

## CARLISLE CITY COUNCIL - SPECIAL MEETING

TUESDAY 5 FEBRUARY 2013 AT 6.45 PM

PRESENT: The Mayor (Councillor Wilson), Councillors Allison, Mrs Atkinson, Atkinson, Bainbridge, Bell, Betton, Bloxham, Boaden, Bowditch, Mrs Bowman, Bowman (S), Mrs Bradley, Cape, Mrs Clarke, Collier, Craig, Earp, Ellis, Forrester, Ms Franklin, Mrs Geddes, Glover, Graham, Harid, Hendry, Layden, Lishman, Mrs Luckley, Mrs Mallinson, Mallinson (J), Mrs Martlew, McDevitt, Mitchelson, Morton, Nedved, Mrs Parsons, Ms Patrick, Mrs Prest, Ms Quilter, Mrs Riddle, Scarborough, Miss Sherriff, Mrs Southward, Mrs Stevenson, Stothard, Tickner, Mrs Vasey, Mrs Warwick, Watson, Weber and Whalen

Town Clerk and Chief Executive  
Director of Governance

### **C.25/13 APOLOGIES FOR ABSENCE**

There were no apologies for absence.

### **C.26/13 PUBLIC AND PRESS**

RESOLVED – That the Agenda be agreed as circulated.

### **C.27/13 DECLARATIONS OF INTEREST**

There were no declarations of interest affecting the business to be transacted at the meeting.

### **C.28/13 ANNOUNCEMENTS**

#### (a) The Mayor

There were no announcements from The Mayor.

#### (b) The Leader

The Leader moved and it was seconded and agreed that Councillor Bowditch replace Councillor McDevitt as a substitute Member on the Community Overview and Scrutiny Panel.

#### (c) Members of the Executive

There were no announcements from Members of the Executive.

#### (d) Town Clerk and Chief Executive

There were no announcements from the Town Clerk and Chief Executive.

## **C.29/13 QUESTIONS FROM MEMBERS OF THE CITY COUNCIL**

Pursuant to Procedure Rule 11.2, the Town Clerk and Chief Executive reported that no questions had been submitted on notice by Members of the Council.

## **C.30/13 NOTICE OF MOTION - CCTV**

Pursuant to Procedure Rule 12, the Town Clerk and Chief Executive reported the receipt of the following Motion submitted on notice by Councillor Mitchelson:

“This Council agrees that CCTV continues to play an important role in the reduction of crime and public safety and therefore it should accept the offer of £100,000 made by the Police and Crime Commissioner which would allow the Council to maintain its CCTV coverage across the city so that the residents and visitors to Carlisle continue to have the comfort of a safe environment.”

Councillor Mitchelson moved and Councillor Mallinson (J) seconded the motion.

Councillor Mitchelson then elaborated in some detail upon the reasons for submission of the motion, expressing the hope that the City Council would lend their support.

Following some discussion Councillor Hendry moved under Standing Order 14.11(ii) that the question be now put. Following voting thereon that course of action was agreed.

Councillor Mitchelson, supported by one fourth of the Members present, requested under Procedure Rule 17.4 that a recorded vote be taken.

The following Members voted for the Motion of Councillor Mitchelson:

Councillor Bloxham (Deputy Mayor), Councillors Allison, Bainbridge, Betton, Bowman (S), Mrs Bowman, Mrs Clarke, Collier, Craig, Earp, Ellis, Mrs Geddes, Graham, Layden, Lishman, Mrs Luckley, Mrs Mallinson, Mallinson (J), Mitchelson, Morton, Nedved, Mrs Parsons, Mrs Prest and Mrs Vasey.

The following Members voted against the Motion of Councillor Mitchelson:

The Mayor (Councillor Wilson), Councillors Mrs Atkinson, Atkinson, Bell, Boaden, Bowditch, Mrs Bradley, Cape, Forrester, Ms Franklin, Glover, Harid, Hendry, Mrs Martlew, McDevitt, Ms Patrick, Ms Quilter, Mrs Riddle, Scarborough, Miss Sherriff, Mrs Southward, Mrs Stevenson, Stothard, Tickner, Mrs Warwick, Watson, Weber and Whalen

The Motion of Councillor Mitchelson was DEFEATED.

## **C.31/13 TREASURY MANAGEMENT STRATEGY STATEMENT, INVESTMENT STRATEGY AND MINIMUM REVENUE PROVISION STRATEGY 2013/14**

Pursuant to Minute EX.04/13, a copy of the Director of Resources' Report RD.68/12 and Minute Extracts regarding the Council's Treasury Management Strategy

Statement, Investment Strategy and Minimum Revenue Provision Strategy for 2013/14 had been circulated.

Councillor Tickner moved and Councillor Hendry seconded and it was –

RESOLVED – That the Council approved the Treasury Management Strategy Statement for 2013/14, incorporating the Investment Strategy and Minimum Revenue Provision Strategy, together with the Prudential Indicators for 2013/14 as set out in Appendix A to Report RD.68/12.

### **C.32/13 CITY COUNCIL BUDGET 2013/14**

#### **(a) Minutes, Reports and Consultation Feedback**

Councillor Hendry moved and Councillor Tickner seconded the receipt and adoption of the Minutes of the meeting of the Resources Overview and Scrutiny Panel held on 3 January 2013; the Consultation Meetings with the Large Employers Affinity Group; and Trade Union Representatives held on 4 and 9 January 2013 respectively; and consultation feedback received from members of the public; AWAZ Cumbria and Cumbria County Council which referred to the setting of the Council budget for 2013/14, together with the receipt and adoption of the following reports which had been considered by the Executive at their meeting on 14 January 2013.

- Report RD.66/12 – Revenue Estimates: Summary of Overall Budgetary Position 2013/14 – 2017/18;
- Report RD.67/12 – Provisional Capital Programme 2013/14 to 2017/18; and

the recommendations from the meeting of the Executive held on 14 January 2013 as contained in minute references EX.01/13, EX.02/13, EX.03/13 and EX.05/13 inclusive, relating to the City Council's budget for 2013/14 as amended, a copy of which had been circulated to all Members under cover of a letter from the Director of Resources dated 4 February 2013. It was -

RESOLVED – That the above Minutes and Reports should be dealt with as one item of business as part of the Council's budget process, i.e. to set the General Fund Revenue Budget and the Council's Capital Budget for 2013/14.

#### **(b) General Fund Revenue Budget and Capital Budget 2013/14**

Councillor Hendry moved and Councillor Tickner seconded the City Council's General Fund Budget and Capital Budget for 2013/14 as recommended by the Executive under Minute EX.05/13, and subsequently amended for the following:

- (1) The Council Tax Surplus had been calculated for 2013/14 as a £35,000 recurring surplus for the City Council share.
- (2) The £90,000 saving from the Council Tax discount review was now reflected within the Council Tax yield to reflect the changes made to the Council Taxbase.
- (3) The net affect of the above changes had meant that new transformation savings to be found in 2015/16 increased to £400,000 (from £300,000).
- (4) The capital programme and capital resources had been amended to reflect gross anticipated receipts and gross scheme costs in line with accounting

practices. That did not have any effect on the overall level of capital resources available.

- (5) Final confirmation of Parish Precepts had been received (except one which was being followed up) and those had now been reflected in the Budget proposals; with no impact on the overall level of Council reserves.

Final notification of the Disabled Facilities Grant allocation had not yet been received and the budget proposals therefore still contained an estimated sum;

and as set out below:

### **COUNCIL BUDGET RESOLUTION 2012/13 to 2017/18**

This document contains the Council's Budget Resolution for 2012/13 to 2017/18, which is set out as follows.

| <b>Section</b> | <b>Detail</b>  |
|----------------|--|
| <b>A</b>       | <b>Background and Executive Summary</b>  |
| <b>B</b>       | <b>Revenue Budget 2012/13 to 2017/18</b> <ul style="list-style-type: none"> <li>• Schedule 1 - Existing Net Budgets</li> <li>• Schedule 2 - Proposed Budget Reductions</li> <li>• Schedule 3 - Recurring Budget Increases</li> <li>• Schedule 4 - Non-Recurring Budget Increases</li> <li>• Schedule 5 - Summary Net Budget Requirement</li> <li>• Schedule 6 - Total Funding and Provisional Council Tax</li> </ul> |
| <b>C</b>       | <b>Capital Programme 2012/13 to 2017/18</b> <ul style="list-style-type: none"> <li>• Schedule 7 - Estimated Capital Resources</li> <li>• Schedule 8 - Proposed Capital Programme</li> <li>• Schedule 9 - Summary Capital Resource Statement</li> </ul>   |
| <b>D</b>       | <b>Council Reserves Projections to 2017/18</b> <ul style="list-style-type: none"> <li>• Schedule 10 - Usable Reserves Projections</li> </ul>   |
| <b>E</b>       | <b>Budget Discipline and Saving Strategy</b>   |
| <b>F</b>       | <b>Statutory Report of the Director of Resources</b>   |
| <b>G</b>       | <b>Glossary of Terms</b>   |

These budget proposals are based on detailed proposals that have been considered over the course of the year but in particular the following reports of the Director of Resources considered at the Executive meeting of 14<sup>th</sup> January 2013.

