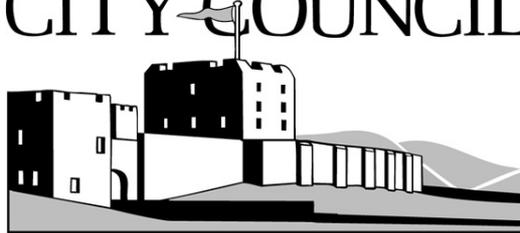


CARLISLE CITY COUNCIL



www.carlisle.gov.uk

Summary Executive Budget Proposals 2014/15 Issued for Consultation 16th December 2013

Councillor C Glover
Leader of the Council

Councillor Dr L Tickner
Portfolio Holder Finance, Governance & Resources

Jason Gooding
Chief Executive

Peter Mason CPFA
Director of Resources

EXECUTIVE BUDGET PROPOSALS 2014/15 to 2018/19

Budget Setting Process

The Executive is presenting the Council's budget for the period from 2014/15 to 2018/19 for consultation.

The Council is facing many financial challenges over the next five-year planning period and forecast resources are not anticipated to cover the expenditure commitments without major 'transformational' savings being identified in accordance with the Council's Savings Strategy.

Some of the main issues are:

- Government Finance Settlement - RSG and NNDR
- Welfare Reform Act
- Triennial Revaluation of the Pension Fund
- Transformation

Summary Budget Proposals

The key issues in this budget consultation document, which is expanded on further in the proposals, are as follows:

- (i) The draft budget proposes a Council Tax increase of 1.99% for the City Council for 2014/15 (Parishes Precepts will be an additional charge in the parished rural areas).

Full details of the below analysis can be found in the full Executive Budget Proposals 2014/15 which can be found at www.carlisle.gov.uk. The Executive welcomes comments on its budget proposals to be received by 9am on 13 January 2014.

Revenue Budget 2014/15

The Revenue Budget for 2014/15 is proposed to be as follows:

	£000
Budget Requirement (excluding Parish Precepts)	12,799
Funded by:	
Council tax	(6,130)
Retained Business Rates	(3,603)
Revenue Support Grant	(3,066)

The main changes to the budget for 2014/15 are listed below. These changes reflect the need to make savings of £3.939million over the next 5 years and these will require Senior Management and the Executive to review the Services the Council provides and look at where these savings can be found.

	£000
Recurring	
Additional Cost Pressures	
Treasury Management	1,020
Asset Review Income	342
Pension Fund Revaluation	?
Pension Auto Enrolment	127
	1,489
Expenditure Reductions	
Pay Award Savings 2014/15 & 2015/16	(223)
Inflation Savings	(200)
Invest to Save Schemes completing	0
	(423)
Total Recurring Pressures	1,066
Non Recurring	
Additional Cost Pressures	
Apprentice Scheme	32
Car Parking income shortfall	170
New Homes Refuse & Recycling Scheme	58
Plastic & Card Recycling Income shortfall	67
Rapid Response Team	87
Green Box recycling income shortfall	53
Events	130
Development Control Income shortfall	45
Enterprise Centre Rentals shortfall	40
Local Plan Inquiry	175
Continuation of Temporary posts ending	38
Bring Sites Recycling Income shortfall	64
	959
Increased Income / Savings	
New Transformation Savings Required	(1,000)
Bring Site Recyclate Income	(64)
Housing Benefit Admin Grant	(150)
	(1,214)
Total Non-Recurring	(255)
Total Additional Required from Reserves	811

The savings outlined in this document are necessary to ensure that the Council continues to meet the challenges of an approximate 38% reduction in RSG (and significant reductions in other revenue and capital grants) over the period to 2015/16. However due to its success to date in achieving transformational savings, the Council now has a solid financial base in order to set its 2014/15 budget. Final confirmation of the 2014/15 year settlement figures will be received in January 2014.

Given the Executive's success in delivering savings in previous years, the Executive is confident that the current savings target will be met whilst still providing scope to fund these non-recurring schemes.

Capital Budget 2014/15

The Council is facing similar significant pressures on its Capital Programme over the following 5 year period as reductions to grant funding and falling asset sales mean that the resources are not available to support the programme to the scale that they have been in past years.

The table below shows the proposed level of capital programme and resources available over the following 5 year period:

Summary Programme	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
Estimated Resources 31 March 2014	(4,443)				
In Year Impact:					
- Estimated resources available in year (Schedule 7)	(5,090)	(7,514)	(1,139)	(1,139)	(957)
- Proposed Programme (Schedule 8)	7,217	8,007	2,589	2,480	1,741
Year End Position					
- Capital Resources	(2,316)	(1,823)	(373)	968	1,752