

DATE OF MEETING:	12/02/10
SUBJECT:	Revenue Budget and Capital Programme
REPORT BY:	Executive Director of Resources and Community Safety
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IS THE REPORT EXEMPT	No
IS REPORT CONFIDENTIAL?	No

SUMMARY

The accompanying booklet "Lincolnshire County Council Revenue Budget and Capital Programme 2010/11 to 2012/13" describes the Executive's budget and council tax proposals.

DISCUSSION

This report proposes an updated Financial Strategy for the Council and describes the Executive's budget and council tax proposals.

The proposals are set in the context of a very difficult outlook for public spending. They recognise that the Council needs to reduce spending, wherever possible through increased efficiency, whilst protecting public facing services. They also take into account the impact of

the Council's decisions on the Lincolnshire economy in terms of jobs, incomes and council tax.

HAS AN EQUALITY IMPACT ASSESSMENT BEEN CARRIED OUT ?

Not applicable

MONITORING OFFICER COMMENTS

The Financial Strategy forms part of the Council's Policy Framework and can only be approved and amended by the Council.

There is a legal obligation to consult on the development of the Budget. Robust decision making requires that this consultation as well as the section 151 officer's statement on the robustness of the budget and the adequacy of the reserves are taken into account by the County Council in coming to its decision. Recommendation 2 ensures that this is done.

With regard to recommendation 3 under the Budget and Policy Framework Procedure Rules it is for the County Council to approve the Budget.

With regard to recommendation 4, Section 3 of the Local Government Act 2003 requires a local authority to determine and keep under review how much money it can afford to borrow. The determination must be made by full Council. The prudential targets include the Council's borrowing limit and must therefore be approved by the Council.

Regarding recommendation 5, the requirement to make a determination on how to calculate minimum revenue provision is a requirement of the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 and the statutory guidance that accompanies the regulations. Minimum revenue provision is relevant to the control of the Council's capital expenditure and the Constitution provides that it is therefore part of the Budget and must be referred to the Council for approval.

The recommendations are lawful, in accordance with the Constitution and within the remit of the County Council.

EXECUTIVE DIRECTOR OF RESOURCES AND COMMUNITY SAFETY COMMENTS

The budget proposals are consistent with the proposed Council Financial Strategy.

The robustness of the budget proposals and the adequacy of the reserves held by the Council are considered in Section 10 of the budget report in Appendix A. This concludes that the budget is realistic and that the level of reserves is adequate.

EXECUTIVE RECOMMENDATIONS

1. That the Council agrees the Financial Strategy set out at Table C of Appendix A.
2. That the Council considers the Section 151 officer's statement on the robustness of the budget and the adequacy of reserves as detailed in Section 10 of Appendix A, and the results of internal and external consultation described in Section 11 of Appendix A.

3. That the Council agrees :

- 3.1. The service revenue budgets 2010/11 to 2012/13 as described in Section 4 and detailed at Table 3 of Appendix A ;
- 3.2. The capital programme 2010/11 to 2012/2013 and its funding as described in Section 5 and detailed at Table H of Appendix A;
- 3.3. The County Council element of the council tax for a band D property at £1,065.69 for 2010/11 as set out in Table B of Appendix A.

And that together these form the Council's Budget.

4. That the Council agrees the prudential targets for capital finance and notes prudential indicators as set out in Table G of Appendix A.
5. That the Council agrees the minimum revenue provision be based on the average life method and made in equal instalments over the estimated life of the assets acquired through borrowing as set out in Section 7 of Appendix A.

APPENDICES - these are listed below and attached at the back of the report.	
APPENDIX A	Accompanying Booklet – Revenue Budget and Capital Programme 2010/11 to 2012/13

BACKGROUND PAPERS			
The following background papers as defined in the Local Government Act 1972 were relied upon in the writing of this report.			
PAPER TYPE	TITLE	DATE	ACCESSIBILITY
Report	Report to the Executive-Revenue Budget 2010	15 December 2009	Executive Director Resources and Community Safety, County Offices, Newland, Lincoln
Report	Report to the Executive-Revenue Budget & Capital Programme	2 February 2010	Executive Director Resources and Community Safety, County Offices, Newland, Lincoln
Booklet	Revenue Estimates 2010/11- 2012/13. Budget Background Papers	February 2010	Executive Director Resources and Community Safety, County Offices, Newland, Lincoln