

Cabinet Meeting 13th February 2013

Item 10.2 – General Fund Capital and Revenue budget and Medium Term Financial Plan 2013/14 – 2015/16

Decision

1. To agree that a General Fund Revenue Budget of £297.806m and a Council Tax (Band D) of £885.52 for 2013-14 be referred to budget council for consideration.

2. To note the following matters -

a. Budget Consultation

The summary provided of the budget consultation, which includes the comments and recommendations of the overview and scrutiny committee.

b. Funding

The funding available for 2013-14 and the indications and forecasts for future years (section 8) and note the introduction of the new local government funding system (Appendix 2).

c. Base Budget 2013-14

- The Base Budget for 2013-14 as £293.865m as detailed in Appendix 1.2.

d. Growth and Inflation

- The risks identified from potential inflation and committed growth arising in 2013-14 and future years and as set out in Section 9 and in Appendix 3.

e. General Fund Revenue Budget and Medium Term Financial Plan 2013-14 to 2015-16

The initial budget proposal and Council Tax for 2013-14 together with the Medium Term Financial Plan set out in Appendix 1 and the savings targets arising.

f. Savings

Savings items proposed to be included in budgets for 2013-14 and future years set out in Section 10 and in Appendices 4.

g. Mayors Priorities

Initiatives to be included in the budgets for 2013-14 and 2014-15 set out in Section 10.3 and in Appendix 5.

h. Capital Programme

The capital programme to 2014-15, including the proposed revisions to the current programme as set out in section 14 and detailed in Appendix 9.

i. Dedicated Schools Grant

The position with regard to Dedicated Schools Grant as set out in section 12 and Appendix 7.

j. Housing Revenue Account

The position with regard to the Housing Revenue Account as set out in section 13 and Appendix 8.

k. Financial Risks: Reserves and Contingencies

Advice on strategic budget risks and opportunities as set out in section 11 and Appendices 6.1, 6.2 and 6.3.

l. Reserves and Balances

The position in relation to reserves as set out in the report and further detailed in Appendices 6.1 and 6.3, and officers' advice on the strategy for general reserves at 8.40.

3. To note the advice of the chief financial officer in relation to resources available to fund one-off priorities in the next two financial years.
4. To agree to utilise £1m of capital receipts to part fund the Faith Buildings initiative announced at Cabinet on 3rd October 2012 and adopt a capital scheme for this purpose.
5. To accept the following Accelerated Delivery proposals as set out in Appendix 5 of the pack;
 - The Mayor's Higher Education Bursary at a cost of £1.260m over two years.
 - Borough-wide deep clean and education programme at a cost of £0.800m.
 - Roman Road Town Centre Improvements and Brick Lane Commercial District initiatives at a cost of £0.355m.

- Measures to protect vulnerable residents in temporary accommodation from the impact of welfare reform at a cost of £1.000m

(These measures totalling £3.415m to be met from surplus earmarked reserves up to a value of £2.065m and the balance of £1.350m from additional savings identified during the budget process.)

6. To propose the following further measures, the details of which are included in the pro-forma papers attached to the amendment to the main report;

- Free School Meals for reception and year 1 pupils in Tower Hamlets Primary Schools, free schools and academies for two academic years at a cost of £2.756m, to be funded from Public Health Grant.
- An additional 10 'THEOs' and additional CCTV surveillance for two years at a cost of £1.330m, to be funded from additional revenue savings identified during the budget process.
- Repair of pot holes at a cost of £0.200m to be funded from additional revenue savings identified during the budget process.
- Investment of £3.000m towards the provision of a multi-faith burial site for Tower Hamlets residents to be adopted as a scheme in the capital programme and funded from capital receipts.
- Measures to support cycling at a cost of £0.100m to be adopted as a scheme in the capital programme and funded from capital receipts.
- An additional £1.000m in capital grants for Faith Buildings to be adopted in the capital programme and funded from capital receipts.

Action by:

INTERIM CORPORATE DIRECTOR OF RESOURCES (C. HOLME)

(Service Head, Financial Services, Risk and Accountability, A. Finch)