1. RD66/12 - General Fund Revenue Budget 2012/13 to 2017/18
2. RD67/12 - Provisional Capital Programme 2012/13 to 2017/18
3. RD68/12 - Draft Treasury Management Strategy Statement and Investment Strategy and Minimum Revenue Provision Strategy 2013/14

All of the reports considered during this budget process are available on the Council's website

## **SECTION A – BACKGROUND AND EXECUTIVE SUMMARY**

### **Council Priorities**

The Council's priorities are now encompassed in the Carlisle Plan. This aims to deliver a new vision of "In everything we do, we aim to promote a proud and prosperous City." This will be delivered through six new priorities which are outlined below and which all have specific actions in order to enable their delivery:

- Fostering more, high quality and sustainable business and employment opportunities, through growing existing enterprises and bringing in new ones
- Providing a vibrant arts, cultural and heritage offering that befits Carlisle's history and traditions
- Working more effectively through partnerships
- Helping to ensure that Carlisle develops a skilled and prosperous working age population for the 21st Century
- Making Carlisle clean and tidy \*together\*
- Helping address Carlisle's Housing Need

### **Budget Policy Framework**

The preparation of the budget proposals is an ongoing process, which starts in the summer with the agreement by Council to the Medium Term Financial Plan, Corporate Charging Policy, Capital Strategy and Asset Management Plan. These strategy documents set out the Council's policies in guiding the budget process and in particular set out the five year financial projections that the Council is faced with prior to starting the new budget process.

### **Approving a Balanced Budget**

The Council is obliged to ensure proper financial administration of its affairs in accordance with Section 151 of the Local Government Act 1972. For Carlisle City Council, this is the responsibility of the Director of Resources and the Council must consider the advice of the Director in setting the budget. One of the responsibilities is to ensure that the Council approves a balanced budget meaning that the planned expenditure must not exceed the resources available. Base budgets must be robust and sustainable and any savings identified must be achievable and the level of Council reserves must be adequate. The Council must determine what levels of borrowing, if any, it wishes to make under the Prudential Code that now governs local authority borrowing.

### **Major Financial Challenges facing the Council**

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 a major 'transformational' review of service provision.

Some of the main issues are:

- Government Finance Settlement for 2013/14
- Further reductions from 2014/15 for RSG settlement as announced in the Autumn Statement
- Local Government Resource Review regarding the localisation of Business Rates
- Corporate Review of Local Environment Budgets
- Implications on MTFP of limiting future Council Tax increases to under 2% to avoid triggering a referendum

### **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 freeze for the City Council for 2013/14 (Parishes Precepts will be an additional charge in the parished rural areas). Funding equivalent to a 1% increase (for two years) is to be provided in the form of Central Government support if the Authority agrees to the freeze.
- (ii) Based on current projections, the budget proposed will result in the following requirement to be taken **to/(from)** Council reserves to support Council expenditure over the period as follows:

| <b>Additional contribution to / (from) reserves</b>                          | <b>2013/14<br/>£000</b> | <b>2014/15<br/>£000</b> | <b>2015/16<br/>£000</b> | <b>2016/17<br/>£000</b> | <b>2017/18<br/>£000</b> |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Original MTFP recurring surplus/(deficit)                                    | 626                     | 348                     | 907                     | 284                     | (266)                   |
| Changes to Funding - RSG Settlement  | 1,029                   | 790                     | 487                     | 452                     | 453                     |
| Changes to Funding - Council Tax Surplus                                     | 35                      | 35                      | 35                      | 35                      | 35                      |
| Changes to Funding - Reduction in Council Tax Base                           | (796)                   | (827)                   | (857)                   | (891)                   | (925)                   |
| Changes to Funding - Reduction in Council Tax Increases to under 2% or £4.99 | 0                       | (54)                    | (149)                   | (248)                   | (354)                   |
| Recurring budget reductions (Schedule 2)                                     | 1,501                   | 855                     | 1,368                   | 1,336                   | 1,340                   |
| Recurring Budget Increases (Schedule 3)                                      | (589)                   | (545)                   | (923)                   | (1,015)                 | (1,123)                 |
| <b>Reserves (required) to fund Net Recurring Expenditure</b>                 | <b>1,806</b>            | <b>602</b>              | <b>868</b>              | <b>(47)</b>             | <b>(840)</b>            |
| Original MTFP non-recurring surplus/(deficit)                                | (766)                   | 0                       | 0                       | 0                       | 0                       |
| Non-Recurring budget reductions (Schedule 2)                                 | 297                     | 133                     | 0                       | 0                       | 0                       |
| Non-Recurring budget increases (Schedule 4)                                  | (1,091)                 | (293)                   | 0                       | 0                       | 0                       |
| <b>Reserves required to fund Non-Recurring Expenditure</b>                   | <b>(1,560)</b>          | <b>(160)</b>            | <b>0</b>                | <b>0</b>                | <b>0</b>                |
| <b>Total contribution (required) from Reserves</b>                           | <b>246</b>              | <b>442</b>              | <b>868</b>              | <b>(47)</b>             | <b>(840)</b>            |

- (iii) The above table shows a requirement to fund expenditure from Reserves from 2016/17. If all new pressures and savings proposed were approved, there will be difficulties in containing pressures within existing Council resources. A strategy (detailed in Section E) for identifying recurring savings within the revenue budget has been proposed and this strategy will continue to be developed.
- (iv) Given the increasing financial pressure the Council is facing, the scope to support new recurring spending and initiatives in future years will be limited.

**Consultation Responses:**

Formal consultation meetings have been held and views sought from council tax payers. The Executive, at their meeting on 14<sup>th</sup> January, considered the consultation responses, culminating in their final budget proposal to Council on **5<sup>th</sup> February 2013**.

Although provisional estimates have been included, it should be note that at this point in time there are a number of issues which have not yet been finalised and which may impact on the final budget proposals to Council on 5<sup>th</sup> February 2013. Any minor changes will be funded from appropriations to/from revenue reserves.

A glossary of terms is included at the end of this document to aid understanding of the proposals. Further details on these proposals including detailed reports are available on the Council's website or by contacting the Director of Resources at the Civic Centre, Carlisle, CA3 8QG.

## **SECTION B - REVENUE BUDGET 2012/13 to 2017/18**

### **1. REVISED REVENUE BUDGET 2012/13**

- 1.1 The Executive recommends that the Council's revised net budget for 2012/13 be approved totalling £14.270m compared to the original budget of £13.988m. The increase of £0.282million can be summarised as follows:

| <b>Detail:</b>                                | <b>£000</b> | <b>£000</b>   |
|---|-------------|---------------|
| <b>Original Net Budget</b>                    |             | 13,988        |
| Non-Recurring Expenditure:                    |             |               |
| Use of Transformation Reserve                 | 122         |               |
| Transformation Savings (RD35/12)              | (218)       |               |
| Clean Up Carlisle                             | 20          |               |
| Carry Forward Requests from 2011/12 (See 1.2) | 358         |               |
| <b>Total Changes</b>                          |             | <b>282</b>    |
| <b>Revised Net Budget</b>                     |             | <b>14,270</b> |
|   |             |               |

- 1.2 The increased budget for 2012/13 is principally as a result of the carry forward of budgets from previous years for work not completed at the financial year-end. Although the 2012/13 budget is increased, there is a corresponding decrease for the previous financial year and so there is no impact on the Council's overall financial position. Additional expenditure of £142,000 funded from earmarked reserves have also been approved during the year with £218,500 being returned to reserves as a result of transformation savings.

### **2. REVENUE BUDGET 2013/14 to 2017/18**

#### **2.1 Existing Net Budgets**

The Executive recommends that the net budgets for 2013/14 to 2017/18 submitted in respect of existing services and including existing non-recurring commitment and estimated Parish Precepts are as shown in **Schedule 1** below:

#### **Schedule 1 – Existing Net Budgets**

| <b>Existing Net Budgets</b>     | <b>2013/14<br/>£000</b> | <b>2014/15<br/>£000</b> | <b>2015/16<br/>£000</b> | <b>2016/17<br/>£000</b> | <b>2017/18<br/>£000</b> |
|---------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| City Council                    |                         |                         |                         |                         |                         |
| - Recurring (schedule 5)        | 12,107                  | 11,942                  | 11,588                  | 12,487                  | 13,323                  |
| - Non-Recurring (Sch. 5 note 2) | 766                     | 0                       | 0                       | 0                       | 0                       |
| Parish Precepts                 | 456                     | 468                     | 479                     | 491                     | 503                     |
| <b>Total</b>                    | <b>13,329</b>           | <b>12,410</b>           | <b>12,067</b>           | <b>12,978</b>           | <b>13,826</b>           |
|                                 |                         |                         |                         |                         |                         |



## 2.2 **Proposed Savings and Budget Reductions**

The Executive further recommends that the existing budgets set out in **Schedule 1** be **reduced** by proposals for budget reductions as detailed in **Schedule 2**. Full details of all of the proposals are contained within various reports considered by the Executive at various stages during the budget process to date.

