

Changes to Council Budget proposal and Reports submitted to Council on the 25th February 2014.

Budget changes following Group Leader discussions and Cabinet of the 3rd March 2014.

2 Options are proposed for a Council Tax Increase of 4.5% (Option 1) and 4.95% (Option 2).

As a result of these increases there could be an adverse impact on the Council Tax Reduction Scheme therefore an added pressure of £44k (Option 1) or £80k (Option 2) has been included to meet this.

The ALN Saving of £87k has been removed following the decision made at Council on the 25th February 2014.

Additional Savings have been proposed as follows:-

Savings from ceasing Red Kite and other publications	36k
Lease Car Scheme Saving	65k
Reduction in use of external consultants	126k
Reduction in annual contribution to election reserve	30k
Additional Grant saving following a review of all grants paid across the Authority	65k

The CAB and advice centre saving was revisited and the reduction in funding has been reduced to 15%, this amends the savings figure to £19.5k and reduces the savings by £45k.

After considering the above it is proposed that the budget gap for both options is funded by reducing the inflation provided by £288k, and in respect of the option 1 (4.5%) that the remaining shortfall of £224k is funded by the temporary use of reserve.

The overall effect of these changes brings the budget back into a balanced position for 2014/15.

Recommendation 2 has been amended to reflect the revised Council Tax level of 4.5% or 4.95%.

An additional paragraph has been included in the report with regard to Rural Housing Enablers saving.

An additional recommendation has been added as follows:

10. That Strategic Reviews of School Provision and County Farms continue, and that a strategic review in respect of income generation commence as soon as possible with further strategic

To ensure the Council is able to meet the financial challenge resulting from the reducing level of funding.

reviews in other areas to be brought forward for consideration by Cabinet.	
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Reports and Appendices

The report has been amended accordingly for the changes and these have been highlighted for reference.

The Medium Term Financial Plan (MTFP) (Appendix A) and the Financial Resource Model (Appendix B) have also been amended and again the changes have been highlighted. Both of these documents include the impact of both Option 1 and Option 2, the MTFP has alternative paragraphs included at 2.8, 6.1 and 6.13 depending on which option is agreed. The Financial Resource Model has a column for each Option.

The detailed Savings Sheets (Appendix C) have been amended to reflect the changes above and some descriptions have also been amended to provide more information about the proposals, these changes have also been highlighted throughout the sheets.