
**EXCERPT FROM THE MINUTES OF
EXECUTIVE
HELD ON 27 MAY 2002**

EX.135/02 THREE YEAR BUDGET 2003/04 TO 2005/06 - FIRST FORECAST (Key Decision)

Portfolio Finance and Resources, with implications for all other portfolio areas.

Subject Matter

To consider a report from the City Treasurer (Financial Memo 2002/03 No.7) summarising the likely cost of supporting current services levels and the potential resources available to the Council over the three year period to 2005/06. The report commented on a range of issues that would impact on the provision of services and the level of Council Tax over that period.

Councillor Stevenson, Finance and Resources portfolio holder, made a statement on behalf of the Executive in response to the City Treasurer's report indicating that the finances of the Authority would be planned over a three year strategic period, in so far as this is possible within the new grant regime to be adopted by the Government.

Summary of options rejected

None

DECISION

1. That the comments and projections in the City Treasurer's report be noted.
2. That the City Treasurer's report, together with the Executive's response, be referred to the Corporate Resources Overview and Scrutiny Committee for observations.
3. That the City Treasurer's report, the Executive's response, and the response of the Corporate Resources Overview and Scrutiny Committee be referred to the City Council on 16 July 2002 when approval would be sought to the Budget Policy Framework for 2003/04.
4. That a request be made, via the City Council, that the Executive give guidance to Officers in compiling budgets for 2003/04 to 2005/06, including any requirements or emphasis to redirect resources over that period.

5. That the recommendations of the Finance and Resources portfolio holder be approved and -

(a) The Town Clerk and Chief Executive be requested to generally look for and implement efficiency savings and review base budget estimates wherever possible throughout the whole Authority.

(b) The Town Clerk and Chief Executive, in consultation with the appropriate portfolio holders, be requested to review the roles of Community Support and Economic Development with a view to amalgamating both into one Department with an emphasis on sustainable economic regeneration.

(c) The Director of Leisure and Community Development, in consultation with the Health and Wellbeing portfolio holder, be requested to submit a report to a future meeting of the Executive reviewing the level of subsidy provided to Tullie House.

(d) The Director of Leisure and Community Development, in consultation with the Health and Wellbeing portfolio holder, be requested to investigate transferring Tullie House into a Trust and submit a report to a future meeting of the Executive.

(e) The Director of Leisure and Community Development, in consultation with the Community Activities portfolio holder, be requested to submit a report to a future meeting of the Executive assessing options for the future provision of subsidies to the Advice Agencies, given the degree of overlap of functions between the agencies. The Executive supports the continuation of independent advice to the citizens of Carlisle and intends to give greater certainty to the appropriate bodies by granting to them a three year grant forecast, stated annually subject to an appropriate Service Agreement.

(f) That with regard to community centres, whilst the Executive does not intend to seek substantial savings from this area of expenditure, the Director of Leisure and Community Development, in consultation with the Community Activities portfolio holder, be requested to investigate and submit a report to a future meeting of the Executive on a review of the following policies:-

(i) at present, some Community Centres appoint people directly while others are employed by the City Council but work exclusively for the Community Centres. The Executive intends to ensure that anyone who works for the Community Centres should be employed directly by the Community Centres;

(ii) at present, there is no logic to the amounts each community centre receives by way of grant or support from the Authority, with some receiving no grant at all. In the interests of fairness, the Executive intends to establish proper criteria for the level of funding given to each Community Centre.

(iii) any grants given to community centres will be planned for three years and reviewed after that period. Community Centres will also be expected to enter into a Service Agreement with the Authority so that the City Council can be satisfied it is getting value for money.

(g) That it is noted that Leisuretime is already the subject of other policy decisions and the outcome of negotiations is awaited. Any major capital considerations for the Authority will be dealt with in due course.

(h) That the policy on fees and charges laid out in the Corporate Charging Policy be continued with the following exceptions:-

(i) options be investigated to bring into balance the income and expenditure of the bereavement services over the course of the next few years;

(ii) options for car parking charges be reviewed and consulted upon during the course of the summer in the usual way.

(i) Further reports are awaited on the review of procurement policies which it is believed should produce a substantial saving.

(j) The Executive is of the view that there should be no presumption that all grants should be automatically index linked. The Executive will look at each area of expenditure on its own merits when it comes to considering whether or not these should be index linked.

(k) The Town Clerk and Chief Executive be requested to arrange for reports to be submitted to future meetings of the Executive on financial policy options in the following areas:

- Best Value funding;
- DSO profit levels;
- Highway claimed rights;
- Business Support and Enterprise;
- Town Twinning;
- Hostels and Housing Association support.

(l) That as the capacity to support new spending is very limited, the Town Clerk and Chief Executive be instructed to limit any requests, ensuring that any essential bids that are put forward for consideration have had prior consultation with the relevant portfolio holder and all of the funding options have been fully investigated.

(m) That the Executive does not accept that the taxpayer should bear the largest burden for any savings that may be required by this Authority and therefore intends to ensure that any increase in the Council Tax over the course of the next two or three years is kept to a minimum that would be fair and reasonable.

Reasons for Decision

In order to receive a report from the City Treasurer on the first forecast of the three year budget for 2003/04 to 2005/06 and to make the necessary arrangements to consult with Overview and Scrutiny Committee on the report prior to its submission to the City Council for approval of the Budget Policy Framework for 2003/04.

To receive a statement from the Finance and Resources portfolio holder in response to the City Treasurer's report.