### **Schedule 2 – Proposed Budget Reductions**

| <b>Proposed Budget Reductions</b>       | <b>Note</b> | <b>2013/14<br/>£000</b> | <b>2014/15<br/>£000</b> | <b>2015/16<br/>£000</b> | <b>2016/17<br/>£000</b> | <b>2017/18<br/>£000</b> |
|---|-------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>Increased Income</b>                 |             |                         |                         |                         |                         |                         |
| New Homes Bonus                         | 1           | (388)                   | (388)                   | (388)                   | (388)                   | (388)                   |
| Homelessness Grant                      | 2           | (66)                    | (66)                    | 0                       | 0                       | 0                       |
| Council Tax Freeze Grant                | 3           | (67)                    | (67)                    | 0                       | 0                       | 0                       |
| Land Charges Income                     | 4           | (10)                    | (10)                    | (10)                    | (10)                    | (10)                    |
| LSCT Relief Grant                       | 5           | (20)                    | 0                       | 0                       | 0                       | 0                       |
| <b>Total Increased Income</b>           |             | <b>(551)</b>            | <b>(531)</b>            | <b>(398)</b>            | <b>(398)</b>            | <b>(398)</b>            |
| <b>Expenditure Reductions:</b>          |             |                         |                         |                         |                         |                         |
| 2012/13 Pay Award Savings               | 6           | (110)                   | (110)                   | (110)                   | (110)                   | (110)                   |
| 2013/14 Pay Award Savings               | 6           | (151)                   | (155)                   | (158)                   | (162)                   | (166)                   |
| Leisure Contract Saving                 | 7           | 0                       | 0                       | (250)                   | (250)                   | (250)                   |
| Asset Review                            | 8           | (8)                     | (8)                     | (16)                    | (16)                    | (16)                    |
| Housing Benefit Admin Grant             | 9           | (94)                    | 0                       | 0                       | 0                       | 0                       |
| Transformation Savings Reprofiting      | 10          | 700                     | 650                     | 587                     | 36                      | 0                       |
| Transformation Savings Reprofiting      | 10          | (1,534)                 | (834)                   | (623)                   | (36)                    | 0                       |
| Transformation Savings                  | 10          | 0                       | 0                       | (400)                   | (400)                   | (400)                   |
| Inflation Savings                       | 11          | (50)                    | 0                       | 0                       | 0                       | 0                       |
| <b>Total Expenditure Reductions</b>     |             | <b>(1,247)</b>          | <b>(457)</b>            | <b>(970)</b>            | <b>(938)</b>            | <b>(942)</b>            |
|   |             |                         |                         |                         |                         |                         |
| <b>TOTAL BUDGET REDUCTION PROPOSALS</b> |             | <b>(1,798)</b>          | <b>(988)</b>            | <b>(1,368)</b>          | <b>(1,336)</b>          | <b>(1,340)</b>          |
| Split:                                  |             |                         |                         |                         |                         |                         |
| Recurring                               |             | (1,501)                 | (855)                   | 1,368                   | (1,336)                 | (1,340)                 |
| Non-Recurring                           |             | (297)                   | (133)                   | 0                       | 0                       | 0                       |

**Note 1:** New Homes Bonus allocation for 2013/14 has been confirmed at £388,000 for six years.

**Note 2:** Additional government grant has been awarded to support the Council's homelessness function and this grant income will fund the additional expenditure increase identified in Schedule 4.

**Note 3:** The Government has announced that there will be a grant available to authorities who freeze their Council Tax for 2013/14. The grant is equivalent to a 1% increase of £67,000.

**Note 4:** The Land Charges income budget can be increased by £10,000 for 2013/14.

**Note 5:** Central Government grant awarded for one year to assist in the implementation of the Localisation of Council Tax support scheme.

**Note 6:** The 2012/13 budget included provision for a pay award of 1%. The continued pay freeze in the Public Sector means that this requirement is not needed and this reflects the recurring saving generated. For 2013/14 the MTFP assumed a 2.5% increase and in line with expectations this has been reduced to 1.5% with a saving being generated.

**Note 7:** This is linked to the additional borrowing cost and the capital scheme detailed in schedules 3 and 8.

**Note 8:** Savings to be made through the letting of Herbert Atkinson House to Tullie House Trust (subject to agreement).

**Note 9:** The current Medium Term Financial Plan assumes a reduction in Housing Benefit Admin Grant of £180,000 for 2013/14. The actual allocation has been received and the reduction is only £86,000.

**Note 10:** Transformation savings have been brought forward meaning that the current schedule of savings built into the Medium Term Financial Plan need revising. The overall impact of making the savings early, gives an additional years recurring savings to increase reserves. Details of this reprofiling can be seen below.

|         | Cumulative Savings identified as part of 2012/13 Budget<br>£000 | Reprofiling<br>£000 | Additional Cumulative Savings Required<br>£000 | Revised Cumulative Savings required<br>£000 | Revised in Year Savings Required<br>£000 |
|---------|---|---------------------|--|---|--|
| 2012/13 | (600)   | 0                   |  | (600)                                       | (600)                                    |
| 2013/14 | (1,300)   | 700                 | (1,534)  | (2,134)                                     | (1,534)                                  |
| 2014/15 | (1,950)   | 650                 | (834)  | (2,134)                                     | 0  |
| 2015/16 | (2,537)   | 587                 | (1,023)  | (2,973)                                     | (839)                                    |
| 2016/17 | (2,573)   | 36                  | (436)  | (2,973)                                     | 0  |

In order to achieve a balanced budget for 2013/14 to 2017/18, additional transformation savings will have to be identified in order to address the identified budget pressures and will be subject to further reports to the Executive.

**Note 11:** Savings in inflation provision for 2013/14.

### 2.3 **Proposed Recurring Budget Increases**

The Executive further recommends that the existing budgets set out in **Schedule 1** be increased by new budget pressures detailed in **Schedules 3 and 4**. Full details of all of the proposals are contained within various reports considered by the Executive at various stages during the budget process to date.

### **Schedule 3 – Recurring Budget Increases**

| <b>Recurring Budget</b>                  | <b>Note</b> | <b>2013/14</b> | <b>2014/15</b> | <b>2015/16</b> | <b>2016/17</b> | <b>2017/18</b> |
|--|-------------|----------------|----------------|----------------|----------------|----------------|
| <b>Pressures</b>                         |             | <b>£000</b>    | <b>£000</b>    | <b>£000</b>    | <b>£000</b>    | <b>£000</b>    |
| Revenue Costs of Capital Schemes         | 1           | 129            | 104            | 159            | 159            | 159            |
| Treasury Management                      | 2           | 124            | 118            | 166            | 373            | 238            |
| Asset Business Plan Reprofiting          | 3           | 140            | 127            | 115            | 0              | 0              |
| Building Control Income                  | 4           | 50             | 50             | 50             | 50             | 50             |
| Car Parking Income                       | 5           | 50             | 50             | 50             | 50             | 50             |
| Borrowing Cost - Proposed Capital Scheme | 6           | 0              | 0              | 287            | 287            | 287            |
| New Homes Bonus - 2011/12 Allocation     | 7           | 0              | 0              | 0              | 0              | 243            |
| Living Wage                              | 8           | 30             | 30             | 30             | 30             | 30             |
| Overtime Savings Not achievable          | 9           | 66             | 66             | 66             | 66             | 66             |
| <b>Total Recurring Budget Pressures</b>  |             | <b>589</b>     | <b>545</b>     | <b>923</b>     | <b>1,015</b>   | <b>1,123</b>   |
|  |             |                |                |                |                |                |

**Note 1:** This relates to the proposed ongoing revenue cost to support the development of a City Arts Centre. An indicative Business case has been prepared which identifies the proposed net contribution the Council will have to make to support the scheme.

**Note 2:** Treasury Management projections are reviewed annually to ensure that current interest rate forecasts are updated and that current and future spending implications are built into cash flow forecasts model. As interest rates are not forecast to increase in the medium term, revisions have been made to the interest achievable and average cash balances have been amended to reflect anticipated capital receipts, capital expenditure and anticipated use of revenue reserves

**Note 3:** The Asset Business Plan is included in the Medium Term Financial Plan and assumes a level of sales and purchases per year that will lead to loss of current income streams and generation of new income. Due to sales and new purchases not occurring in line with this plan, reprofiling exercises have been carried out and the adjustments shown above are the net cost implication of this reprofiling.

**Note 4:** The Building Control function is governed by strict statutory requirements that dictate that the function must only break even. The current budget position provides for the service to generate a surplus of £50,000 which is not allowed under the statutory requirements and this pressure removes this position.

**Note 5:** Car Parking income is due to increase by £50,000 in line with the Council's Corporate Charging policy of increasing all fees and charges income by 3.8%. The Charges report considered confirms that this cannot be achieved and therefore a pressure of £50,000 is required.

**Note 6:** This relates to the proposal for a capital scheme for improved leisure facilities in 2015/16. This would be funded by a principal repayment loan for 25 years and would be linked to a revenue saving generated from the Leisure contract that is included in RD45/12 elsewhere on this agenda.

**Note 7:** The New Homes Bonus allocations are for a period of 6 years and this pressure reflects the 2011/12 allocation ceasing in 2017/18.

**Note 8:** Cost of amending lower end pay scales to facilitate the lowest salary point commences with an equivalent hourly rate of £7.45 per hour in accordance with the Living Wage.

**Note 9:** Savings identified to be achieved from 1 April 2013 that are no longer achievable. These can be offset by the savings in Schedule 2 for 2013/14 Pay Award savings.

