

## **SECTION 2**

### **2. RECOMMENDATIONS**

**Please note that the Executive on 9<sup>th</sup> February agreed to forward this report as amended by:**

- (a) The final Greater London Authority precept.**
- (b) The decision by the Department for Education, and Skills on the Council's application to have a higher limit of increase for its non-devolved schools budget than the devolved budget.**
- (c) Any other significant changes to the budget figures.**

**to Full Council on 1<sup>st</sup> March 2004 who are asked to agree the recommendations 2.1 to 2.41.**

#### **In respect of Section 3**

- 2.1 Note the results of the various budget consultation exercises.

#### **In respect of Section 4**

- 2.2 Note the final 2002/2003 Outturn.
- 2.3 Agree the latest 2003/2004 Budget.
- 2.4 Note the latest forecast for the General Fund Outturn (Appendix A) for 2003/2004
- 2.5 Agree that any overspending above that in the forecast by Service Areas is to be repaid to balances in 2004/2005, subject to consideration by the Executive of the overall outturn position.
- 2.6 Agree the virements set out in paragraph 4.1.5.

#### **In respect of Section 5**

- 2.7 Note the decision of the DfES on the application to allow the non-devolved element of the schools budget to increase by a greater percentage than the devolved element and the impact of this on the budget at Appendix B. Also consider any amendments to the Schools Funding Formula as a result of this decision.
- 2.8 Agree the General Fund revenue budget for 2004/2005, as summarised in Appendix B, or consider any amendments to that budget.
- 2.9 Agree the Service Area budgets including the growth and savings detailed in Appendices C and D.

- 2.10 Agree that the budgets for Liquor and Licensing and Revisions of Food Safety Regulations set out in paragraph 5.10 are reviewed when full information is available.
- 2.11 Note Appendix F and agree the budgets for central items, or consider any amendments to those budgets.
- 2.12 Note and, where appropriate, make provision for the contingent liabilities and risks set out in this section of the report.
- 2.13 Agree the approach to balances set out in the report.
- 2.14 To receive the report from the Director of Finance in paragraph 5.27 in respect of his statutory duty under Section 25 of 2003 Local Government Act.

**In respect of Section 6**

- 2.15 Agree the Housing Revenue Account budget in Section 6.

**In respect of Section 7**

- 2.16 Note the latest forecast outturn position on the 2003/2004 Capital Programme, and agree the revised budgets.
- 2.17 Agree the £55k allocation in 2003/2004 for improvements to disabled crossing, and note that this will be deducted from the growth agreed for 2004/2005.
- 2.18 Note the levels of supported and unsupported borrowing forecast for 2004/2005 and future years and the impact on Council Tax levels and Housing Rents.
- 2.19 Note the properties included within the 2004/2005 disposals programme.
- 2.20 Note the latest overall position on the 2004/2005 Capital Programme and the forecast position for future years.
- 2.21 Agree the 2004/2005 budgets as set out in Appendix H(ii) including the new capital allocations. Agree that resources for schemes requiring more information will only be released after a recommendation by the Capital Board and approved by the Executive.
- 2.22 Note the proposed Schools Contributions Scheme set out at Appendix H(iii) which is subject to legal advice.

**In respect of Section 8**

- 2.23 Agree the Treasury Management Strategy for 2004/2005.

### **In respect of Section 9**

- 2.24 Note the requirements of the new Prudential Code.
- 2.25 Agree the Prudential Indicators set out in paragraph 9.17.

### **In respect of Section 10**

- 2.26 Note the GLA precept.
- 2.27 Note the advice of officers on the capping limit.
- 2.28 Agree there is no surplus or deficit at 31<sup>st</sup> March 2004 for that part of the Collection Fund relating to Community Charge.
- 2.29 Note and consider the advice of the Borough Solicitor as set out in Appendix L.
- 2.30 Agree the instalments dates for Council Tax and NNDR for 2004/2005, the recovery policy for Council Tax as set out in Appendix I and that the Executive will consider the Council's policy on special local discounts at a future meeting.

