

Strategy and Resources Scrutiny Committee 15 February 2013

Item 4: Draft Revenue and Capital Budgets – 2012/13 (Revised), 2013/14 (Budget) and 2014/15 (Forecast)

Item 4(a) EXECUTIVE AMENDMENT

Budget Setting Report – Version 2

Background to the Amendment Motion

Local Government Finance Settlement 2013/14

Since publication of the BSR, considered by The Executive at their meeting of 24 January 2013 and recommended for approval by Council, the final Local Government Finance Settlement 2013/14 was announced on 4 February 2013. In addition certain Specific and Special Grant determinations for 2012/13 and 2013/14 have been made and provisional determinations confirmed. The settlement announcement also included provisional figures for 2014/15.

Start-Up Funding Assessment

The Council's final Start-Up Funding Assessments (made up of Revenue Support Grant entitlement together with locally retained Business Rates) were amended from the provisional figures included in the BSR as follows:

Government Funding	2013/14 £	2014/15 £
December 2013 Provisional Settlement		
Start-Up Funding Assessment	9,341,182	8,198,084
February 2013 Final Settlement		
Start-Up Funding Assessment	9,341,128	8,198,624
Change – Increase / (Decrease)	(54)	540

Other Government Grants

Two new Specific/Special grants have been notified since the BSR was originally published.

The first is a 'New Burdens' grant to support the costs of implementing welfare reform changes in 2012/13. The Council's entitlement to this additional funding has been determined as **£25,778**.

The second grant is the Council's share of the funding set aside by Government for New Homes Bonus for 2013/14 but not subsequently required when final determinations had been made. This surplus funding is to be returned to local authorities in proportion to their respective shares of Start-Up

Funding Assessment for 2013/14. The Council's share has been determined to be **£31,631**.

Other Government grant determinations included within Section 3 of the BSR have been confirmed.

Implications for the Budget Setting Report

There are no additional spending proposals associated with the above grant changes. As a result, the changes will result in net increases in the level of General Fund Reserves as follows:

Government Funding Changes	2012/13 £	2013/14 £	2014/15 £
Start-Up Funding Assessment	0	(54)	540
New Burdens Grant – Welfare Reform implementation	25,778	0	0
NHB Adjustment Grant	0	31,631	0
Net increase / (decrease) in GF Reserve	25,778	31,577	540

Recommendations

The Leader is recommended:

Local Government Finance Settlement 2013/14 and Final Grant Determinations

- (a) To authorise the Director of Resources to make necessary changes to the Budget Setting Report 2013/14, to be considered by Council at the meeting on 21 February 2013, to reflect the Local Government Finance Settlement 2013/14 announcement made on 4 February 2013, additional grant determinations and their impact on the level of the General Fund Reserve.