## 2.4 **Proposed Non-Recurring Budget Increases**

### **Schedule 4 – Non-Recurring Budget Increases**

| <b>Non-Recurring Budget Pressures</b>                                | <b>Note</b> | <b>2013/14<br/>£000</b> | <b>2014/15<br/>£000</b> | <b>2015/16<br/>£000</b> | <b>2016/17<br/>£000</b> | <b>2017/18<br/>£000</b> |
|--|-------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Homelessness   | 1           | 66                      | 66                      | 0                       | 0                       | 0                       |
| MMI Insurance Provision  | 2           | 175                     | 0                       | 0                       | 0                       | 0                       |
| Lanes Income   | 3           | 0                       | 138                     | 0                       | 0                       | 0                       |
| Small Scale Community Projects                                       | 4           | 40                      | 0                       | 0                       | 0                       | 0                       |
| Income Shortfalls - Bereavement Services                             | 5           | 50                      | 0                       | 0                       | 0                       | 0                       |
| Corporate Review of Local Environment Budgets & Discretionary grants | 6           | 596                     | 0                       | 0                       | 0                       | 0                       |
| Highways Services  | 7           | 89                      | 89                      | 0                       | 0                       | 0                       |
| Special Events   | 8           | 75                      | 0                       | 0                       | 0                       | 0                       |
| <b>Total Non-Recurring Budget Pressures</b>                          |             | <b>1,091</b>            | <b>293</b>              | <b>0</b>                | <b>0</b>                | <b>0</b>                |

**Note 1:** Use of additional grant awarded for Homelessness.

**Note 2:** The Council may still have an obligation to repay some of the liabilities which remained following the transfer of assets and goodwill of MMI Ltd to Zurich Municipal in 1993. A solvent 'run off' has always been anticipated and the MMI scheme of arrangement has never been triggered; however following a Supreme Court Judgement in March 2012, it is now likely that MMI will clawback some money and it is prudent to make provision for this liability.

**Note 3:** Lanes income projections were reduced as part of the 2012/13 budget process for two and a half years. The reduction was £277,000 for the 2012/13 to 2013/14 and a reduction of £138,000 in 2014/15. However, indications are that the reductions in income being received from the Lanes will continue and income will not recover properly until 2015/16.

**Note 4:** A non recurring pressure has been included for the continuation of the Small Scale Community Projects scheme that was started in 2006/07.

**Note 5:** Shortfalls in income have been identified in respect of Bereavement Services. This can be met from inflation savings for 2013/14 with a fundamental review to be carried out as part of the 2014/15 Charges Review reports.

**Note 6:** Corporate review of Local Environment budgets and Discretionary grants to identify savings that have not been achieved for 2013/14 but will be delivered for 2014/15 and will be subject to further reports to the Executive. This includes shortfall

on Local Environment transformation savings of £336,000, anticipated income shortfall on car parking of £219,000 and discretionary grants savings not being taken of £41,000

**Note 7:** Two year review of costs of retaining certain Highways Services following the decision to return HCR to the County Council with joint working arrangements on the retained services.

**Note 8:** Financial Support for special events taking place during 2013/14 subject to further reports to the Executive prior to any expenditure being incurred.

## 2.5 **Revised Net Budget Requirement**

As a consequence of the above, the Executive recommends that the Net Budget Requirement for Council Tax Purposes for 2013/14, with projections to 2017/18, be approved as set out in **Schedule 5** below:

### **Schedule 5 – Summary Net Budget Requirement for Council Tax Purposes**

| 2012/13 Revised £000 | Summary Net Budget Requirement                                   | 2013/14 Budget £000 | 2014/15 Proj £000 | 2015/16 Proj £000 | 2016/17 Proj £000 | 2017/18 Proj £000 |
|----------------------|--|---------------------|-------------------|-------------------|-------------------|-------------------|
|                      | <b>Recurring Revenue Expenditure</b>                             |                     |                   |                   |                   |                   |
|                      | Existing Expenditure (Schedule 1)                                | 12,107              | 11,942            | 11,588            | 12,487            | 13,323            |
|                      | Budget Reductions (Schedule 2)                                   | (1,501)             | (855)             | (1,368)           | (1,336)           | (1,340)           |
|                      | New Spending Pressures (Schedule 3)                              | 589                 | 545               | 923               | 1,015             | 1,123             |
| <b>12,654</b>        | <b>Total Recurring Expenditure</b>                               | <b>11,195</b>       | <b>11,632</b>     | <b>11,143</b>     | <b>12,166</b>     | <b>13,106</b>     |
|                      | <b>Non Recurring Revenue Expenditure</b>                         |                     |                   |                   |                   |                   |
| 1,436                | Existing Commitments (Schedule 1)                                | 766                 | 0                 | 0                 | 0                 | 0                 |
| (588)                | Budget Reductions (Schedule 2)                                   | (297)               | (133)             | 0                 | 0                 | 0                 |
| 410                  | Spending Pressures (Schedule 4)                                  | 1,091               | 293               | 0                 | 0                 | 0                 |
| 358                  | Carry Forward  | 0                   | 0                 | 0                 | 0                 | 0                 |
| <b>14,270</b>        | <b>Total Revenue Expenditure</b>                                 | <b>12,755</b>       | <b>11,792</b>     | <b>11,143</b>     | <b>12,166</b>     | <b>13,106</b>     |
|                      | <b>Less Contributions (from)/to Reserves:</b>                    |                     |                   |                   |                   |                   |
| <b>436</b>           | Recurring Commitments (Note 1) Sub Total                         | <b>1,806</b>        | <b>602</b>        | <b>868</b>        | <b>(47)</b>       | <b>(840)</b>      |
| (1,436)              | - Existing Commitments (Note 2)                                  | (766)               | 0                 | 0                 | 0                 | 0                 |
| (180)                | - New Commitments  | (794)               | (160)             | 0                 | 0                 | 0                 |
| <b>(1,616)</b>       | Sub Total  | <b>(1,560)</b>      | <b>(160)</b>      | <b>0</b>          | <b>0</b>          | <b>0</b>          |
| <b>13,090</b>        | <b>Total City Council Budget requirement</b>                     | <b>13,001</b>       | <b>12,234</b>     | <b>12,011</b>     | <b>12,119</b>     | <b>12,266</b>     |
| 445                  | Parish Precepts  | 456                 | 468               | 479               | 491               | 503               |
| <b>13,535</b>        | <b>Projected Net Budget Requirement for Council Tax purposes</b> | <b>13,457</b>       | <b>12,702</b>     | <b>12,490</b>     | <b>12,610</b>     | <b>12,769</b>     |

**Note 1:** This is the projected contribution to reserves in relation to recurring expenditure.

**Note 2:** Non - recurring Revenue commitments arising from existing approved commitments from earlier years are as follows:

| Existing Non Recurring Commitment Approvals | 2013/14<br>£000 | 2014/15<br>£000 | 2015/16<br>£000 | 2016/17<br>£000 | 2017/18<br>£000 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| Discretionary Grants                        | 41              | 0               | 0               | 0               | 0               |
| Environmental Support Team                  | 135             | 0               | 0               | 0               | 0               |
| Treasury Management                         | 662             | 0               | 0               | 0               | 0               |
| VAT Claims                                  | (195)           | 0               | 0               | 0               | 0               |
| Slippage from 2010/11                       | 123             | 0               | 0               | 0               | 0               |
| <b>Total</b>                                | <b>766</b>      | <b>0</b>        | <b>0</b>        | <b>0</b>        | <b>0</b>        |

## 2.6 **Funding and Provisional Council Tax Projections**

As a consequence of the above and having made the appropriate calculations required under Section 32 of the Local Government Finance Act 1992, the Executive is putting forward a proposal for a Council Tax freeze for 2013/14. The detail of this is set out in **Schedule 6** below.

### **Schedule 6 – Total Funding and Provisional Council Tax Projections**

| 2012/13           | Total Funding and Council Tax Impact                                   | 2013/14           | 2014/15           | 2015/16           | 2016/17           | 2017/18           |
|-------------------|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| 34,824.89<br>£000 | Estimated TaxBase  | 30,808.05<br>£000 | 30,894.00<br>£000 | 30,980.20<br>£000 | 31,066.63<br>£000 | 31,153.31<br>£000 |
|                   | Projected Net Budget Requirement for Council Tax Purposes (Schedule 5) |                   |                   |                   |                   |                   |
| 13,090            | - City   | 13,001            | 12,234            | 12,011            | 12,119            | 12,266            |
| 445               | - Parishes   | 456               | 468               | 479               | 491               | 503               |
| <b>13,535</b>     | <b>Total</b>   | <b>13,457</b>     | <b>12,702</b>     | <b>12,490</b>     | <b>12,610</b>     | <b>12,769</b>     |
|                   | Funded by:   |                   |                   |                   |                   |                   |
| (6,736)           | - Council Tax Income   | (5,959)           | (6,130)           | (6,270)           | (6,413)           | (6,560)           |
| (124)             | - Revenue Support Grant  | (4,094)           | (3,066)           | (5,706)           | (5,671)           | (5,671)           |
| (6,230)           | - Retained Business Rates  | (2,913)           | (3,003)           | 0                 | 0                 | 0                 |
|                   | - Estimated Council Tax  |                   |                   |                   |                   |                   |
| 0                 | Surplus  | (35)              | (35)              | (35)              | (35)              | (35)              |
| (445)             | - Parish Precepts  | (456)             | (468)             | (479)             | (491)             | (503)             |
| <b>(13,535)</b>   | <b>TOTAL</b>   | <b>(13,457)</b>   | <b>(12,702)</b>   | <b>(12,490)</b>   | <b>(12,610)</b>   | <b>(12,769)</b>   |
| £ 193.43          | <b>City Council Tax</b><br>Band D Council Tax                          | £ 193.43          | £ 198.42          | £ 202.39          | £ 206.44          | £ 210.56          |
| £0.00             | Increase over Previous year:   | £0.00             | £ 4.99            | £ 3.97            | £ 4.05            | £ 4.12            |
| 0.0%              | %  | 0.0%              | 2.6%              | 1.99%             | 1.99%             | 1.99%             |

2.7 It should be noted that the funding projections in **Schedule 6** are based upon:

- Revenue Support Grant:
  - Final confirmation of the 2013/14 year settlement figures and indicative figures for 2014/15 was received on 4<sup>th</sup> February 2013, with no change to the draft figures received in December 2012 (this includes a further 2% reduction for 2014/15 as announced in the Autumn Statement). The Medium Term Financial Plan continues to assume a reduction in core formula grant funding (RSG) of 28% until 2015/16.
  - Council Tax Benefit is to be abolished from 1<sup>st</sup> April 2013 and will be replaced by Localised Support for Council Tax (LSCT). It is the responsibility of each council to set its own scheme which will see council tax benefit changing to a legal discount. The Government is reducing funding by 10% at the same time as this localisation which will be incorporated into the final RSG settlement figures.
- The projections of Council Tax for 2014/15 onwards are indicative only and exclude parish precepts.
- One Parish Precept is still to be confirmed. The figures in the table above assume no change from 2012/13. However, if it is to change, this will be reported back to Council as part of the Council Tax setting report in March 2013.

