

Committee:	Executive	Agenda Item No.:	10.
Date:	1 st February 2010	Status	Open
Category	Part of the Budget and Policy Framework		
Subject:	General Fund Budget update		
Report by:	Director Of Resources		
Other Officers Involved	Head of Finance		
Director	Director of Resources		
Relevant Portfolio Holder	Councillor E. Watts, Leader of the Council		

RELEVANT CORPORATE AIMS

STRATEGIC ORGANISATIONAL DEVELOPMENT – to continually improve the efficiency and effectiveness of all Council Services by maximising the potential use of Council resources.

TARGETS

The development of Policy Led Budgeting will help to inform future spending plans and assist in the delivery of annual efficiency gain targets.

VALUE FOR MONEY

The Budget Process challenges existing spending levels and new spending proposals to ensure that resources are effectively used and directed towards the delivery of the Corporate Aims.

1. Executive on 4th January 2010 approved the main elements of the General Fund budget.
2. As indicated in that report and reflected in the recommendations further information is to be reported to Executive. This report addresses these issues:
 - Collection Fund deficit
 - Planning income levels and associated costs
 - Bulky waste income levels

Collection Fund deficit

3. Annually the Council is required to review its Collection Fund. This is the account that Council Tax receipts are managed from.
4. As expected from the details shown in the Statement of Accounts as at 31st March 2009 the Collection Fund has remained in deficit during 2009/10. The value of the deficit is considerable and therefore the Council has had to take measures to recover this deficit from the other major precepting bodies.
5. We are seeking to recover the deficit over the next 3 years based on 15%, 35% and 50% recover rates.
6. For Bolsover this amounts to £9,919 in 2010/11, and is estimated to be £23,145 in 2011/12 and £33,065 in 2012/13.
7. The level of deficit we have declared to the main precepting bodies and the values are shown below:

Major Precepting Organisations	2010/11	2011/12	2012/13
Derbyshire County Council	59,932	140,000	200,000
Fire Authority	3,700	9,000	12,000
Police Authority	9,110	21,000	30,000

8. For the 2010/11 budget it is propose that the level of saving be increased by the £9,919 to keep the overall level of spend as per the amount approved at January's Executive.
9. In predicting the amounts for future years we hope to see reductions in these due to work going on to review the levels of single person discount, increased numbers of properties being built, no significant volumes of revaluations currently with the tribunal and the taxbase being set at levels that should support a reduction in the collection fund deficit.
10. If future deficits on the Collection Fund do not decrease then the Council will need to reassess the level of expected revenue to be collected when setting the Council Taxbase. A reduction in this factor will impact negatively on the amount of income collected in future years.

Planning income levels and associated costs

11. Cabinet have considered a report that indicates a context for the decline in planning fees with little reduction in work loads. Options to reallocate staff have resulted in a small increase in income and there is scope to partially cover a vacant post working on the Local Development Framework with an officer from Development Control, thus saving some costs.

12. The new head of service will commence in February 2010 and it is expected that he will look to review the income levels and costs of the service as a priority and report on this matter.

Bulky waste income levels

13. Cabinet have considered a report on this matter. It is noted that the income projections originally expected were calculated incorrectly and some savings are accruing from the retirement of staff and there may be scope to revise arrangements for other collections to make further efficiencies.
14. The actual reduced levels of income have been addressed in the preparation of the budget through reductions in other budgets. By the end of the financial year the charges for this service will have been in place for 12 months and on that basis a further report will be required to detail the impact on demand, projections for future years and the resourcing of the service in the context of the new levels of demand.

IMPLICATONS

Financial: The overall level of expenditure for the General Fund budget has not been changed by this report as the saving target has increased to cover the collection fund deficit.

Legal: None.

Human Resources: None.

RECOMMENDATION(S)

- 1. That the Collection Fund deficit be added to the budget and the savings target for 2010/11 be increased to reflect this.**
- 2. That future reports be presented to Executive in the first quarter of 2010/11 considering Planning fees and associated costs.**
- 3. That future reports be presented to Executive in the first quarter of 2010/11 considering Bulky Waste income and resourcing requirements.**

REASON FOR DECISION

The budgets approved at January's meeting of the Executive were subject to further information being supplied and suitable plans agreed.

ATTACHMENTS: Y
FILE REFERENCE: None
SOURCE DOCUMENT: Background papers held in Financial Service