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## EXCERPT FROM THE MINUTES OF THE COMMUNITY OVERVIEW AND SCRUTINY PANEL HELD ON 24 NOVEMBER 2011

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COSP.95/11 BUDGET 2012/13

### Revenue Budget Reports

#### **(a) Summary of New Revenue Spending Pressures**

The Assistant Director (Resources) (Mr Mason) submitted report RD.64/11 summarising the new revenue spending pressures and reduced income projections which needed to be considered as part of the 2012/13 budget process. The issues were to be considered in the light of the Council's corporate priorities.

The Executive had on 22 November 2011 (EX.146/11) received the report and forwarded it to the Overview and Scrutiny Panels for consideration as part of the 2012/13 budget process.

Mr Mason advised that it was clear that all of the pressures could not be accommodated within existing resources (including use of reserves) and decisions would be needed throughout the budget process to limit pressures to high priority and unavoidable issues to ensure that a balanced budget position was recommended to Council February 2012.

Members then considered the following new priority for revenue spending and reduced income which fell within the areas of responsibility of this Panel.

- **Olympic Torch Relay**

Carlisle would be hosting a leg of the Olympic Torch relay in June 2012 and there would be associated costs in hosting the event. The costs were still not finalised. Any costs, less sponsorship achieved, would be reported to a future meeting as part of the budget process.

- **Income below Target**

Shortfalls in income corporately had been identified within the budget reports and amounted to £115,000 in total and would be included as additional budget pressures. Some income budgets were expected to generate additional income however the major shortfalls were expected on Car Parking and Development Control fees.

Members had serious concerns regarding the impact of the Council Tax freeze on the 2013/14 budget. Mr Mason commented that the freeze would cost the Council £244,000 in 2013/14 and there was no indication at this moment regarding the Government's spending for next year.

RESOLVED – 1) That Report RD.64/11 be noted.

2) That an update on the cost of the Olympic Torch Relay be submitted to a future meeting of the Panel.

### **(b) Summary of Savings Delivered and New Proposals**

Report RD.65/11 had been circulated to the Panel by way of background information.

Mr Mason summarised the proposed savings relating to additional Transformation Savings, recruitment Advertising and Non-Staffing Reduction, and also highlighted the new savings proposals and additional income projections.

RESOLVED – That Report RD.65/11 be noted.

### **(c) Review of Charges 2012/13**

#### **• Local Environment**

Report LE.23/11 was submitted, setting out the proposed fees and charges for the services falling within the remit of the Local Environment Directorate.

The Executive had on 22 November 2011 (EX.141/11) decided that the report be noted and referred to the Overview and Scrutiny Panels for their consideration.

Members asked for an update to be circulated on the water charges issues at the Council's allotments and for an explanation as to why the Talkin Tarn charges had not been increased.

RESOLVED – That report LE.23/11 be welcomed.

#### **• Community Engagement**

Report CD.25/11 was submitted, setting out the proposed fees and charges for the services falling within the remit of the Community Engagement Directorate.

The Executive had on 22 November 2011 (EX.142/11) decided that the report be noted and referred to the Overview and Scrutiny Panels for their consideration.

#### *Hostel Service*

Mr Gerrard explained that the charges detailed for hostels did not include a support element as it was funded through Cumbria Supporting People. The support service charge costs were being reviewed as part of the same exercise. The charges had been increased in line with the corporate charging policy reflecting an inflationary increase of 2%. This would result in an income of £445,800 in 2012/13.

Mr Gerrard explained that due to the changes in the Supporting People contract the Council could only levy a charge for basic rent and communal areas and not for care.

A Member asked if a new provider would be duty bound to use the Council's accommodation. There was concern that a change to the use in facilities would reduce the income from hostel charges.

Mr Gerrard responded that some services could be provided away from the accommodation to make a clear distinction between services. A new provider would not be duty bound to use the Council's facilities and the changes may be a good opportunity for the new resource centre as a hub for the supporting people contract.

RESOLVED – That the observations of the Community Overview and Scrutiny Panel, as outlined above, be conveyed to the Executive.

### **Capital Budget Reports**

#### **(d) Revised Capital Programme 2011/12 and Provisional Capital Programme 2012/13 to 2016/17**

The Assistant Director (Resources) (Mr Mason) submitted report RD.66/11 detailing the revised capital programme for 2011/12, together with the proposed method of financing as set out in Appendices A and B. The report also summarised the proposed programme for 2012/13 to 2016/17 in the light of the new capital pressures identified, and summarised the estimated and much reduced capital resources available to fund the programme.

The Executive had on 22 November 2011 (EX.148/11) considered the report and decided:

- “1. Noted the revised capital programme and relevant financing for 2011/12 as set out in Appendices A and B of Report RD.66/11;
2. Recommended that the City Council approve slippage of £4,257,000 from 2011/12 into 2012/13;
3. Had given initial consideration to the capital spending requests for 2012/13 to 2016/17 contained in report RD.66/11 in the light of the estimated available resources; and
4. Noted that any capital scheme for which funding had been approved by the Council may only proceed after a full report, including business case and financial appraisal, had been approved.”

Details of the new capital spending proposals which fell within the area of responsibility of the Panel were as detailed on the Agenda for the meeting.

- **Disabled Facilities Grants** – The Private Sector Housing Investment budget was to cover Disabled Adaptation Grants, Renovation grants and Minor Work grants. It was anticipated that there would be additional funding available from Central Government however, additional Council funding of £200,000 per annum was anticipated in order to meet the expected demand.

Disabled Facilities Grant allocation would not be announced until January 2012, although it had been indicated that the grant would be protected at the 2011/12 levels.

RESOLVED: To accept the recommendations as set out in Report RD.66/11.