## **SECTION C - CAPITAL PROGRAMME 2012/13 TO 2017/18**

### **1. REVISED CAPITAL BUDGET 2012/13**

- 1.1 The Executive recommends that the revised 2012/13 Capital Programme be approved at £7.930m compared to the original budget of £12.728m as set out in the report of the Director of Resources. The decrease of £4.798m is due to schemes being re-profiled to future years or schemes being removed from the programme.

### **2. CAPITAL BUDGET 2013/14 TO 2017/18**

- 2.1 The Executive recommends that the estimated Capital Resources available and proposed Capital Programme for 2013/14 to 2017/18 be approved to be financed and allocated as detailed in **Schedule 7 and 8** below:

#### **Schedule 7 – Estimated Capital Resources**

| <b>Estimated Resources</b>                | <b>Note</b> | <b>2013/14<br/>£000</b> | <b>2014/15<br/>£000</b> | <b>2015/16<br/>£000</b> | <b>2016/17<br/>£000</b> | <b>2017/18<br/>£000</b> |
|---|-------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Capital Grants:                           |             |                         |                         |                         |                         |                         |
| - DFG                                     | 1           | (663)                   | (663)                   | (663)                   | (663)                   | (663)                   |
| - Other Grants/Contributions              | 2           | (330)                   | 0                       | 0                       | 0                       | 0                       |
| - Internal Borrowing                      | 3           | (271)                   | (334)                   | (1,956)                 | (290)                   | 0                       |
| - External Borrowing                      | 3           | 0                       | 0                       | (5,000)                 | 0                       | 0                       |
| Capital Receipts                          |             |                         |                         |                         |                         |                         |
| - Generated in Year (General)             | 4           | (660)                   | (260)                   | (260)                   | (260)                   | (260)                   |
| - Generated in year (Asset Business Plan) | 5           | (21,648)                | (3,265)                 | (1,340)                 | 0                       | 0                       |
| - Generated in Year (PRTB)                | 6           | (150)                   | (150)                   | (150)                   | (150)                   | (150)                   |
| Direct Revenue Financing                  | 7           | (84)                    | (35)                    | (35)                    | 0                       | 0                       |
| <b>TOTAL</b>                              |             | <b>(23,806)</b>         | <b>(4,707)</b>          | <b>(9,404)</b>          | <b>(1,363)</b>          | <b>(1,073)</b>          |

**Note 1:** Disabled facilities grant (DFG) allocation will be received in the new year, and it has been indicated that this grant will be protected at the 2012/13 levels. A further report will be presented to the Executive once the 2013/14 allocation has been received.

**Note 2:** Section 106 contributions towards Public Realm Work.

**Note 3:** Internal and external borrowing to fund vehicle replacements and Leisure Facilities.

**Note 4:** Capital receipts from the sale of fixed assets, including the sale of the Council's interest in land on the Raffles estate and other specific asset disposals have been revised downwards based on updated projections. The receipt from the Families Accommodation (£250,000) has been moved from 2012/13 into 2013/14.

**Note 5:** Capital receipts from the sale of Assets as part of the Asset Management Plan have been reprofiled between years to reflect sales and purchase activity to date.

**Note 6:** The Preserved Right to Buy (PRTB) sharing arrangement with Riverside Group is for a fifteen year period with the Council being entitled to a pre-agreed reducing percentage of the receipts. Right to Buy sales are predicted to be in line with the original projections.



**Note 7:** Direct revenue financing in relation to invest to save schemes and Clean Up Carlisle.

### **Schedule 8 – Proposed Capital Programme**

| <b>Capital Scheme</b>                        | <b>App/<br/>Para</b> | <b>2013/14<br/>£000</b> | <b>2014/15<br/>£000</b> | <b>2015/16<br/>£000</b> | <b>2016/17<br/>£000</b> | <b>2017/18<br/>£000</b> |
|--|----------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| <b><u>Current Commitments:</u></b>           |                      |                         |                         |                         |                         |                         |
| Disabled Facilities Grants                   |                      | 863                     | 863                     | 863                     | 863                     | 663                     |
| Planned Enhancements to Council Property     | 1                    | 300                     | 300                     | 300                     | 300                     | 300                     |
| Vehicles & Plant                             | 1 & 2                | 259                     | 279                     | 1,901                   | 200                     | 200                     |
| ICT Shared Service                           |                      | 193                     | 0                       | 0                       | 0                       | 0                       |
| Asset Business Plan                          | 3                    | 6,273                   | 1,038                   | 4,046                   | 0                       | 0                       |
| Public Realm S. 106 works                    |                      | 330                     |                         |                         |                         |                         |
| Clean Up Carlisle                            |                      | 12                      | 0                       | 0                       | 0                       | 0                       |
| <b>Total Existing Commitments</b>            |                      | <b>8,230</b>            | <b>2,480</b>            | <b>7,110</b>            | <b>1,363</b>            | <b>1,163</b>            |
| <b><u>New Spending Proposals</u></b>         |                      |                         |                         |                         |                         |                         |
| Arts Centre                                  | 1 & 4                | 250                     | 161                     | 175                     | 0                       | 0                       |
| Public Realm Work                            | 1 & 5                | 100                     | 0                       | 0                       | 0                       | 0                       |
| Harraby School Community Campus Contribution | 1 & 6                | 600                     | 500                     | 500                     | 0                       | 0                       |
| Old Town Hall / Greenmarket                  | 1 & 7                | 0                       | 1,500                   | 0                       | 0                       | 0                       |
| Leisure Facilities                           | 1 & 8                | 0                       | 0                       | 5,000                   | 0                       | 0                       |
| Paternoster Row                              | 9                    | 100                     | 0                       | 0                       | 0                       | 0                       |
| <b>Total New Proposals</b>                   |                      | <b>1,050</b>            | <b>2,161</b>            | <b>5,675</b>            | <b>0</b>                | <b>0</b>                |
| <b>TOTAL POTENTIAL PROGRAMME</b>             |                      | <b>9,280</b>            | <b>4,641</b>            | <b>12,785</b>           | <b>1,363</b>            | <b>1,163</b>            |

**Note 1:** Subject to further reports to the Executive prior to any expenditure being incurred.

**Note 2:** The anticipated additional budgets for replacement of the Council's vehicle fleet are included in the table above and have been amended to reflect revised requirements within service areas.

**Note 3:** Asset Management Plan expenditure has been revised to reflect an updated investment plan in revenue generating assets.

**Note 4:** A 3 year programme of works to develop a sustainable Arts Centre. If this scheme is approved there may be a requirement to utilise some of this funding in 2012/13.

**Note 5:** A series of Public Realm improvement works around the City Centre, Botchergate and Rickergate areas.

**Note 6:** The Harraby School and Community Project is a capital new build scheme designed to deliver a three form entry primary school, community centre, library, theatre and other sports facilities on the former North Cumbria Technology College site.

**Note 7:** This project seeks to improve the facilities, appearance and services of the buildings in this small part of the city. The project also seeks to include other iconic properties such as the Crown and Mitre.

**Note 8:** Sports and leisure facilities will be significantly improved through a capital scheme which will address the need of appropriate wet and dry facilities servicing the whole of the district. It will be informed by a sports facility strategy which is currently in production.

**Note 9:** To carry out works to the buildings at Paternoster Row in order to facilitate further development.

A summary of the estimated resources compared to the proposed programme is set out in **Schedule 9** below:

**Schedule 9 – Summary Capital Resource Statement**

| <b>Summary Programme</b>                             | <b>2013/14<br/>£000</b> | <b>2014/15<br/>£000</b> | <b>2015/16<br/>£000</b> | <b>2016/17<br/>£000</b> | <b>2017/18<br/>£000</b> |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Estimated Resources 31 March 2013                    | (4,401)                 |                         |                         |                         |                         |
| In Year Impact:                                      |                         |                         |                         |                         |                         |
| - Estimated resources available in year (Schedule 7) | (23,806)                | (4,707)                 | (9,404)                 | (1,363)                 | (1,073)                 |
| - Proposed Programme (Schedule 8)                    | 9,280                   | 4,641                   | 12,785                  | 1,363                   | 1,163                   |
| <b>Year End Position<br/>- Capital Resources</b>     | <b>(18,927)</b>         | <b>(18,993)</b>         | <b>(15,612)</b>         | <b>(15,612)</b>         | <b>(15,522)</b>         |
| <b>Proposed set aside capital receipts</b>           | <b>15,000</b>           | <b>15,000</b>           | <b>15,000</b>           | <b>15,000</b>           | <b>15,000</b>           |
| <b>Net year end position</b>                         | <b>(3,927)</b>          | <b>(3,993)</b>          | <b>(612)</b>            | <b>(612)</b>            | <b>(522)</b>            |

It is proposed to set aside £15m of asset review receipts and invest these in the Treasury Management money markets, thus generating additional interest income and an MRP saving offset by reduced rental income streams. This generates a net saving to the Council.

