13 £m	Standstill Budget 2013-14 £m	Standstill Budget 2014-15 £m	Standstill Budget 2015-16 £m
Potential Changes and Adjustments					
Base Budget Review					
Expenditure					
Income					
New Homes Bonus	0.047	-0.384	-0.584	-0.784	-0.784
Rebate Subsidy			0.070	0.070	0.070
Income - Development related fees					
Planning - Fees Net	0.100	0.100			
Building control - Fees	0.025	0.025			
Car Park Income	0.060	0.060	0.060	0.060	0.060
Excess	-0.025	-0.025	-0.025	-0.025	-0.025
Land Charges	0.025	0.025	0.025	0.025	0.025
Leisure Centres Income					
licensing	-0.021	-0.005			
Cemeteries	0.010	0.010	0.010	0.010	0.010
Industrial Estates	0.005	0.005	0.005	-0.026	-0.026
Rates	0.024				
Recycling Credits Parks	-0.020	-0.020	-0.020	-0.020	-0.020
Golf Course	0.016				
Markets	0.031	0.031	0.031	0.000	0.000
Other Properties	-0.010	-0.007	-0.009	-0.008	-0.008
Managers Variations	-0.014	0.048	-0.066	-0.024	-0.024
Efficiency Savings					
Shared Services				-0.012	-0.012
Policy Options					
Service Reviews					
Senior Management Restructure					
Growth		0.120	0.109	0.075	0.078
Additional savings		-0.008	0.193	-0.335	-0.342
Savings	-0.092	0.090	0.091	0.091	0.091
Estimated Net Spending	13.816	12.019	11.868	11.655	11.866

General Fund Revenue Budget 2011-12 to 2015-16
Conservative Recommendation To Council

	Forecast Outturn 2011-12 £m	Standstill Budget 2012-13 £m	Standstill Budget 2013-14 £m	Standstill Budget 2014-15 £m	Standstill Budget 2015-16 £m
Financing					
Anticipated Grant Income, Use of Balances & Reserves					
Balances	0.137	-0.363	0.174	-0.034	0.118
Regeneration & Invest to Save Reserve	0.638				
Actuarial Valuation	0.095	0.053			
Stabilisation	0.031	0.061	0.116	0.116	
Interim use	0.013	0.034	-0.512		
Reserves	0.065				
Collection Fund Surplus	0.002	0.065	0.065		
RSG/NNDR	6.692	5.843			
Business Rates	0.000		5.790	5.185	5.288
Council Tax	5.994	6.027	6.087	6.240	6.460
Council Tax Compensation Grant	0.149	0.299	0.149	0.149	
Total Grant Income, Use of Balances & Reserves	13.816	12.019	11.868	11.655	11.866
Amount to be found from Council Tax	5.994	6.027	6.087	6.240	6.460
	30,423	30,590	30,896	31,205	31,517
Estimated Council Tax Level	197.01	197.01	197.01	199.97	204.96
Estimated Council Tax Increase	0.00%	0.00%	0.00%	1.50%	2.50%
Balances					
Opening Balances at 1 April	1.501	1.364	1.727	1.553	1.587
Use of Balances to Support Budget	0.137	-0.363	0.174	-0.034	0.118
Closing Balances at 31 March	1.364	1.727	1.553	1.587	1.469
Required Balances	0.832	0.741	1.256	0.834	0.653

Annex 6

Financial Plan 2012-13 to 2014-15
Conservative Group Budget
Capital Growth Options Recommended to Council

	2012-13	2013-14	2014-15
Option	Estimate	Estimate	Estimate
	£	£	£
Disabled Facility Grants	200,000		
Stile Cop Cemetery Phase 1	45,000		
Total	<u>245,000</u>	<u>0</u>	<u>0</u>

ANNEX 7**General Fund Capital Approved Budget****Conservative Group Budget****2012-13 to 2014-15**

	2012-13 Budget £	2013-14 Budget £	2014-15 Budget £
Culture and Sport			
Bevan Lee Play Area	2,020		
Chase Leisure Centre Enhancement	2,127,210		
Stile Cop Cemetery Phase 1	45,000		
Additional cemetery provision	1,500,000		
Children and Young People	3,674,230	0	0
Community Safety			
Home Security Grants	41,030	36,000	36,000
Community Safety	41,030	36,000	36,000
Private Sector Housing			
Disabled Facility Grants	700,790	375,000	375,000
Private Sector Decent Homes	183,790		
Affordable Housing	693,120	467,220	688,890
Private Sector Housing	1,577,700	842,220	1,063,890
Total General Fund Capital	5,292,960	878,220	1,099,890