

EXECUTIVE SUMMARY OF THE BUDGET REPORT

- This year there is a high level of uncertainty in the budget projections due to a lack of information regarding the costs of and the details of government funding for the National Concessionary Bus Fare scheme.
- Given the uncertainty we have to develop plans that are capable of dealing with the worst outcome.
- In the worst case the Council is facing a projected funding gap in the budget of £495,000.
- £578,000 is directly attributable to the Government not providing this Council with sufficient funds to pay for its Concessionary Fare scheme. The original promise was for a fully funded scheme.
- Without this extra burden the work that has been done by both officers and Councillors would have given balanced budget with some options for service improvements or a lower Council Tax.
- That work has achieved efficiency savings and other budget improvements of £631,000.
- Over a number of years we have trimmed back spending to the bone to balance the budget, but that is no longer an option.
- Government capping restrictions do not allow the option of passing on the increased costs to Council Tax Payers.
- The potential level of gap means we have to look at some options and these will include ceasing to provide some services, radically changing others or maximising income from all other sources.
- Management Team and Unit Managers have prepared some initial options for the Management Committee to consider.
- Management Committee need to agree the strategic direction they wish to pursue in balancing the budget against the background of a year on year budget gap.
- The Management Committee is asked to agree the financial contribution that the Harbour makes to the Council.
- Officers have identified a number of new capital schemes for the Management Committee to consider.
- There are no resources available to fund any new capital schemes but there are options for Members to consider on how funding could be made available.
- The timetable for setting the budget is:-

Policy Development Committee – 17 December 2007

Scrutiny & Performance Committee – 16 January 2008

Management Committee - Recommend budget - 5 February 2008

Full Council – Final decision - 21 February 2008