

**BUDGET CONSULTATION MEETING WITH TRADE UNION REPRESENTATIVES
MONDAY 4 JANUARY 2021 AT 2.00 PM**

PRESENT: Councillor J Mallinson (Leader)
Councillor Ellis (Deputy Leader, and Finance, Governance and Resources
Portfolio Holder)

**ALSO
PRESENT:** 5 x Trade Union Representatives

OFFICERS: Chief Executive
Corporate Director of Finance and Resources

1. APOLOGIES FOR ABSENCE

No apologies for absence were submitted.

2. WELCOME

The Deputy Leader, and Finance, Governance and Resources Portfolio Holder welcomed the Trade Union representatives and thanked them for taking the time to attend the meeting and respond to the Executive's Budget Proposals 2021/22 issued for consultation, the deadline for responses being 9 am on Monday 11 January 2021.

All of those present had been afforded the opportunity to read the documentation prior to the meeting.

3. CITY COUNCIL BUDGET 2021/22

The Executive Budget Proposals 2021/22 were issued for consultation on 14 December 2020. Copies of the Budget Proposals and document entitled 'Have Your Say' had been circulated prior to the meeting.

The Executive Budget Proposals 2021/22 to 2025/26 recorded that the Council was facing many financial challenges over the next five-year planning period and forecast resources were not anticipated to cover the expenditure commitments without 'transformational' savings being identified in accordance with the Council's Savings Strategy.

The main issues included:

- Government Finance Settlement – impact of the 2020 Spending Round, and the deferral of the Business Rates Retention and Fair Funding Reviews;
- Further changes in Government Grant e.g. New Homes Bonus, Housing Benefit Admin Grant;
- Future borrowing requirements;
- Commercial and Investment Opportunities

The Corporate Director explained that:

- the 2021/22 Executive Budget Proposals issued for consultation constituted a balanced budget;
- reserves were maintained at prudent levels;
- the current MTFP included a recurring savings requirement to be found by 2023/24 of £1.850million; however, a revised savings requirement had been calculated that would see savings increase to £1.200million by 2021/22, increasing to £2.050million in 2023/24 which took into account the pressures and bids and the additional savings identified;
- the draft budget proposed an annual £5 increase per Band D in Council Tax for the City Council for 2020/21.

She summarised the Recurring Budget Increases itemised at Schedule 3; the Non-Recurring Budget Increases at Schedule 4; the proposed Capital Programme at Schedule 8; and the Usable Reserve Projections depicted at Schedule 10. She referenced the investment the Council continued to make in respect of staffing, assets and the ICT infrastructure.

The Corporate Director concluded her presentation by explaining that Government reviews would be deferred a further year which allowed the Council to continue, if it so wished, with the Cumbria Business Rates Pooling arrangements. She also detailed the Government's consultation process on the settlement figures being offered to the Council, which would alter (and reduce) the savings required in 2021/22.

A Trade Union Representative requested additional information on a non-recurring grant which had been detailed in the budget. The Corporate Director of Finance and Resources agreed to provide a written response to the representatives.

[The meeting ended at 2.15pm]