

2013/14 Interim Budget

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CHELTENHAM
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2013/14 budget assumptions

- Inflation only where contractual
- Assumes pay award of 1%
- Car parking income targets – reduced by £50k
- Trade waste reduced by £50k
- Building control reduced by £20k
- No increase in interest rates
- Fees & charges – 2.5% except car parking, garden waste, building control
- Council tax frozen



Funding sources

- Govt support – cut of £423k (-7.4%)
- Funding for tax freeze £72k (1% for 2 yrs)
- 10% cut in benefits budget
- New Homes Bonus (NHB) - £699k
 - £250k supporting base
 - add'n £200k supporting increase in funding for property R&M
 - £219k one off support for L&C commissioning
 - £30k support for vacant properties officer



Impact of late settlement

- Published App 4 - £3.6m gap @ 2.5%, residual gap at £55k
- 2013/14 – £67k to find, now £52k spare (£119k better off)
- MTFS to be remodelled
 - @ 2% tax increase - above which referendum required
 - £770K (14.4%) cut in 2014/15
 - pay capped at 1% for 2014/15 & 2015/16
 - residual gap est. increased to c£300k



MTFS - Areas of uncertainty

- Pension Fund – next revaluation increase contributions capped at 1% per annum but fund performance/ impact of Hutton report still uncertain
- Impact of localisation of council tax
- Impact of business rates retention – potential impact if do not grow businesses > RPI



Appendix 4 discussion / questions?

