

Committee:	Environment	Agenda Item
Date:	22nd January 2008	12
Title:	General Fund Budget 2008/09	
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Summary

1. This report sets out the detail of the draft Revenue Budget for the Environment Committee for 2008/09, together with the Revised Budget for 2007/08.
2. The Revenue Budget approved by this Committee will be submitted to the Finance and Administration Committee on 7th February 2008 and that Committee's recommendations will be considered by Council on Tuesday 19th February 2008, when the Council Tax for 2008/09 will be approved.

Recommendations

3. It is recommended that this Committee approves and submits to the Finance and Administration Committee:
 - a. The revised Revenue Budget for Environment Committee for 2007/08 as set out in Appendix 1.
 - b. The draft Revenue Budget for Environment Committee for 2008/09 (Appendix 1).
 - c. Any comments regarding the Committee's Budget, particularly in the light of the Council's financial situation.

Background Papers

4.
 - MTFS report to Council 20th September 2007,
 - Report to Council 11th December 2007,
 - 2007/08 and 2008/09 budget working papers,
 - Budget Book and budgetary control reports.

Impact

5.

Communication/Consultation	Appropriate communication with the public and other stakeholders will take place regarding the Council's budget position.
Community Safety	There are no specific community safety implications contained in this report.
Equalities	There are no specific equalities implications contained in this report
Finance	This report deals with the Environment Committee's revenue Budget
Human Rights	There are no specific human rights implications contained in this report
Legal implications	Any legal implications of the actions proposed in this report will be considered
Sustainability	There are no specific sustainability implications contained in this report
Ward-specific impacts	There are no specific ward implications contained in this report
Workforce/Workplace	All staff are being kept informed about the Council's budget position. The Union has been consulted.

Situation

6. Council, at its meeting on 11th December 2007 noted a forecast General Fund deficit for 2007/08 of £938,466.

In addition, an estimated deficit for 2008/09 of £1,822,724 was noted.

7. Proposals for removing the deficit were considered by a special meeting of the Finance and Administration Committee on 15th January 2008. **No proposals from the latest discussions have been included in this report, but any earlier savings achieved by Heads of Division have been included.**

8. Separate reports earlier on the Agenda set out proposed changes to Fees and Charges for this Committee. **The updated Medium Term Financial Strategy (M.T.F.S.), agreed by Council on 20th September 2007, has already assumed an increase of 2.5%, and Council on 11th December 2007 instructed Directors and Heads of Division to seek additional income from Fees and Charges.**

It is not possible to identify how much additional income will be raised for 2008/09 for this Committee until members determine which charging options are approved for a number of the reports on the Agenda.

Base Budget 2008/09

9. This Committee's revised budget for 2007/08 and draft base budget for 2008/09 are attached at Appendix 1. They do not reflect the impact of any increase in Fees and Charges agreed at earlier agenda items.

10. The Committee's overall revenue budget can be summarised as follows:

Original	Revised	Original
£	£	£
3,758,305	3,602,530	3,800,740

11. Apart from inflation and pay award costs, the main variations on the overall budget are as follows:

	2007/08	2008/09
	Revised	
	£	£
• Additional Building income	(36,000)	(29,000)
• Planning Delivery Grant	(146,910)	
• Planning other grants	(13,270)	(13,700)
• Housing Strategy-new budget	107,540	120,870
• Conservation external support	32,480	18,500
• Reduced Septic tanks income	11,630	9,430
• Additional Waste income	(117,000)	(113,000)

The Budget for Waste Management has been comprehensively overhauled during budget preparation. Although budget lines show a number of variations, overall the budget is within expected levels.

At a separate item on the Agenda is an update on Concessionary Travel. The Budget has been left unchanged at this stage of the Budget Cycle due to ongoing uncertainties of the costs for the introduction of the new scheme from 1st April 2008. If further information is received in the near future this will be reported to Finance Committee on 7th February 2008.

12. Planning Delivery Grant

The Council's Budget for 2007/8 assumed estimated Planning Delivery Grant income in 2007/08 of £474,910 of which 25% (£118,728) must be used for funding capital expenditure. This sum was credited direct to the General Fund, rather than to this Committee.

The actual amount so far received in the first tranche has been £50,073 with a further £337,342 notified but not yet received from DCLG. After taking account of the 25% allocated to funding capital, this leaves £290,561 of revenue funding for 2007/08. On making enquiries with the Government Department last week, they could not advise this Council when we would receive the balance due of £337,342.

The full revenue grant of has been included in the relevant committee's budgets but the position with regard to the balance due will be reviewed before Finance and Administration Committee meets on 7th February 2008.

Risk Analysis

13.

Risk	Likelihood	Impact	Mitigating actions
That the proposed actions agreed by the Council are insufficient to remove the projected budget deficit	Medium, despite the Council and SMB taking strong action	High, as there are no available reserves or balances to fund further deficits.	Continuing analysis of the budget needs of each service up to the point Council sets the Council Tax in February 2008.