

Member Briefing

BUDGET POSITION

29th January 2009

Balanced Budget

- *Where Ongoing Expenditure is met from Fees, Charges, Government Grant and Council Tax with the Controlled use of Reserves and Surplus Investment Interest being used to meet One-Off Priority Spend*

My Simple Formula

- Cost of Living
- + Inflation
- + Unavoidable Growth
- >Increases to Government Grant and Council Tax
- = The Need to Reduce Net Expenditure by £800k in 2009/10

Investment Interest

- Over reliant
 - Unable to Use Reserves
 - Sensitive to Market Conditions (2009/10!)
 - Phased reduction from £2.2m to 0.5m over six years
- Surplus Interest Transferred to a Strategic Plan Reserve



2007/08

- Budget Gap £871k
- Pressures
 - Concessionary Fares £82k, Scrutiny £70k, ICT Strategy £132k, Investment Interest £700k, Reduction in PDG and Maintenance, LDF costs
- Reductions
 - Staffing, Car Parking, Income, Efficiencies



2008/09

- Budget Gap £898k
- Pressures
 - Concessionary Fares £330k, Investment Interest £200k, Reduced Gov Grant £339k
- Reductions
 - Staffing, Car Parking, Income, Efficiencies, Grants, Maintenance, Public Conveniences



2009/10 Budget Gap

- Original Budget Gap £ 710k
- Loss of Income 08/09 £1,200k
- Loss of Add Income 09/10 £ 300k
- Revised Budget Gap £2,210k



2009/10 Reductions

- Refuse/Cleansing Contract £800k
- Increased Income £114k
- Action Plans £435k
- Management Team £550k
- Other £81k
- As per Budget Report £230k

Further Budget Pressures



- Members' Allowances?
- Private Accredited Letting Scheme?
- 100th Anniversary of Royal Prefix?
- Public Conveniences?
- Support to the Community/Economy?
- Our Priorities?

Reserve Position



- As at 31 March 2008
 - General Revenue £18,400k
 - Earmarked £ 8,537k
 - Capital Receipts £ 2,500k
- Capital Programme 08/09 £ 5,000k

Council Tax - Resident



Band	%	1%(£)	5%(£)
A	3.7	0.06	0.37
B	7.2	0.07	0.44
C	22.8	0.08	0.50
D	18.7	0.09	0.56
E	15.8	0.11	0.68
F	13.2	0.13	0.81
G	16.8	0.15	0.93
H	1.8	0.18	1.12

Council Tax - TWBC



- 1% = £ 60,000
- 5% = £300,000
- Not just for 2009/10 but for each year thereafter!

Council Tax Kent



• KCC	2.85	Gravesham	4.90
• KPA	4.99	Maidstone	4.95
• Medway	4.99	Shepway	4.80
• Ashford	4.99	Swale	4.95
• Dartford	4.90	T&M	4.95
• Dover	4.95	Canterbury	4.96

Future Projections



Year	Gap £k	Increase £k
1	230	
2	1,197	967
3	1,743	546
4	1,724	-19
5	2,067	343
10	4,837	2,770

Budget Setting 2009/10



ANY QUESTIONS?

Special Expenses



Powers



- No detriment to LGA 1972
- Local Government and Public Involvement in Health Act
 - Community Governance Review
 - Creation of a Town or Parish Council
 - To encourage groups/communities to form an incorporated body where one does not exist

Background




- Urban Parishing – The Big Debate
 - Town Forum, February 2008
 - Did not appear to be much appetite with the exception of Rusthall
 - Agreed to provide an ‘aunt sally’ budget of a Rusthall Parish Council

Special Expenses



- A correction of Concurrent Functions
 - Discretionary services provided by Parish/ Town Councils in their areas of the Borough and by the Borough Council in other areas
 - Calverley Grounds
 - Camden Centre
 - Cemeteries
 - Commons plus others
 - Corrected through Precepts



	08/09	09/10	% Var
Borough	4,124k	4,428k	7.38
Special	1,842k	1,917k	4.09
Total	5,966k	6,345k	6.37
Taxbase	44,262	44,844	582
	134.79	141.51	4.99

OR

- Borough Wide £98.76
- Tunbridge Wells £92.81
- Total £191.57
- Average £141.51

Work to Date

- KCC Secondee
 - Report covering
 - Legislation
 - Alternatives
 - Issues
 - Solutions

Issues

- We have now lost the secondee!
- BUT
 - Capital Investment Repayments
 - Street Lighting
 - Open Spaces

Timetable

- Budget pressures have not allowed me to progress
- Work planned for new financial year

Recommendations



- Too Late For This Year
- A Lot More Work is Required
- Town Forum Input
 - Working Groups to consider options, budget, challenge, etc

Rusthall Parish Council Budget (1)



- Service Expenditure
 - Common 41,939 (issue)
 - Footway Lighting 11,239
 - Allotments 3,100
 - Football Pitches (net) 22,000
 - New Play Area 5,000
 - Contingency 10,000

Rusthall Parish Council Budget (2)



- Administration Expenditure
 - Clerk 12,000
 - Training/Hall Hire 5,000
 - Other (inc Xmas Lights) 4,100

 - Total Expenditure 104,378

Rusthall Parish Council Set Up Costs



- Working Group 2,000
- PC, desk, stationery, etc 6,000
- Salary + Recruitment 10,000
- Accommodation 5,000
- Public Engagement 3,000
- Misc and Contingency 9,000
- Total 35,000

Rusthall Council Tax



- Year 1 60.33
- Year 2 45.18 (or 60.33?)

- Current 91.65

RTW Council Tax



- Currently 91.65

- Revised 99.21

- An increase of 7.56