

REVENUE BUDGET 2005/06

Report By: County Treasurer and Chief Executive

Wards Affected

County-wide

Purpose

1. To enable Strategic Monitoring Committee to feed into the consideration of the Revenue Budget 2005/06 which will be determined by Council at its budget meeting on 11th March 2005.

Financial Implications

2. As contained within the report.

Considerations

3. At its meeting on 27th January 2005, Cabinet considered the attached report, Annex 1, detailing the factors influencing the budget position and reflecting the recommendations of the Budget Panel. Paragraph 44 of the report alone has been amended to reflect the concern expressed at Cabinet about its potential misinterpretation.
4. The following recommendations from the Budget Panel were considered by Cabinet:-
 - That the securing of targeted service savings, as set out in paragraph 40 of the attached report, be endorsed, particularly having regard to the need to achieve 'Gershon' efficiency targets.
 - That Cabinet note the outcome of the Public Consultation exercise.
 - That work continues to secure Service Improvement Programme and Procurement Savings.
 - That the RSG Settlement be noted but with concern that on the basis of the accompanying advice from government the significant additional resources provided for 2005/06 are unlikely to be repeated in future years.
 - That the potential clawback of grant, referred to in paragraph 16(h), be noted with concern.
 - That the application of reserves referred to in the report be supported.

- That, having regard to the potential capping position, Cabinet refers its budget proposals to Strategic Monitoring Committee indicating that at its final meeting on 24th February, 2005 it would intend to recommend to Council a Council Tax increase of between 4% and 4.5%.
5. Cabinet endorsed the above recommendations but supported a proposal from the Leader of the Council, set out in a supplementary report to Cabinet as now appended to the Cabinet report, that the target savings be amended.

RECOMMENDATION

THAT Strategic Monitoring Committee consider the initial budget proposals of Cabinet and advise accordingly.

Background Papers

- None