

WYRE FOREST DISTRICT COUNCIL

CABINET
19th FEBRUARY 2009

**Report on the Final Determination of the Local Government
Finance Settlement for 2008/2011**

AN OPEN ITEM	
COMMUNITY STRATEGY THEME:	-
CORPORATE PLAN THEME:	Improving Corporacy & Performance
KEY PRIORITY:	Financial & Asset Management
STRATEGY:	Budget & Policy Framework
CABINET MEMBER:	Councillor John Campion
RESPONSIBLE OFFICER:	Head of Financial Services
CONTACT OFFICER:	David Buckland Ext. 2100 david.buckland@wyreforestdc.gov.uk
APPENDICES	None

1. PURPOSE OF REPORT

- 1.1 To report on the Final Determination of Wyre Forest's Finance Settlement from the Government for 2009/2012.

2. RECOMMENDATION

The Cabinet is asked to RECOMMEND TO COUNCIL :-

- 2.1 The results of Wyre Forest's Finance Settlement 2009/2012 be incorporated into the Council's Budget Strategy and resultant Council Tax Levy for 2009/2012.
- 2.2 Delegated authority to the Leader of the Council, in consultation with the Head of Community and Partnership Services, to allocate Area Based Grants, following the issue of guidance from the Communities and Local Government (CLG).
- 2.3 Delegated authority to the Leader of the Council, in consultation with the Head of Financial Services, to allocate future Local Authority Business Growth Incentive (LABGI) for General Economic Regeneration purposes.

3. BACKGROUND AND KEY ISSUES

- 3.1 John Healey, the Local Government Minister announced on 21st January, 2009, the Government's final proposals for the Local Government Finance Settlement 2009/2012.

- 3.2 The Settlement confirms the proposals set out in the provisional settlement as identified in the Head of Financial Services report to the Cabinet on 22nd January 2009.
- 3.3 The effect for Wyre Forest is the same to that proposed in January. The key features of the Settlement for this Council are as follows:-

	2009/10 £m
Relative Needs Amount	3.188
Relative Resource Amount	-2.094
Central Allocation Amount	6.991
Floor Damping	-0.104
Total Formula Grant	£7.981

- a) Revenue Support Grant (RSG) for 2008/09 has been confirmed at £1,496,611.
- b) Business Rate Grant (NNDR) has been confirmed at £6,484,088.
- c) Therefore Total Formula Grant (RSG + NNDR) for 2009/10 has been confirmed at £7,980,700 an increase of £101,940 (1.29%) over 2008/09.

4. FINANCIAL IMPLICATIONS

- 4.1 The Cabinet's Final Budget Proposals will include the revised Formula Grant for 2009/2012.

5. LEGAL AND POLICY IMPLICATIONS

- 5.1 Local Government Act 2003 places duties on Local Authorities on how they set, monitor and review budgets.

6. RISK MANAGEMENT

- 6.1 The Accounts and Audit Regulations 2003 and 'Use of Resources' require Local Authorities to fully consider and manage risk as part of the Budget process. The details of Risk Management in respect of the Budget process were reported to Cabinet on 22nd January 2009.

7. CONCLUSION

- 7.1 The Final Settlement confirms the Provisional Local Government Settlement as announced on 26th November 2008.

8. CONSULTEES

- 8.1 Leader of the Council, Cabinet and Corporate Management Team.

9. BACKGROUND PAPERS

- 9.1 Provisional Local Government Finance Settlement 26th November 2008
- 9.2 Cabinet Agenda 22nd January 2009
- 9.3 Final Local Government Finance Settlement 21st January 2009
- 9.4 Local Government Act 2003
- 9.5 Accounts and Audit Regulations 2003/2006