



Council

25 February 2009

**Revenue & Capital Budget 2009/10 to 2013/14:
Conservative Group alternative budget and
amendments**

(All Wards) (report 334/08-09)

**Amendment 4 – Conservative alternative budget
Councillor John Whelan**

Advice from the s151 Officer

Senior finance support has been provided to assist the Leader of the Conservative Group to formulate an alternative budget that reflects their policy priorities. I have previously advised Members of my general view that the borough's finances need attention to be paid to the future revenue raising potential of the council tax. Whilst it would not be unlawful, as this Alternative Budget proposes, to reduce the council tax by 1.43%, I am concerned that the effect of this will be to limit the possibilities of long-term investment in the borough and to permanently reduce the base budget when the authority faces a budget deficit in 2011/12 of £8.8m.

Conservative Group substitute to recommendations (2) – (3), (5) & (7) and
insert recommendation (4(a))

(2) That Council approves the provisional revenue and capital proposals as set out in the appendices 2 to 9 inclusive, incorporating changes to appendices 3, 7, 8 and 9 as attached to this amendment. {Annex 1}

(3) That Council adopts a reduction in the Band D equivalent of the Lambeth element of the council tax for 2009/10 of 1.43%.

(4) (a) That for 2009/10 the Council Tax be set at £912.09 for a Band D property for Lambeth Council's purposes. When added to the requirements of the preceptor, the GLA, this produces a Band D level of £1,221.91 (the council tax for other bands to be calculated proportionately in accordance with Section 30(2) of the Local Government Act 1992 as set out below).

(5) That the following amounts be now calculated for 2009/10 in accordance with sections 32-36 of the Local Government Finance Act 1992:

- (a) Aggregate of the amounts which the Council estimates for the items set out in Section 32(2)(a) – (e) thereof:

£1,042,110,235

- (b) Aggregate of the amounts which the Council estimates for the items set out in Section 32(3)(a) – (c) thereof:

£736,113,031

- (c) The Council's budget requirement under Section 32(4), being the amount by which the aggregate at 5(a) above exceeds the aggregate at 5(b) above:

£305,997,204

- (d) The aggregate of the sums that the Council estimates will be payable into its General Fund in respect of redistributed non-domestic rates, revenue support grant (which are referred to collectively as Formula Grant), and its share of the surplus in the collection fund, stated in accordance with Section 33(1) of the Act:

£212,306,305

- (e) The amount at 5(c) less the amount at 5(d) above, calculated by the Council in accordance with Section 33(1) of the Act:

£93,690,899

- (f) The amount at 5(e) above divided by the Council's tax base in 4 above, in accordance with Section 33(1) of the Act, as the basic Band D amount of its Council tax for the year:

£912.09

- (g) The amounts given by multiplying the amount at 5(f) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of dwellings listed in different valuation bands:

Band A	Band B	Band C	Band D
£608.06	£709.40	£810.75	£912.09
Band E	Band F	Band G	Band H
£1,114.78	£1,317.46	£1,520.15	£1,824.18

(7) That having calculated the aggregate in each case of the amounts at 5(g) and 6 above, the Council approves the amounts of council tax for the year 2009/10 for each of the categories of dwellings shown in Annex 3 (section 3):

Band A	Band B	Band C	Band D
£814.61	£950.37	£1,086.15	£1,221.91
Band E	Band F	Band G	Band H
£1,493.45	£1,764.98	£2,036.52	£2,443.82

Note: The other recommendations (1, 4, 6 and 8 to 22 inclusive) from the Administration's proposed budget as in report 334/08-09 are to be adopted without amendment.

Annex 1

Appendix 3 - Summary new revenue growth and savings proposals 2009/10 to 2011/12

Appendix 7 – Council tax model

Appendix 8 – Cash limits

Appendix 9 – Capital programme

Amendment 5 – Helping the Community with a Budget for People Councillor Clare Whelan and seconded by Councillor Irene Kimm

Add at end of recommendations:

Council notes the considerable success achieved by the new Mayor for London in freezing the City Hall share of council tax for the first time in eight years. The Boris budget provides for a 24-hour Freedom Pass, more crime fighters on the buses and at suburban stations, better local parks and new cycling schemes—all achieved through efficiency savings which keep the burden on the taxpayer to a minimum at a time when Londoners are struggling financially due to the disastrous policies of a failing Labour Government.

Accordingly, Council welcomes the Conservative alternative budget for Lambeth which proposes a cut in Council Tax and a package of efficiency savings to eliminate as many “non jobs” as possible and to reduce the authority's expenditure on publicity and public relations.

Council notes with approval the positive steps taken by other London boroughs to reduce Council tax including The London Borough of Hammersmith & Fulham with its 3 per cent cut in Council Tax and the £50 cash back to residents proposed by the Royal Borough of Kensington & Chelsea.

Council recalls the pledge made by Labour in the 2006/2007 budget debate to reduce waste on communications including the scrapping of Lambeth Life, reduction in agency staff and elimination of some posts in policy and performance.

The Conservative alternative budget for Lambeth maintains the commitment to deliver on front line services while providing value for money and keeping taxes as low as possible. We note that the Mayor of London's budget includes £100 million of efficiency savings and commend this approach to the Labour Cabinet during its last 14 months in office.

**Amendment 6 – Help for Businesses Hit by the Recession
Councillor Graham Pycock and seconded by Councillor Suzanne Poole**

Add at end of recommendations:

Council urges the Cabinet to consider following the example of the London Borough of Barnet in reducing the time it pays invoices from small and medium sized businesses from 30 days to 10 days. This move would help support local business during the current economic depression by increasing cash flow and promoting stronger business links with the council. Council also invites the Cabinet to examine other proposals to stimulate businesses including a temporary reduction of on and off street pay and display charges over the Christmas period in December 2009 and targeted advice and information to those businesses in the borough entitled to Small Business Rate Relief.