### **In respect of Section 11**

- 2.31 Agree the Medium Term Financial Strategy and the provisional Service Area cash limits for 2005/2006 to 2007/2008 set out in Appendix K.

### **In respect of Section 12**

- 2.32 Note and agree the procedures for controlling expenditure set out in Section 12.
- 2.33 Agree the amendments to Standing Order 17(a) the Scheme of Transfers and Virements as set out in paragraph 12.10 and Appendix M.

### **In addition**

- 2.34 Authorise the Council's Director of Finance to:
  - (a) Make payments on approved capital schemes in 2004/2005.
  - (b) Borrow in 2004/2005 up to the limits agreed within the Prudential Indicators.
  - (c) Enter such leasing arrangements as are necessary to finance the programme for 2004/2005 and terminate or renegotiate any existing leases.
  - (d) To make such minor adjustments to budgets as are necessary.

**The following sections of the recommendations relate to the calculation of the budget and Council Tax as set out by the statutory framework. Amendments to the above recommendations which alter figures in Appendix B will require this section to be changed to reflect these.**

- 2.35 In agreeing the above recommendations and the budget in Appendix B we note that the effect of all these measures, is to produce an overall Council expenditure in 2004/2005 of £348.602m.
- 2.36 That we note that £1,187k is attributable to the net deficit on the Collection Fund.
- 2.37 That we note that at its meeting on 26<sup>th</sup> January 2004 the Council calculated the amount of 92,643 as its Council Tax Base for the year 2004/2005 in accordance with the Local Authorities (calculation of Council Tax Base) Regulations 1992.
- 2.38 In relation to the Council Tax for 2004/2005 we resolve:

That the following amounts be now calculated by the Council for the year 2004/2005 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:

- (a) £731,460,000 being the aggregate of the amount that the Council estimates for the items set out in Section 32(2)(a) to (e) of the Act.
- (b) £384,045,000 being the aggregate of the amounts that the Council estimates for the items set out in Section 32(3)(a) to (c) of the Act.
- (c) £347,415,000 being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated by the Council, in accordance with Section 32(4) of the Act, as its budget requirements for the year.
- (d) £264,052,000 being the aggregate of the sums which the Council estimates will be payable for the year into its general fund in respect of redistributed non-domestic rates and revenue support grant reduced by the amount of the sums which the Council estimates will be transferred in the year from its general fund to its collection fund in accordance with Section 97(4) of the Local Government Finance Act 1988.

(e) £899.83 being the amount at (c) above less the amount at (d) above, all divided by the amount for the taxbase specified above calculated by the Council, in accordance with Section 33(1) of the Act, as the basic amount of its Council Tax for the year.

(f) Valuation Bands

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
599.89	699.87	799.85	899.83	1,099.79	1,299.75	1,499.72	1,799.66

being the amounts given by multiplying the amount at (e) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

2.39 That it be noted that for the year 2004/2005 the Greater London Authority has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, in respect of the Greater London Authority, for each of the categories of dwellings shown below:

**Precepting Authority: Greater London Authority**

**Valuation Bands**

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
160.89	187.70	214.52	241.33	294.96	348.59	402.22	482.66

2.40 That, having calculated the aggregate in each case of the amounts at (f) and the precepting authorities referred to in the preceding paragraph above, the Council, in accordance with Section 30(2) of the Local government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2004/2005 for each of the categories of dwellings shown below:

**Valuation Bands**

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
760.78	887.57	1,014.37	1,141.16	1,394.75	1,648.34	1,901.94	2,282.32

- 2.41 (a) That the Director of Finance be and is hereby authorised to give due notice of the said Council Tax in the manner provided by Section 38(2) of the 1992 Act.
- (b) That the Director of Finance be and is hereby authorised when necessary to apply for a summons against any Council Tax payer or non-domestic ratepayer on whom an account for the said tax or rate and any arrears has been duly served and who has failed to pay the amounts due to take all subsequent necessary action to recover them promptly.
- (c) That the Director of Finance be and is hereby authorised to collect revenues and distribute monies from the Collection Fund and is authorised to borrow or to lend money in accordance with the regulations to the maximum benefit of each fund.