

Report of the Chief Officer – Financial Services

Report to Council

Date: 27th February 2019

Subject: Revenue budget 2019/20 – Garforth & Swillington Independent amendments

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

1. Introduction

- 1.1. This report provides Members of Council with comments on the robustness of the proposals contained in the amendments to the budget motion in the name of Councillor Mark Dobson.

2. Robustness of the budget

- 2.1 The Local Government Act (Part II) 2003 places a requirement on the Council that when making decisions on the setting of the council's budget and the council tax, they must consider a report from the council's statutory finance officer (the Chief Officer – Financial Services) on the robustness of the budget and the adequacy of reserves within the proposals. The report of the Chief Officer – Financial Services at item 6(i) on the council summons includes at section 11 comments to this effect in respect of the proposed budget motion.
- 2.2. Given this requirement, in considering any proposed amendment to the budget motion, members must also consider the comments of the Chief Officer – Financial Services on the robustness of the proposals. These comments supplement those contained in the main report.

3. Proposed amendments

- 3.1 Councillor Dobson's amendments to the budget motion set out his proposals showing areas of additional spend and the sources of funding which are largely self-explanatory. In considering these amendments the Chief Officer - Financial Services would wish members of Council to be aware of the following:
- (a) Amendment 40 proposes to both implement a 1% rent reduction for all tenants and to maintain service charges at 2018/2019 levels. This will be funded through a contribution from the HRA general reserve. Since a reserve is being applied to resource revenue expenditure, future years budgets will require the identification of further saving proposals to fund the removal of the 1% rent reduction and maintaining service charges at 2018/2019 levels.
- 3.2 The amendments include savings and spending proposals which are interdependent and which create additional risks to the budget. Where possible these risks should be managed by not committing to the additional spend until the additional savings have been realised or clearly identified.
- 3.3 Should these budget amendments be approved, they will be subject to the council's procedures for further consultation and will need to be informed by equality impact assessments as appropriate.
- 3.4 These budget amendments do not have any impact on the council's general reserve. In respect of the Housing Revenue Account general reserve the overall level of reserve available will be £5.6m which is considered to be adequate to meet the identified risks.

4. Overall conclusion

- 4.1 In conclusion, whilst the proposals in the amendments will collectively increase the risks associated with the delivery of the council's budget, and these risks are set out in section 14.6 of the 2019/20 Revenue Budget and Council Tax report, the amendments to the budget motion in the name of Cllr Mark Dobson will not materially impact on the overall robustness of the council's budget for 2019/20 or the adequacy of its general fund reserve as at 31st March 2020.