

**BUDGET CONSULTATION MEETING WITH TRADE UNION REPRESENTATIVES
MONDAY 10 JANUARY 2022 AT 2.05 PM**

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

ALSO

PRESENT: 2 x Trade Union Representatives

OFFICERS: Chief Executive
Corporate Director of Finance and Resources

1. APOLOGIES FOR ABSENCE

No apologies for absence were submitted.

2. WELCOME

The Deputy Leader, and Finance, Governance and Resources Portfolio Holder welcomed the Trade Union representatives and thanked them for taking the time to attend the meeting and respond to the Executive's Budget Proposals 2022/23 issued for consultation, the deadline for responses being 9 am on 18 January 2022.

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

3. CITY COUNCIL BUDGET 2022/23

The Executive Budget Proposals 2022/23 were issued for consultation on 13 December 2021. Copies of the Budget Proposals and document entitled 'Have Your Say' had been circulated prior to the meeting.

The Executive Budget Proposals 2022/23 to 2026/27 recorded that the Council was facing many financial challenges over the next five-year planning period and whilst 2022/23 will be the last budget approved for the City Council, the financial sustainability of the new Authority post April 2023 must be a consideration during this budget process. Current forecast resources are not anticipated to cover the expenditure commitments over the 5-year period post LGR without transformational savings being identified in accordance with the Council's Savings Strategy (section E).

The main issues identified were:

- Government Finance Settlement – impact of the 2021 Spending Round, and the deferral of the Business Rates Retention and Fair Funding Reviews;
- Commercial and Investment Opportunities;
- Further changes in Government Grant e.g. New Homes Bonus, Housing
- Benefit Admin Grant;
- Future borrowing requirements;
- Commercial and Investment Opportunities;
- On-going impact of COVID-19 and medium to long term economic recovery;

Speaking at the invitation of the Leader, the Corporate Director of Finance and Resources indicated that she would provide an overview of the background position before moving on to the salient points.

The Corporate Director explained that the proposals set out a balanced budget with reserves slightly more than minimum level required, and she drew the Trade Union Representative's attention to a number of projects set out in schedule 3.

The undernoted issues / questions were raised in discussion:

- A representative asked what level of monies had been allocated to Local Government Reorganisation (LGR)?

The Corporate Director stated that the estimated cost of LGR was £19M which would be borne by the relevant authorities where Cumbria County Council would provide 50% of the monies, with the remaining being split by the existing district authorities. Carlisle City Council's contribution to the Implementation Reserve was anticipated to be up to £1.6M which was funded from an earmarked reserve set up in 2020/21.

The representative further asked whether all existing authority budgets would be pooled together in the unitary authorities.

The Corporate Director explained that LGR would create two unitary authorities; Cumberland and Westmorland and Furness. The new councils' budgets would be created from the existing district councils which would aggregate their budgets; and the disaggregation of Cumbria County Council's to the respective new authorities.

[The meeting ended at 2.14pm]