DRAFT EXTRACT FROM THE PROCEEDINGS OF THE CABINET MEETING HELD ON THE 11 FEBRUARY 2010

CABINET

4.00PM 11 FEBRUARY 2010

COUNCIL CHAMBER, HOVE TOWN HALL

DRAFT MINUTES

Present: Councillors Mears (Chairman), Brown, Caulfield, Fallon-Khan, Kemble, K Norman, Simson, Smith, G Theobald and Young

Also in attendance: Councillors Mitchell (Leader, Labour Group), Randall (Convenor, Green Group) and Watkins (Opposition Spokesperson, Liberal Democrat Group)

Other Members present: Councillors Allen, Davey, Davis and Hawkes

175 GENERAL FUND REVENUE BUDGET & COUNCIL TAX 2010/11

175.1 The Cabinet considered a report of the Director of Finance & Resources concerning the latest budget information needed for Cabinet to recommend the 2010/11 revenue budget and council tax to Full Council on the 25 February 2010 (for copy see minute book).

175.2 The Chairman advised that additional information detailing amendments and clarifications had been circulated to Members (see appendix 1).

175.3 The Director of Finance & Resources confirmed that the additional £500,000 from general reserves had been identified as a result of a genuine error made in relation to the figures and constituted a one-off amount.

175.4 Councillor Mitchell explained that the Labour Group would be putting forward some alternative budget proposals at the Full Council meeting and, in particular, would be highlighting the funding that the council would receive from central government.

175.5 In response to a query from Councillor Mitchell, the Director of Finance & Resources advised that significant changes to the strategic response to pressures in the Culture & Enterprise budget had followed from proposals relating to the Booth Museum, Brighton History Centre and Castleham Supported Employment service. She offered to provide Members more detailed written information.

175.6 Councillor Randall welcomed the support for 8-13 year olds around prevention and early intervention, but was concerned about the proposals in relation to funding for 'SureStart' and Youth Offending services.

178.7 In response to a question from Councillor Randall, the Director of Finance & Resources explained that the council procured a complex range of gas and electricity contracts and that each directorate budget strategy reflected the recent reduction in electricity charges where appropriate; some directorates would see

pressures rather than savings due to the a number of issues, including the size of buildings. She offered to provide more detailed information on the various contracts.

175.8 Councillor Smith highlighted the need to be cautious in relation to the budget for cultural services, primarily because 60% of funding was expected to come from income; however the ongoing impact of the recession made it difficult to predict what to expect.

175.9 Councillor Simson welcomed Councillor Randall's support for the pilot scheme proposed for preventative work for younger children. She explained that the scheme would be needs based and would be delivered through the Community and Voluntary Sector Forum; she hoped that the universities would be interested in evaluating the pilot scheme and that long-term outcomes were being aimed for.

175.10 Councillor Brown advised that there was a downward trend in young people committing offences. She explained that the proposals in relation to Youth Offending Team would allow for a teacher to put into the unit and appoint a new Head of Youth Strategy; the Administration was confident that the pressures would be manageable.

The proposals in relation to 'SureStart' resulted from re-profiling of funding to respond to the increased pressures experienced by child protection services.

175.11 Councillor Watkins stated that he hoped Members would work together to devise a budget that could be approved by all.

He specifically asked that consideration be given to upgrading the staff bus as, through the related scrutiny panel, staff with disabilities had identified that it would make a big difference to those affected.

175.12 In response to a query from Councillor Watkins, the Director of Finance & Resources explained that the proposals included references to a range of 2010/11 grants that the council had not yet been advised of and that no indication had been given of when allocations could be expected.

175.13 Councillor Theobald explained that the budget proposals for the Environment Directorate savings would achieve savings of £1.63m, in addition to absorbing £1.7m in relation to service pressures. He advised that funding had been identified to fund ongoing seafront maintenance, gum removal and winter maintenance and that additional investment would be made into Hove Lagoon. He added that the proposed transport model would be very important for the city.

175.14 Councillor Smith endorsed the comments made in relation to seafront maintenance; the area was part of the city's heritage and was an important visitor attraction.

175.15 The Chairman added that it was vital for the city's economy that investment was directed at the seafront and that a regular programme of maintenance was important as it would reduce costs in the long term.

175.16 Councillor Young thanked the officers involved in compiling the report and was pleased that budget information had been shared early to allow for proper scrutiny of the proposals. She advised that the final proposals showed that the Administration had listened and taken on board the comments arising from the

scrutiny process.

175.17 Councillor Mitchell endorsed Councillor Young's remarks and stated that recommendations put forward by the scrutiny committees were reflected in the final budget proposals.

175.18 The Chairman recognised the pressure on officers to produce the budget information early and added her thanks to those involved.

175.19 **RESOLVED** - That, having considered the information and the reasons set out in the report, the Cabinet accepted the following recommendations:

(1) That, subject to 2.3 below, the 2010/11 General Fund Revenue Budget proposals be recommended to Council, including;

- The 2010/11 budget allocations to services as set out in appendix 1.
- The investment in services and new allocations proposals as set out in paragraphs 3.42 to 3.46.
- The council's budget for 2010/11 of £230.8m.
- The Directorate budget strategies as set out in appendix 8.
- The corporate budgets of £19.3m.
- The contingency budget of £4.2m as set out in table 6.
- The reserves allocations as set out in appendix 3.
- The borrowing limit of £302m for the year commencing 1 April 2010.
- The annual Minimum Revenue Provision statements as set out in appendix 4.
- The prudential indicators as set out in appendix 7 to the report.

(2) That the Medium Term Financial Strategy budget and resource projections for 2011/12 and 2012/13, as set out in appendix 5, based on council tax increases of 2.5% for each year be noted.

(3) That it be noted that supplementary information needed to set the overall council tax will be provided for the budget setting Council as listed in paragraph 4.7 of the report.