


CARLISLE CITY COUNCIL
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Presentation to Resources Overview & Scrutiny Panel

Medium Term Budget Considerations
2012/13 – 2016/17




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Budget Policy

Preparation of Budget is ongoing process which starts in summer with agreement of Medium Term Financial Plan & Capital Strategy

Overarching policy guidelines of MTFP is that resources will be redirected to Council priorities through:


- Redirection of resources will be contained within existing budgets
- Council tax increases will be limited to fair and reasonable levels
- External grants and income will be maximised
- Partnership working will be explored wherever possible
- Projected budget deficits will be addressed by approved savings strategies.



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MTFP and Capital Strategy

- MTFP report RD27/11 and Capital Strategy RD28/11 show the financial position based on the 2011/12 Budgetary position agreed in February 2011, updated for the Outturn position at the end of 2010/11 including any carry forwards.



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Revenue Reserves

- Current Reserves Position before 2012/13 Budget Considerations:

	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000
Net Reserves (In hand) / Overdrawn	(2,915)	(3,378)	(4,140)	(4,131)	(3,645)

Reserves Strategy

'Wherever possible, reserves should not be used to fund recurring expenditure, but that where it is, this should be made explicit, and steps taken to address the situation in the following years'.

- A risk based assessment identifies that the minimum level of reserves for the Council should be £3.8million

Savings Strategy

A strategy to identify recurring budget savings and service efficiencies was approved by Council on 1 February 2011 as part of the budget resolution.

	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000
Savings identified / achieved	3,270	3,429	4,115	4,173	4,173
Additional Savings to be found	960	1,419	1,878	2,337	2,337

2012/13 Budget Process

Issues for consideration in the 2012/13 budget proposals:


Item	MTFP Page
Salary Turnover Savings	14
Lanes Income	18
Treasury Management Opportunities	15
RSG Settlement	9/10
New Homes Bonus	12
Localisation of NNDR	11
Income Shortfalls (e.g. Car parking / Bereavement Services / Development Control)	17
Welfare Bill (including Housing Benefits and Council Tax Benefits)	12
Inflation projections (e.g. Fuel costs)	9/14
Identifying approximately £1m Transformation Savings	6
Level of Council Tax Increase	19

Capital Reserves


Current Reserves Position before 2012/13 Budget Considerations:

	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000
Net Reserves (in hand) / Overdrawn	(12,545)	(1,519)	(3,736)	(1,559)	(1,804)

N.B. Includes net position on Asset Review




2012/13 Budget Process




Issues for consideration in the 2012/13 budget proposals:

Item
Disabled Facilities Grants
Hostel Replacement
Vehicle Replacements
Preserved Right to Buy Receipts
Asset Management Plan



2012/13 Budget Process



Timetable for Budget Process:

	Executive	ROSP	Council
Consideration of Policy Documents (M:FP etc)	30/08/11	25/09/11	13/09/11
Consideration of Budget Process and Timetable	26/09/11	13/10/11	
Consideration of 1 st Forecast of overall budget position	21/11/11	06/12/11	
Executive Issue Draft Budget Consultation	19/12/11	05/01/12	
Executive Issue final budget proposals	16/01/12		07/02/12
Formal Setting of Council Tax			08/03/12