LONDON BOROUGH OF BRENT COUNCIL MEETING - 5th MARCH 2007 2007/08 BUDGET AND COUNCIL TAX

		Page	
	EXECUTIVE SUMMARY	1	
1.	INTRODUCTION	7	
	Purpose and Contents of Report	7	
2.	RECOMMENDATIONS	9	
3.	THE BUDGET MAKING PROCESS	14	
	Introduction	14	
	Links to the Corporate Strategy and Service Planning Process	16	
	Links to the Medium Term Financial Strategy	18	
	Underlying Budget Assumptions used in the 2007/08 Budget Process	18	
	The Process for Developing the Proposals	19	
	Involvement of the Public and Other Stakeholders	20	
	Budget and Service Planning Monitoring Arrangements	22	
4.	THE PROBABLE OUTTURN 2006/07		
	Introduction	23	
	The 2005/06 Final Position	23	
	The 2006/07 Budget Forecasts	23	
	Children and Families	24	
	Environment and Culture	25	
	Housing and Community Care	25	
	Corporate Units	26	
	Central Items	27	
	General Fund Balances Carried Forward	29	
5.	THE 2007/08 REVENUE BUDGET REQUIREMENT	30	
	Introduction	30	
	2007/08 Service Area Budgets	32	
	Central Items	37	
	Risks	40	
	Balances	43	
	Overall Budget Requirement	45	
6.	RESOURCES	48	
	Introduction	48	
	External Support	48	
	The Capping Rules	51	
	The Collection Fund	52	

		Page
	The Council Tax Base	52
	Calculating the Council Tax Level	52
	Greater London Authority (GLA)	53
	Setting the Tax	55
	Council Tax and NNDR Instalment Dates and Recovery Policy for Council Tax	55
7.	THE FUTURE - MEDIUM TERM FORECAST	56
	Introduction	56
	Medium Term Financial Strategy	57
	Resource Envelope	58
	Managing the budget within the Resource Envelope	58
8.	DEDICATED SCHOOLS BUDGET	62
	Introduction	62
	The Arrangements	62
	DSB Funding in Brent	62
9.	HOUSING REVENUE ACCOUNT	64
	Introduction	64
	The Probable Outturn 2006/07	65
	The 2007/08 Budget	65
	HRA Medium Term Financial Plan	66
10.	THE CAPITAL PROGRAMME 2006/07 TO 2010/11	67
	Introduction	67
	The 2006/07 Capital Programme	72
	2007/08 to 20010/11 Capital Programme	74
11.	TREASURY MANAGEMENT STRATEGY AND ANNUAL INVESTMENT STRATEGY 2007/08	81
	Introduction	81
	Treasury Management Strategy 2007/08	81
	Economic Background	81
	Lending Policy	82
	Borrowing Policy	83
	Debt Restructuring and Use of the Provision for Credit Liabilities	84
	Annual Investment Strategy 2007/08	85
12.	SETTING PRUDENTIAL INDICATORS FOR 2007/08	87
	Introduction	87
	Affordability	87
	Prudence and Sustainability	89

			Page				
Achie	ving Va	llue for Money	93				
Prope	Proper Stewardship of Assets						
	icality		93				
Monit	oring ar	nd Reporting on Prudential Indicators	94				
13. VALU	JE FOR	MONEY	95				
	PROCEDURES REQUIRED TO CONTROL EXPENDITURE						
	Introduction						
		esponsibilities	99 100				
	Monitoring the Budget						
	Virements, Transfers and In-Year Changes to Policy Controlling the Budget						
	•	blications	101 103				
LIST OF AP	•		105				
Appendix A		2006/07 Latest Revenue Budget Compared with Forecast Outturn	106				
Appendix B		2007/08 Revenue Budget	107				
Appendix C		Service Area Budget Summary	108				
Appendix D	(i)(a)	Summary of Growth due to Demand, Price and Loss of Income	115				
	(i)(b)	Summary of Service Priority Growth	123				
	(ii)	Analysis of Savings Items Within Service Area Budgets	133				
	(iii)	Adjustments to Service Area Budgets 2007/08	145				
Appendix E	(i)	Extract from Minutes - Council Meeting 27 th November 2006: "First Reading Debate on 2007/08 Budget"	146				
	(ii)	2 nd Interim Budget Panel Report	151				
Appendix F		Central Items	159				
Appendix G		A Guide to the Local Government Finance Settlement	180				
Appendix H	(i)	Council Tax Property Valuation Bands	197				
	(ii)	Council Tax and NNDR Instalment Dates and Collection Policy	198				
Appendix I		Financial Forecast 2008/09 - 2010/11	203				
Appendix J		Corporate Strategy	205				
Appendix K	(i)	Dedicated Schools Budget 2007/08	213				
	(ii)	Minutes of Schools Forum 4 th December 2006	214				

			Page
Appendix L		Housing Revenue Account Objective/ Subjective Analysis	217
Appendix M	(i)	Capital Programme 2006/07 Projected Outturn	219
	(ii)	Proposed 2007/08 to 2010/11 Capital Programme	221
	(iii)	Proposed 2007/08 to 2010/11 Capital Programme - Detailed	223
	(iv)	Proposed Capital Disposals	230
Appendix N	(i)	Annual Investment Strategy 2007/08	231
	(ii)	Local Government Investments – Specified	234
	(iii)	Local Government Investments – Non-specified	236
Appendix O		Advice from the Borough Solicitor	239
Appendix P		Scheme of Virements and Transfers Under Standing Order 17(a)	246
Appendix Q		Annual Efficiency Savings	255
Appendix R		Background Information	256