## **SECTION D – USABLE RESERVES PROJECTIONS**

1. The Executive recommends, as a consequence of Sections A, B and C detailing the Council's Revenue and Capital budgets, the overall use of the Councils usable Reserves as set out in **Schedule 10** below.

### **Schedule 10 – Usable Reserve Projections**

| <b>Council Reserves</b>                 | <b>Actual<br/>31/03/2012<br/>£000</b> | <b>Revised<br/>31/03/2013<br/>£000</b> | <b>Projected<br/>31/03/2014<br/>£000</b> | <b>Projected<br/>31/03/2015<br/>£000</b> | <b>Projected<br/>31/03/2016<br/>£000</b> | <b>Projected<br/>31/03/2017<br/>£000</b> | <b>Projected<br/>31/03/2018<br/>£000</b> |
|---|---------------------------------------|--|--|--|--|--|--|
| <b>Revenue Reserves</b>                 |                                       |  |  |  |  |  |  |
| General Fund Reserve                    | (2,839)                               | (1,846)                                | (2,092)                                  | (2,534)                                  | (2,600)                                  | (2,600)                                  | (2,515)                                  |
| Project Reserve                         | 0                                     | 0                                      | 0  | 0  | (802)                                    | (755)                                    | 0  |
| Collection Fund                         | (57)                                  |  |  |  |  |  |  |
| Job Evaluation                          | (37)                                  | (12)                                   | (12)                                     | (12)                                     | (12)                                     | (12)                                     | (12)                                     |
| Residents Parking                       | 192                                   |  |  |  |  |  |  |
| EEAC Reserve                            | (94)                                  | (54)                                   | (54)                                     | (54)                                     | (54)                                     | (54)                                     | (54)                                     |
| Transformation Reserve                  | (727)                                 | 0                                      | 0  | 0  | 0  | 0  | 0  |
| Building Control                        | 27                                    |  |  |  |  |  |  |
| Licensing Reserve                       | (14)                                  | (14)                                   | (14)                                     | (14)                                     | (14)                                     | (14)                                     | (14)                                     |
| Cremator Reserve                        | (69)                                  | 0                                      | 0  | 0  | 0  | 0  | 0  |
| Sheepmount Reserve                      | (2)                                   | (2)                                    | (2)                                      | (2)                                      | (2)                                      | (2)                                      | (2)                                      |
| Conservation Fund                       | (126)                                 | (126)                                  | (126)                                    | (126)                                    | (126)                                    | (126)                                    | (126)                                    |
| LSVT Warranties                         | (488)                                 | (488)                                  | (488)                                    | (488)                                    | (488)                                    | (488)                                    | (488)                                    |
| <b>Total Revenue Reserves</b>           | <b>(4,234)</b>                        | <b>(2,542)</b>                         | <b>(2,788)</b>                           | <b>(3,230)</b>                           | <b>(4,098)</b>                           | <b>(4,051)</b>                           | <b>(3,211)</b>                           |
| <b>Capital Reserves</b>                 |                                       |  |  |  |  |  |  |
| CLL Reserve                             | (522)                                 | (522)                                  | (522)                                    | (522)                                    | (522)                                    | (522)                                    | (522)                                    |
| Usable Capital Receipts                 | (4,816)                               | (4,401)                                | (3,927)                                  | (3,993)                                  | (612)                                    | (612)                                    | (522)                                    |
| Set aside Capital Receipts              | 0                                     | 0                                      | (15,000)                                 | (15,000)                                 | (15,000)                                 | (15,000)                                 | (15,000)                                 |
| Borrowing Requirement                   | 0                                     | 0                                      | (271)                                    | (334)                                    | (6,956)                                  | (290)                                    | 0  |
| Asset Disposal Reserve                  | (1,383)                               | (365)                                  | (365)                                    | (365)                                    | (365)                                    | (365)                                    | (365)                                    |
| Lanes Capital Reserve                   | (341)                                 | (356)                                  | (371)                                    | (386)                                    | (401)                                    | (416)                                    | (431)                                    |
| <b>Total Capital Reserves</b>           | <b>(7,062)</b>                        | <b>(5,644)</b>                         | <b>(20,456)</b>                          | <b>(20,600)</b>                          | <b>(23,856)</b>                          | <b>(17,205)</b>                          | <b>(16,840)</b>                          |
| <b>Total Available Council Balances</b> | <b>(11,296)</b>                       |  |  |  |  |  |  |
| <b>Other Reserves*</b>                  | <b>(117,826)</b>                      |  |  |  |  |  |  |
| <b>Total Reserves</b>                   | <b>(129,122)</b>                      |  |  |  |  |  |  |

\* These reserves are of a technical nature and are not cash backed. They are not available either to fund expenditure or to meet future commitments.

## **SECTION E - PROPOSED BUDGET DISCIPLINE AND SAVING STRATEGY**

1. The Council has adopted a 5-year financial strategy as set out in its Medium Term Financial Plan to assist in the integration of financial planning with the priorities set out in the Carlisle Plan. The current medium term financial projections point to a shortfall in the Council's budgets, which will require additional savings to be identified. In addition, the scope for the Council to continue support for initiatives in future years and to redirect resources to priority areas will be dependent on the extent to which the Council is successful in realising savings and redirecting resources. The requirement to identify savings or raise additional income in future years is a continuing pressure facing the Council.
2. The savings outlined in this document are necessary to ensure that the Council continues to meet the challenges of a 28% reduction in RSG (and significant reductions in other revenue and capital grants) over the five years commencing 2011/12. However due to its success to date in identifying transformational savings, the Council now has a solid financial base in order to set its 2013/14 budget. In the circumstances the Council can adopt a more measured approach in spreading the further savings required over the next 4 years whilst maintaining a safe and healthy financial future for the Council.
3. The savings strategy developed during 2010/11 will continue to concentrate on the following areas to deliver the savings required to produce a balanced longer term budget, however the exact work programme will be dependant on progress with the Transformation programme.
  - Asset Review – this focuses on producing a Development and Investment Plan for the City Council's property portfolio with the aim of delivering additional income or reduced costs on a recurring basis.
  - Service delivery models – As part of the transformation programme, alternative options for service delivery are being considered in order to make significant financial savings whilst still delivering good standards of service. The options under consideration will include shared services and commissioning of services.
  - As part of the transformation programme a review of those services which do not fall within the Council's core priorities or which are not statutory will continue to be undertaken to ensure that services are properly aligned to what the Council wants to achieve.
4. Members and Officers are reminded that it is essential to maintain a disciplined approach to budgetary matters and as such:
  - Supplementary estimates will only be granted in exceptional circumstances.
  - Proposals seeking virement should only be approved where the expenditure to be incurred is consistent with policies and priorities agreed by the Council.
5. In order to continue the improvements in the links between financial and strategic planning, the Joint Management Team will continue to meet regularly to progress forward planning on these issues.

## **SECTION F - STATUTORY REPORT OF DIRECTOR OF RESOURCES**

1. In setting its Budget Requirement, the Council is required under the Local Government Act 2003 (Section 25) to consider:
  - (i) The formal advice of the statutory responsible financial officer (Director of Resources) on the robustness of the estimates included in the budget and the adequacy of the reserves for which the budget provides;
  - (ii) The Council has to determine what levels of borrowing, if any, it wishes to make under the new Prudential Code that now governs local authority borrowing.

### 2. Robustness of the Estimates

Whilst relevant budget holders are responsible for individual budgets and their preparation, all estimates are scrutinised by Financial Services staff, the Senior Management Team and the Joint Management Team prior to submission to members.

The Council's revenue and capital budgets are integrated in that the financial impact of the proposed capital programme is reflected in the revenue estimates.

The Council has no history of overspending against budget, indeed, until recently there has tended to be a degree of underspending. However improved budget monitoring backed up by specific action where appropriate and base budget procedures have proven effective in addressing this issue.

There are risks however involved in projecting budgets particularly over the medium term and the year-end position will never exactly match the estimated position in any given year. Areas of specific risk in the current five-year period under consideration are:

- The Transformation programme is expected to have achieved £3million recurring savings from 2012/13, however further savings of approximately £2.973m are required in order to meet the cuts in grants from central government and the budgetary pressures identified in the budget process in order to produce a balanced budget where Council reserves are replenished over the longer term. Savings of £2.134m have been identified to date with the remaining £839,000 due to be found from 2015/16.
- The level of interest receipts and return on Treasury Management activities are subject to market rates. Members are advised of this risk every year and it should be noted that in the current economic climate with low base rates, investment income returns in the medium term are very difficult to predict. The Council is also having to deal with a reduced number of counterparties it is able to place deposits with. Coupled with this is the increasing cost of Minimum Revenue Provision through the reduction in the amount of available capital receipts the Council has. Both of these factors place a significant pressure on the Revenue budget over the next 5 year period.

