

Time began 4.00pm
Time ended 4.07pm

**COUNCIL CABINET
9 JANUARY 2007**

Present: Councillor Williamson (Chair)
Councillors Bolton, Hickson, Hussain, Latham,
Nath, Roberts, and Wynn

158/06 Apologies

Apologies for absence were received from Councillors Graves, Jones and Smalley.

159/06 Late Items Introduced by the Chair

There were no late items.

160/06 Identification of Urgent Items to which Call-In will not apply

There were no urgent items.

161/06 Declarations of Interest

There were no declarations of interest.

Budget and Policy Framework

162/06 Local Government Revenue Grant Settlement 2007/08

The Council Cabinet considered a report which stated that details of the local government revenue funding settlement for 2007/08 were announced on 28 November 2006. The announcement was simply a confirmation of the 2007/08 figures announced in last year's two-year settlement and contained nothing new. Derby's 4.4% increase in formula grant was therefore as expected and did not change existing budget plans. Our increase compares favourably with the national average increase of 3.7%.

The headline figure notwithstanding, there were some aspects of the settlement on which the Council had made representations. The main ones were:

- The degree to which accepted funding needs had been scaled back to provide additional support to some Social Services authorities and to provide a 2.7% minimum grant increase to all local authorities.
- The differential impact of a 5% universal capping limit.

- The inability of long-term settlements to be flexible enough to cover unforeseen local government spending pressures.

Decision

1. To note the funding settlement announced for 1007/08 for formula grant.
2. To agree to continue to prepare the Council's three-year revenue budget for consultation, in accordance with the strategy previously agreed by Council Cabinet.
3. To agree to make representations to Government on the detail of the settlement, including the specific points set out in Section 4 of the report.

163/06 Revenue Budget Consultation 2007/08 to 2009/10

The Council Cabinet considered a report which stated that it was proposed to launch a period of consultation on the Council's revenue budget. Details were approved at the Corporate Policy, Personnel, Performance Management and Economic Development Cabinet Members meeting on 19 December 2006. The period of consultation commences on 9 January 2007 and proceeds through to 1 March 2007, when Council will agree a budget and level of Council Tax.

Individual Cabinet Members had been working over the autumn period with their respective Chief Officers to formulate budget plans in response to the budget strategy approved by Council in September 2007.

Consultation documents were tabled at the meeting which set out those responses. It was made clear that the Council Cabinet itself would form its collective view on the budget at its meeting on 21 February 2007, after receiving comments from stakeholders and consultees.

An initial meeting had been arranged immediately following Council Cabinet to present the main features of the consultation budget. More detailed examinations of Cabinet member proposals would be carried out at overview and scrutiny meetings during January.

Decision

To release the budget consultation document prepared by individual cabinet members and their chief officers for consideration by Overview and Scrutiny commissions and other consultees.

MINUTES END