

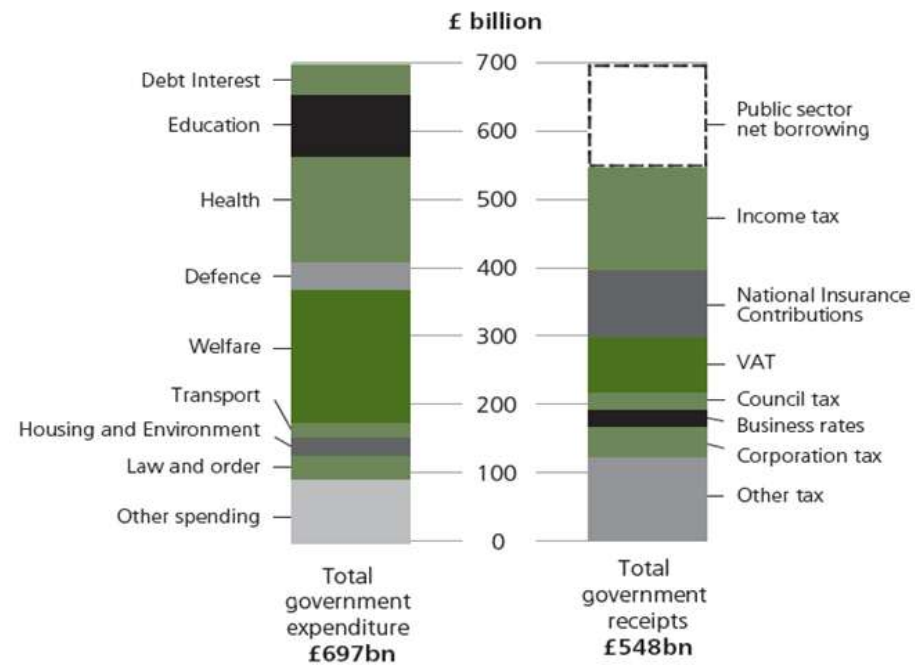
# Christchurch Borough Council – 2013/14 Budget

Consultation Meetings  
January 2013

# Agenda

- National Context
- Local Impact
- Revenue Budget
- Action Being Taken
- Your Views

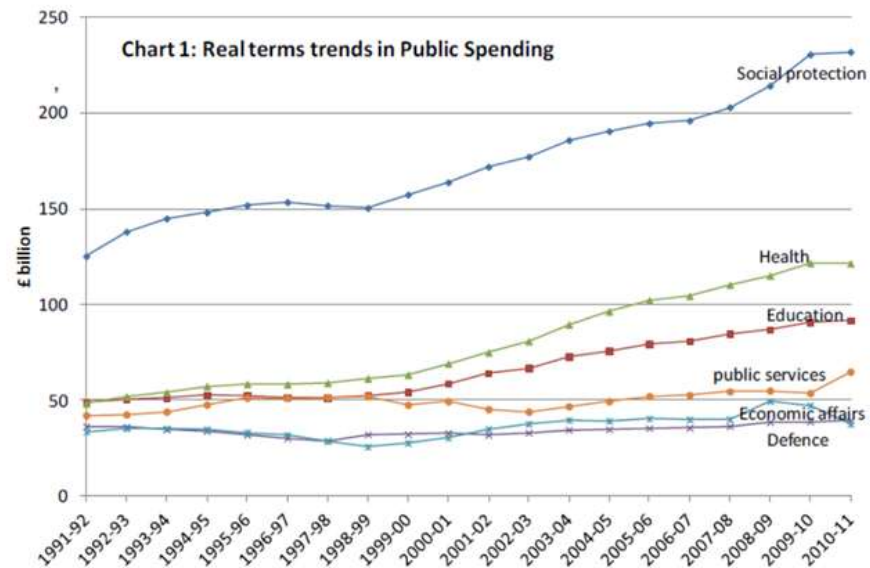
# UK Public Sector Spending



# UK Government Debt

- Here's the problem - £1 trillion this year

# National Pressure



# LG National Picture Headlines

- Government formula grant down 10% on 2013/14 (£180k), 12% in 2014/15 (£268k)
- £5 per household less even by the Gov't's figures

# Major Changes to Funding Regime

- Localisation of Council Tax Support - £6m funding loss across Dorset
- Retention of Business Rates – Risk and Reward

# Council Tax

- No increase in last two years
- 1% Council Tax freeze grant offered for 13/14 (CBC £33k)
- 2% cap on 13/14 Council Tax increase (£3.50 pa)
- Members considering options



# Council Tax Freeze Grant

	Year 1	Year 2	Year 3	Year 4
B/f Council Tax Billed	£6.5m	£6.5m	£6.5m	£6.565m
1% freeze grant (2 year)	£0.065m	£0.13m	£0.065m	
Freeze grant loss			(£0.065m)	(£0.065m)
1% Ctax increase			£0.065m	£0.066m
Total Income	£6.565m	£6.63m	£6.565m	£6.566m
B/f Council Tax Billed	£6.5m	£6.565m	£6.63m	£6.70m
1% Ctax increase	£0.065m	£0.066m	£0.066m	£0.067m
Total Council Tax Income	£6.565m	£6.63m	£6.70m	£6.77m

# Financial Objectives

- Must set a balanced budget
- Must have an adequate level of reserves

# Revenue Budget

	Christchurch £m
Gross Expenditure	35
Gross Income	<u>(29.5)</u>
Net Budget	<u>5.5</u>
<i>Funded by;</i>	
<i>Formula Grant (inc Ctax Freeze)</i>	2.2
<i>Council Tax</i>	3.3

# Balancing the books

- The variables
  - Inflation on expenditure
  - Salaries and pension fund increases
  - Income - sustainability and increases
  - Central Government funding reductions
  - Funding regime changes
  - Council tax increases/freeze grant
  - Contribution to or from reserves
  - Growth
  - Local priorities

# Reserves

	CBC £000s 11/12	CBC £000s 12/13
Earmarked	2,868	1,592
General Fund	2,240	1,090
Capital Receipts Fund	1,429	1,789

# Capital

- Current Programme
  - £9.7m 2012/13 - 2017/18
  - Rationalisation in 13/14 to £8m

# Action Being Taken

- Fundamental Budget Reviews
- Further sharing/partnerships
- Council Tax increase strategy
- Fees and charges strategy
- Further review of contributions to reserves
- Accommodation Strategy
- Varying LCTS scheme
- VFM/Procurement reviews
- Increase New Homes Bonus

# Outcome of Actions

- Savings from shared services £650k
- On target to save £1m
- Protecting services
- Solid base to face future funding cuts



# The Message

- The Council is saving money
- Proactive strategy to manage running costs
- Opportunities to invest will be explored

## QUESTIONS

### How do we become more efficient ?

Item	More	Less	Same	Comments
Shared Services				
Increase Fees and charges				
Outsource services				
Rationalise accommodation				
Review staff terms and conditions				
Local pay discretion				
More partnership procurement				
Invest to save				
Borrow to save				
More liberal Planning				
Increase Council Tax				
Stop some services				