**The main risks to the robustness of the estimates is the impact of the Transformation programme. The use of reserves will be necessary to fund this budget in the short term however it is not acceptable in the longer term and should only be seen as a short term fix. The proposals to be put in place need to bring reserve levels back to an acceptable level in the**

**following 5 years. This is dependant upon the necessary steps being taken to resolve the ongoing projected deficit, as part of the Transformation programme. Specifically it will require the delivery of the savings proposals identified and continuing work to deliver further savings. Regular budget monitoring, particularly in the area of the Transformation programme is imperative during this period. The level of the Council's future Capital Programme in taking account of a significant reduction in capital receipts also needs to be clarified.**

- Central contingencies – there have been no contingency budgets built in to the existing estimates. This means that any unforeseen expenditure that cannot be contained within existing budgets will require a supplementary estimate to cover any costs. The budget proposals will significantly limit the capability to deal with any of these events and these may have to be found from within other budgets and reserves should the need arise.

## 2. Adequacy of Reserves

The level and usage of the Council's Reserves is undertaken annually as part of the Medium Term Financial Plan.

The appropriateness of the level of reserves can only be judged in the context of the Council's longer term plans and an exercise has been undertaken to review the level of reserves through the use of a risk assessment matrix. The findings of this exercise confirmed that the minimum level should be set at £2.6m as a prudent level of General Fund Reserves which will be required as a general working capital/ contingency to cushion the Council against unexpected events and emergencies. However, given the short term commitments highlighted in the budget proposals, it is necessary that the current General Fund reserve be used to fund the short term deficits. Stringent plans will be required in order to replenish the level of reserves in the following years and the budget proposed must identify the steps necessary to do this.

The Council's policy on reserves is that 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. The deficit projections must therefore be addressed and the Executive must set out in its Budget Discipline and Saving Strategy how it expects Officers to address the situation in setting the 2013/14 budget and preparing for the 2014/15-budget cycle.

**Based on current projections, Council Reserves will fall to below minimum recommended levels in the years 2012/13 to 2013/14. Necessary steps are being taken to resolve the ongoing projected deficit from 2012/13 by delivery of savings proposals currently identified and identification of further savings via the Transformation Programme. It is accepted that the level of reserves will need to reduce until the impact of the transformation is effective and that the £2.6m General Fund Reserve is breached in the short term but that this is replenished over the following 5 years through a stringent savings strategy. It is anticipated that from 2015/16 further savings will have to be identified in order to maintain reserves at £2.6m.**

## 3. Determination of Borrowing

The new Prudential Accounting regime enables the Council to borrow subject to meeting criteria of affordability. The draft Prudential Indicators have been established and these will be finalised for Council approval once decisions on the overall Capital Programme have been made.

**For the period under review the need for borrowing will be kept under consideration and will be dependent on the level of capital receipts being generated and the potential of future capital projects. Due to projects currently under consideration, the capital programme for 2013/14 to 2017/18 may require the use of Prudential Borrowing (including internal borrowing) to sustain levels depending on the levels of capital receipts that can be generated in the future. If borrowing is required, full option appraisals will be carried out.**

## **SECTION G – GLOSSARY OF TERMS**

### **BUDGET**

- **GROSS** – the total cost of providing the council's services before taking into account income from service related government grants and fees and charges for services.
- **NET** – the Council's gross budget less specific government grants and fees and charges, but before deduction of RSG and other funding from reserves.
- **ORIGINAL BUDGET** – the budget for a financial year approved by the council before the start of the financial year.
- **REVISED BUDGET** – an updated revision of the budget for a financial year.
- **NET BUDGET REQUIREMENT FOR COUNCIL TAX PURPOSES** – the estimated revenue expenditure on general fund services that needs to be financed from the Council Tax after deducting income from fees and charges, certain specific grants and any funding from reserves.

**CAPITAL EXPENDITURE** - Expenditure on the acquisition of a fixed asset or expenditure, which adds to and not merely maintains the value of an existing fixed asset.

**CAPITAL RECEIPTS** – the proceeds from the disposal of land or other assets. Capital receipts can be used to finance new capital expenditure within rules set down by the government, but they cannot be used to finance revenue expenditure.

**COMPREHENSIVE SPENDING REVIEW (CSR)** - announcement made by the Government in October 2010 to inform the budget process for the next four years.

**CONTINGENCY** – money set aside in the budget to meet the cost of unforeseen items of expenditure, or shortfalls in income, and to provide for inflation where this is not included in individual budgets.

**COUNCIL TAX** – the main source of local taxation to local authorities. Council tax is levied on households within its area by the billing authority and the proceeds are paid into its Collection Fund for distribution to precepting authorities and for use by its own General Fund.

**DISABLED FACILITIES GRANT (DFG)** – individual government grants towards capital spending on providing disabled adaptations to housing.

**EXECUTIVE**- consists of elected Members appointed by the Leader of the Council to carry out all of the local authority functions which are not the responsibility of any other part of the local authority.

**FEES AND CHARGES** – income raised by charging users of services for the facilities.

**INTEREST RECEIPTS** – the money earned from the investment of surplus cash.

**NON-RECURRING EXPENDITURE** – items which are in a budget for a set period of time.

**PRECEPT** – the levy made by precepting authorities on billing authorities, requiring the latter to collect income from council taxpayers on their behalf.



- **PRECEPTING AUTHORITIES** – those authorities which are not billing authorities, ie do not collect the council tax and non-domestic rate. County councils, police authorities and joint authorities are ‘major precepting authorities’ and parish, community and town councils are ‘local precepting authorities’.

**RESERVES** – amounts set aside in one year to cover expenditure in the future, which all Authorities must maintain as a matter of prudence. Reserves can either earmarked for specific purposes or general.

**REVENUE EXPENDITURE** – day to day running costs of the Authority, including employee costs, premises costs and supplies and services.

**REVENUE SUPPORT GRANT (RSG)** – a grant paid by central government to aid local authority services in general, as opposed to specific grants, which may only be used for a specific purpose.

- **NATIONAL NON-DOMESTIC RATE (NNDR)** – paid as part of the RSG, this is a levy on businesses, based on a national rate in the pound set by the government multiplied by the ‘rateable value’ of the premises they occupy. NNDR is collected by billing authorities on behalf of central government and then redistributed among all local authorities on the basis of population. Also known as ‘business rates’, the ‘uniform business rate’ and the ‘non-domestic rate’.

**SENIOR MANAGEMENT TEAM (SMT)** – a group of senior officers consisting of the Chief Executive, Deputy Chief Executive and Directors.

**SUPPLEMENTARY ESTIMATE** – an amount, which has been approved by the authority, to allow spending to be increased above the level of provision in the original or revised budget.

**TAXBASE** – the number of Band D equivalent properties within each Local Authority area used to determine the RSG by the DCLG and to calculate the Council Tax yield by each authority.

**VALUE FOR MONEY** – a much-used term that describes a service or product that demonstrates a good balance between its cost, quality and usefulness to the customer. A VFM audit takes into account the economy, efficiency and effectiveness of a local authority service, function or activity.

**VIREMENT** – the permission to spend more on one budget head when this is matched by a corresponding reduction on some other budget head i.e. a switch of resources between budget heads. Virement must be properly authorised by the appropriate committee or by officers under delegated powers.

(c) Amendments/Objections to the Executive's Budget Recommendations

On behalf of Members of the Conservative Group, Councillor Mallinson (J) gave notice of four amendments which would be submitted to Councillor Hendry's motion. The amendments related to Kerbside Recycling; Litter Picking; CCTV; and Grants to Third Party Organisations.

On behalf of the Liberal Democrat Group, Councillor Allison gave notice of one amendment which would be submitted to Councillor Hendry's motion. The amendment related to Cenotaph Enhancement work.

(d) Adjournment of Meeting

Following circulation of copies of each of the above amendments, it was moved, seconded and agreed under Procedure Rule 14.10(g) that the meeting be adjourned to allow time for consideration of the amendments.

**the meeting adjourned at 7.25 pm and reconvened at 7.42 pm**

(e) The Leader rose to present the Labour Administration's budget for 2013/14. He expressed grateful thanks to the many people, Officers, Members (in particular the Finance, Governance and Resources Portfolio Holder) and representatives of the Carlisle community who had helped and advised framing the budget.

The Leader then addressed the Council in support of the motion that the recommendations of the Executive in respect of the General Fund Revenue Budget and the Council's Capital Budget for 2013/14 (as amended) be agreed.

Councillor Tickner seconded the motion.

(f) Consideration of Amendments

**1. Kerbside Recycling**

Councillor Mallinson (J) began by expressing thanks to the Director of Resources and his team for providing the financial evidence needed to support the Conservative Group's budget amendments.

Councillor Mallinson (J) then moved his amendment to Councillor Hendry's motion as follows:

"To provide additional capital funding of £30,000 and recurring revenue funding of £66,000 (subject to contract negotiations with Council's contractor) in 2013/14 onwards to provide kerbside recycling facilities to new housing estates and other areas which do not currently receive card, plastic and glass recycling services. This proposal is to be funded by deleting the Arts Centre scheme, pending further investigation of the impact of recent announcements made by alternative providers in respect of Arts provision."

Councillor Collier seconded the amendment.

Councillors Mallinson (J) and Collier addressed the Council in support of the amendment.

The Director of Resources' comments on the impact of the above amendment on the Executive's budget proposals had been circulated.

Following discussion, with input from a number of Members of the City Council, personal explanations, and voting thereon the amendment of Councillor Mallinson (J) as set out above was LOST.

## **2. Litter Picking**

Councillor Craig moved an amendment to Councillor Hendry's motion as follows:

"To provide recurring financial support of £85,000 for an environmental team to resource litter picking on principal routes leading into Carlisle. This proposal is to be funded by deleting the Arts Centre scheme, pending further investigation of the impact of recent announcements made by alternative providers in respect of Arts provision."

Councillor Nedved seconded the amendment.

