

TO: ALL MEMBERS OF THE DERBY CITY COUNCIL

You are summoned to attend an extraordinary meeting of the Derby City Council in the Council Chamber at the Council House, Derby on Wednesday 28 July 2010 at 6.00 pm.

A G E N D A

1. To receive apologies.
2. To receive Declarations of Interest.
3. To consider the following minute and recommendation of the Council Cabinet dated 27 July 2010 requiring the approval of the Council.

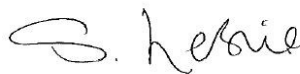
DOCUMENT 3

46/10 Revenue Budget Strategy

DOCUMENT 3A

To recommend Council to approve the Revenue and Capital Budget Strategy.

Motion – To approve the minute and recommendation of the Council Cabinet dated 27 July 2010.



Stuart Leslie
Director of Legal and Democratic Services

The Council House
Derby DE1 2FS
28 July 2010

COUNCIL CABINET
27 JULY 2010

Present: Councillor Jennings (Chair)
Councillors Holmes, Jones, Marshall, Poulter and Williams

In attendance Councillor Bayliss, Carr and Jones

This record of decisions was published on 29 July 2010. The key decisions set out in this record will come into force and may be implemented on the expiry of five clear days unless a key decision is called in.

Budget and Policy Framework

46/10 Revenue Budget Strategy

The Council Cabinet considered a report which outlined the medium term financial strategy in terms of the revenue and capital budgets and corporate planning strategy over the next four years period 2011/12 to 2014/15. The report also recommended changes to balance the Council's in year 2010/11 budget due to the Coalition Government's cuts announcement on 10 June 2010. The key issues covered included:

- The current financial climate of austerity measures and funding implications, outlined in paragraph 3 of the report.
- The 2010/11 in year impact of budget reductions announced by the Coalition Government on 10 June 2010 and subsequent savings required to balance, outlined in paragraph 4 of the report.
- Future Government Funding based on the Coalition Government's 'emergency' budget of 22 June 2010, which announced average budget reductions of 25% across the public sector over the next four years 2011/12 to 2014/15, outlined in paragraph 5 of the report.
- The impact and revised Council budget position for 2011-2015, outlined in paragraph 5 of the report.
- Revenue Grant supporting the revenue budget, as outlined in paragraph 6 of the report.
- Potential revenue budget impact in 2011-2015, outlined in paragraph 7 of the report.
- The Revenue reserves position, outlined in paragraph 9 of the report.
- The approach to delivering savings to set a balanced budget 2011/12 to 2014/15, outlined in paragraph 10 of the report.

- One Derby, One Council Transformation Programme, outlined in paragraph 11 of the report.
- The 2011-15 capital programme position, outlined in paragraph 12 of the report.
- Council Priorities and Corporate Planning, and the links to the Sustainable Community Strategy 2011 – 2026, outlined in paragraph 13 of the report.
- The Council's Value for Money Strategy, outlined in paragraph 14 of the report.

In the coming months the Council would continue to explore other key assumptions/areas further including:

- general price inflation
- specific and Area based grants
- pay inflation
- pension contributions
- the Council's reserves position
- implementation of Job Evaluation and Single Status pay and conditions
- Treasury Management budget

Actions to balance the in year budget reductions had been identified. The longer term anticipated budget reductions required more significant options analysis, which would be undertaken over the coming months. These options would be reviewed against the Government's Comprehensive Spending Review when that is announced on 20 October 2010.

Decision

1. ...
2. ...
3. ...
4. ...
5. ...
6. ...
7. ...
8. To recommend Council to approve the Revenue and Capital Budget Strategy.