

HAMPSHIRE COUNTY COUNCIL

Executive Decision Record

Decision Maker:	Cabinet
Date:	4 February 2010
Title:	Revenue Budget and precept 2010/11, provisional budgets 2011/12 to 2012/13
Reference:	1302
Report From:	Jon Pittam

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1. The decision:

The following decisions are sought based upon the recommendations from the Leader and Cabinet to the County Council for the 2010/11 budget and council tax that:

- a) The revised estimates 2009/10 (Appendix 1) be approved.
- b) The anticipated underspendings of £4.6m from 2009/10 shown in Table 2 (paragraph 3.14) be carried forward to 2010/11 (£1m on Adult Services, £1m on Environment and £2.6m on Policy and Resources) and that any unused contingency within the Adult Services budget at the year end be carried forward to 2011/12.
- c) The anticipated overspending of £2.5m in 2009/10 because of additional pressures on home to school transport and children looked after be noted; that management action continue to reduce the projection; that £1.25m of the overspend (50%) be written off now; and that consideration be given to write-off the final amount when the outturn is reported to Cabinet in June.
- d) The additional pressures and growth proposals from Executive members totalling £32.7m for 2010/11 be approved (Table 4, paragraph 5.12).
- e) The savings and redeployment proposals of £24.4m put forward by Executive members for 2010/11 be approved (Table 4, paragraph 5.12).
- f) Cashable efficiency improvements, within service budgets, of £23.6m, (£19.5m in cashable budget savings) in 2010/11 be approved (Table 5, paragraph 6.9).

- g) The annual review of charges, and the maximisation of income across services for 2010/11 be approved (Table 6, paragraph 7.2).
- h) The workforce proposals for 2010/11 be agreed (Table 7, paragraph 8.2).
- i) The use of available one-off resources in 2010/11 to provide contingencies to write of 50% of the Children's Services estimated overspend of £2.5m in 2009/10; to meet the cost of free personal care at home (£4.5m); to underwrite the budgeted reduction in children looked after (£1m); and to provide extra salt bins (£0.6m), be approved (Table 9, paragraph 9.14).
- j) The planned use of contingencies and reserves in 2010/11 for additional spending and contribution towards the corporate efficiencies target be approved (Table 12, paragraph 9.34).
- k) The targets for corporate efficiency savings of £15m in each of 2011/12 and 2012/13 be approved (Table 13, paragraph 11.2).
- l) The planned £8.6m in corporate efficiency savings achieved earlier in 2010/11 and £1.1m additionally in 2011/12 be approved (Table 14, paragraph 11.15), with the 2010/11 savings added to the new corporate efficiency reserve for use from 2011/12.
- m) The summary of earmarked reserves be agreed (Table 15, paragraph 12.14).
- n) Estimated balances of £21.5m by 31 March 2011 be approved (Paragraph 13.2).
- o) The budget for 2010/11 as summarised in Tables 16-19 and set out in detail in Appendix 3 be approved (paragraphs 14.1 – 14.4).
- p) The provisional budgets for 2011/12 and 2012/13 summarised in Tables 22-26 (paragraphs 15.3 to 15.7) be approved.
- q) It be a **recommendation to Council that:**
 - 1. the Treasurer's report under Section 25 of the Local Government Act 2003 be taken into account when the Council determines the budget and precept for 2010/11 (Appendix 9)
 - 2. the revenue budget for 2010/11 (as set out in the attached draft budget book presented to County Council) and the provisional budgets for 2011/12 and 2012/13 be approved
 - 3. the **total budget requirement** for the general expenses of the County Council for the year beginning 1 April 2010 **be £672,129,000**

4. the **County Council's Band D council tax** for the year beginning 1 April 2010 be increased by **1.9%** to be **£1,037.88**
5. the County Council's council tax for the year beginning 1 April 2010 for properties in each tax band be:

	£
Band A	691.92
Band B	807.24
Band C	922.56
Band D	1037.88
Band E	1268.52
Band F	1499.16
Band G	1729.80
Band H	2075.76

6. **precepts** be issued totalling **£523,232,038.57** on the billing authorities in Hampshire, requiring the payment in such instalments and on such dates set by them and previously notified to the County Council, in proportion to the taxbase of each billing authority's area as determined by them and as set out below:

Basingstoke & Deane Borough Council	63,578.00
East Hampshire	48,057.30
Eastleigh	44,087.61
Fareham	42,650.00
Gosport	27,599.90
Hart	37,915.60
Havant	42,823.00
New Forest	72,826.00
Rushmoor	31,409.87
Test Valley	45,496.00
Winchester City Council	47,692.11

7. the treasury management and annual investment strategies, prudential and financial health indicators for 2010/11 be approved, in accordance with the recommendations in Appendix 8.

2. Reason(s) for the decision:

- 2.1. The full County Council must agree the 2010/11 revenue budget and set the council tax for 2010/11 at its meeting on 18 February 2010. The Leader will present his budget speech and recommendations at that meeting. This report provides the background to those budget decisions and presents the recommendations from the Leader and Cabinet to the County Council.
- 2.2. The County Treasurer under Section 25 of the Local Government Act 2003 is also required to report to the full Council on the:

- robustness of the estimates for 2010/11
- adequacy of the financial reserves in the budget

2.3. These decisions support the corporate strategy by providing resources for:

- a) Hampshire safer and more secure for all
- b) maximising wellbeing
- c) enhancing our quality of place

2.4. The budget is part of the integrated financial, performance and workforce planning process linked to the corporate strategy, and the corporate improvement plan. It focuses particularly on ensuring value for money, improving capacity and that resources follow priorities.

3. Other options considered and rejected:

3.1. Other options are not available as far as process and timetable are concerned, but the leaders of the opposition parties may wish to present their own recommendations on the budget and council tax to the County Council as amendments to these proposals.

4. Conflicts of interest:

4.1. Conflicts of interest declared by the decision-maker: None.

4.2. Conflicts of interest declared by other Executive Members consulted: None.

5. Dispensation granted by the Standards Committee: none.

6. Reason(s) for the matter being dealt with if urgent: not applicable.

7. Statement from the Decision Maker:

Approved by: ----- T K Thornber CBE Chairman	Date: 4 February 2009
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