Councillors Craig and Nedved addressed the Council in support of the amendment.

The Director of Resources' comments on the impact of the above amendment on the Executive's budget proposals had been circulated.

Following discussion, with input from a number of Members of the City Council, and voting thereon the amendment of Councillor Craig as set out above was LOST.

## **3. CCTV**

Councillor Layden moved an amendment to Councillor Hendry's motion as follows:

"To invest in alternative delivery of the CCTV service with a longer term view of retaining more CCTV cameras with 3G networking to improve desk top data access. This proposal would include the acceptance of the non-recurring £100,000 offered by the Police Commissioner, match funded by the residual CCTV budget available in 2013/14."

Councillor Mitchelson seconded the amendment.

Councillors Layden and Mitchelson addressed the Council in support of the amendment.

The Director of Resources' comments on the impact of the above amendment on the Executive's budget proposals had been circulated.

Following discussion, with input from a number of Members of the City Council; a number of personal explanations; and voting thereon the amendment of Councillor Layden as set out above was LOST.

## **DECLARATIONS OF INTEREST**

Councillors Boaden; Bell; Bowditch; Mrs Bradley; Ms Franklin; Mrs Luckley; Mrs Mallinson; Mallinson (J); Nedved; Ms Quilter; and Miss Sherriff declared a registrable interest in accordance with the Council's Code of Conduct in respect of the Conservative Group Proposed Amendment No.4 - Grants to Third Party Organisations. The Councillors stated that the interest related to their membership of the Carlisle and District Credit Union:

Councillor Whalen declared a registrable interest in accordance with the Council's Code of Conduct in respect of the Conservative Group Proposed Amendment No. 4 – Grants to Third Party Organisations because he is a member of Carlisle Churches Together.

### **4. Grants to Third Party Organisations**

Councillor Bainbridge moved an amendment to Councillor Hendry's motion as follows:

“To provide financial support to the:

- (1) Credit Union (£5,000), to fund a publicity campaign against loan sharks and pay day loans;
- (2) Carlisle Churches Together (£5,000), in supporting their homelessness initiatives.

This proposal is to be funded from council reserves.”

Councillor Ellis seconded the amendment.

Councillors Bainbridge and Ellis addressed the Council in support of the amendment.

The Director of Resources' comments on the impact of the above amendment on the Executive's budget proposals had been circulated.

Following debate with input from a number of Members of the City Council, Councillor Bainbridge supported by one fourth of the Members present requested under Procedure Rule 17.4 that a recorded vote be taken.

The following Members voted for the amendment of Councillor Bainbridge:

The Deputy Mayor (Councillor Bloxham), Councillors Allison, Bainbridge, Betton, Bowman (S), Mrs Bowman, Mrs Clarke, Collier, Craig, Earp, Ellis, Mrs Geddes, Graham, Layden, Lishman, Mrs Luckley, Mrs Mallinson, Mallinson (J), Mitchelson, Morton, Nedved, Mrs Parsons, Mrs Prest and Mrs Vasey

The following Members voted against the amendment of Councillor Bainbridge:

The Mayor (Councillor Wilson), Councillors Mrs Atkinson, Atkinson, Bell, Boaden, Bowditch, Mrs Bradley, Cape, Forrester, Ms Franklin, Glover, Harid, Hendry, Mrs Martlew, Ms Patrick, Ms Quilter, Mrs Riddle, Scarborough, Miss Sherriff,

Mrs Southward, Mrs Stevenson, Stothard, Tickner, Mrs Warwick, Watson, Weber and Whalen

Councillor McDevitt had retired from the meeting prior to the vote

The amendment of Councillor Bainbridge was LOST.

## **SUSPENSION OF STANDING ORDERS**

Pursuant to Council Procedure Rule 9, Councillor Mrs Bradley moved and it was seconded and AGREED that the meeting should continue beyond three hours in duration to enable the remaining items of business to be considered.

### **5. Cenotaph Enhancement Work**

Councillor Allison moved an amendment to Councillor Hendry's motion as follows:

“To provide capital funding of £50,000 in the 2013/14 capital programme to fund necessary improvements and refurbishment works to the Cenotaph in Rickerby Park in advance of the proposed centenary commemorations in 2014. The Government has announced a plan of transformation works, events and an educational programme and has allocated £50million of funding to support these centenary commemorations. This proposal can initially be funded from unallocated capital resources, subject to securing external funding from the Government fund.”

Councillor Mrs Luckley seconded the amendment.

Councillor Mrs Martlew (speaking in her capacity as Environment and Transport Portfolio Holder) expressed the hope that Members of the Council could reach an agreement on the matter. She gave an assurance that the necessary improvement and refurbishment works to the Cenotaph in Rickerby Park would be undertaken and funded via a Supplementary Estimate.

Councillor Allison was therefore asked to withdraw his amendment but declined to do so.

Councillors Allison and Mrs Luckley addressed the Council in support of the amendment.

The Director of Resources' comments on the impact of the above amendment on the Executive's budget proposals had been circulated.

The Leader and the Finance, Governance and Resources Portfolio Holder reiterated the assurance given.

Following debate, with input from a number of Members of the City Council, and voting thereon the amendment of Councillor Allison as set out above was LOST.

Councillor Morton wished it to be recorded that he had abstained from voting since he was out with the meeting during part of the debate on the amendment.

(g) There being no further amendments, the Council considered the motion of Councillor Hendry with regard to the City Council budget for 2013/14.

Following substantial discussion, with input from a number of Members of the City Council and a personal explanation; Councillor Glover supported by one fourth of the Members present requested under Procedure Rule 17.4 that a recorded vote be taken.

The following Members voted for the Motion of Councillor Hendry:

The Mayor (Councillor Wilson), Councillors Mrs Atkinson, Atkinson, Bell, Betton, Boaden, Bowditch, Mrs Bradley, Cape, Forrester, Ms Franklin, Glover, Graham, Harid, Hendry, Mrs Martlew, Ms Patrick, Ms Quilter, Mrs Riddle, Scarborough, Miss Sherriff, Mrs Southward, Mrs Stevenson, Stothard, Tickner, Mrs Warwick, Watson, Weber and Whalen

The following Members voted against the Motion of Councillor Hendry:

The Deputy Mayor (Councillor Bloxham), Councillors Allison, Bainbridge, Bowman (S), Mrs Bowman, Mrs Clarke, Collier, Craig, Earp, Ellis, Mrs Geddes, Layden, Lishman, Mrs Luckley, Mrs Mallinson, Mallinson (J), Mitchelson, Morton, Nedved, Mrs Parsons, Mrs Prest and Mrs Vasey

Councillor McDevitt had retired from the meeting prior to the vote.

The motion of Councillor Hendry as set out at (b) above relating to the City Council's General Fund Revenue Budget and Capital Budget for 2013/14 was CARRIED.

### **C.33/13 DATES AND TIMES OF MEETINGS FOR 2013/14**

Pursuant to Minute C.18/13(v), consideration was given to a recommendation from the Executive that the City Council approve the revised schedule of dates and times of meetings in the 2013/14 municipal year as set out in the calendar attached as an Appendix to Report GD.09/13, and note the dates and times of meetings of the Executive as chosen by the Leader. A copy of Report GD.09/13 and the Minute Extracts had been circulated.

Councillor Tickner moved and Councillor Hendry seconded the recommendations.

RESOLVED – (1) That the schedule of dates and times of meetings in the 2013/14 municipal year, as set out in the calendar attached as an Appendix to Report GD.09/13, be approved.

(2) That the dates and times of meetings of the Executive as chosen by the Leader be noted.

### **C.34/13 POLICY STATEMENT ON SENIOR OFFICERS' PAY 2013/14**

Pursuant to Minute EMP.05/13, consideration was given to a recommendation from the Employment Panel that the City Council approve the Policy Statement on Pay for Senior Officers for the year 2013/14. A copy of Report RD.75/12 and relevant Minute Extract had been circulated.

Councillor Glover moved and Councillor Hendry seconded the recommendation.

RESOLVED – That the Policy Statement on Pay for Senior Officers 2013/14, as appended to Report RD.75/12, be approved by the City Council.

### **C.35/13 DECISIONS TAKEN AS A MATTER OF URGENCY**

Pursuant to Overview and Scrutiny Procedure Rule 15(1), the Director of Governance reported on decisions of the Executive which it had been agreed should be taken as urgent decisions and dealt with as matters of urgency without the need for call-in.

RESOLVED – That Report GD.06/13 setting out the decisions taken as a matter of urgency since the last meeting of the Council be noted and agreed.

### **C.36/13 COMMUNICATIONS**

There were no communications or business brought forward by the Mayor as a matter of urgency to be dealt with at the meeting.

### **C.37/13 MAYOR'S COMMENTS**

The Mayor drew Members' attention to forthcoming events in aid of his Charity Fund 2012/13 (details of which were tabled), commenting that any help which they could provide would be much appreciated:

- Valentine Ball, Shepherds Inn – Saturday 16 February at 6.30 pm
- Sky Dive, Cark-in-Cartmel Airfield, South Cumbria – Sunday 3 March (whole day)
- Quiz Night, Carlisle Rugby Club – Wednesday 6 March at 7.30 pm
- Henry VIII Event, Tithe Barn – Friday 8 March at 7.00 pm
- Tea Dance, Morton Community Centre – Sunday 10 March at 2.00 pm
- Concert by "Zing", The Richard Rose Morton Academy Theatre, Wigton Road – Friday 15 March at 7.15 pm

(The meeting ended at 10.30 pm)