

CORPORATE RESOURCES, STRATEGY AND BUDGET POLICY DEVELOPMENT GROUP

MEETING, 9TH JANUARY, 2013

Present – Councillors Iqbal (Chair), Morris (Vice – Chairman), Greenhalgh, Hayes, Mistry (as deputy for Councillor Peel) Morgan, Spencer and Mrs.Thomas.

Also in Attendance

Mr. S. Harriss	-	Chief Executive
Mr. S. Arnfield	-	Deputy Chief Executive
Mr. A. Jennings	-	Democratic Services Manager

Apologies for absence were submitted on behalf of Councillor Peel.

Councillor Iqbal in the Chair

11. MINUTES

The minutes of the proceedings of the meeting of the Group held on 22nd August, 2012 were submitted and signed as a correct record.

12. BUDGET UPDATE AND SAVINGS OPTIONS 2013-15

The Deputy Chief Executive undertook a presentation that:-

- updated the overall budget position and the increased savings target;
- explained the content of the budget report for Cabinet on the 14th January;
- reminded members of the September savings options to be formally agreed at the Cabinet meeting on the 14th January; and
- set out the framework for considering the additional savings requirement

Members were reminded that the Council's annual budget amounted to £687m. However, significant elements of that budget were either committed or not directly controlled by the Council.

The Council effectively had a controllable budget of approximately £178m from which the majority of savings to meet the overall spending targets would need to be met.

Members were reminded that, based on the Comprehensive Spending Review, savings of £35.6m had been identified over the next two years and

consultations had been undertaken on the package of savings agreed by the Cabinet in September, 2012.

The grant settlement had been received in December and an analysis was provided as follows:-

- confirmed changes identified in Autumn
 - reduced Early Interventions Grant re 2 year old nursery places;
 - top-slicing of RSG for capitalisation and safety nets; and
 - minimal saving on Academies adjustment
- increased Health funding for Adults;
- confirmation of Business Rates Scheme and arrangements; and
- confirmed Council Tax Freeze Grant and arrangements, but with slightly increased grant.

A summary of the revised financial position was as follows:-

	£m	
Savings requirement Sept 2012	35.6	
Further loss of RSG Dec 2012	9.4	
Additional Health Grant for Adults	1.4	+
Revised Savings Target	43.6	
Savings already identified	34.6	
Additional Savings Required	9.0	

With respect to the £34.6m of savings identified it was stressed that delivery of these initial options was still very difficult and that a number of key options had not yet implemented, for example;

- In-house adult social care savings;
- Children's centres;
- Highways savings; and
- Neighbourhood Services.

The impact of many of the proposed changes not yet experienced by the public

With respect to the additional £9m of savings required the following was proposed:-

- examine scope for increasing existing options but many not yet delivered;
- examine options where staff have volunteered to leave the organisation;

- the additional savings could result in additional reduction in posts of possibly 150-220;
- examine potential options around the level of council tax; and
- the Chief Executive/Deputy Chief Executive would work with Directors and report back

A timetable for consideration/approval of the proposals was set out as follows:-

- Cabinet 14th January – to give formal approval to budget options put forward in September;
- Cabinet 11th February – approve further options to meet the full savings requirement and to recommend Council Tax to Council; and
- Council 20th February – to formally approve the Budget and Council Tax

The PDG noted the report.

(The meeting started at 11.30 am and finished at 12.15 p.m.)