

The Conservative Group alternative budget proposals 2023/24

Proposed By Councillor Arnold Saunders

Seconded by Councillor Adam Kealey

I wish to move an amendment to the City Mayors Budget at item 4. This amendment will present an alternative 2023/24 budget to that proposed by the City Mayor, this amendment is within rule 18.VII of the Council Procedure rules of the Constitution.

We propose to amend the City Mayors budget in line with the following headlines.

- No increase in core council tax compared to the 2.99% increase included within the City Mayor's budget report. This will result in reduced income of £3.917m compared to the City Mayor's proposal. The 2% adult social care precept increase will be retained
- Deferral of the implementation of the council's pay review. The pay review will not be implemented until April 2024 with the full cost of the review being incurred in 2025/26 instead of 2024/25 as currently reflected in budget proposals.
- Reduction in the size of the council's communications team leading to a corresponding reduction in core budget of £0.309m
- Reduction in the value of the cost of living crisis fund to £2.750m on the basis that all households will benefit from the proposed removal of 2.99% core council tax increase
- Remove financial support to the working class movement library on a permanent basis, generating a recurrent saving of £0.025m.
- Increase the frequency of street cleaning with those streets currently being cleaned on a three weekly basis to be cleaned on a fortnightly basis as a cost of £0.600m
- Review and invest in the provision of children's crossings at a potential cost of £0.336m.

The impact of these changes on the 2023/24 budget is set out in the following table.

	2023/24 £m
City Mayor's budget proposal - funding gap	0.000
Funding reduction	
No core council tax increase in 2023/24.	3.917
Investments	
Street Cleaning - increased frequency	0.600
Investment in Children's crossings	0.336
Revised funding gap	4.853
Proposals to balance the budget	
Pay Review -deferred implementation	-4.100
Reduction in cost of living crisis fund to £2.750m	-0.419
Reduction in Communications Team	-0.309
Removal of funding for working class movement library	-0.025
Funding gap	0.000

Aside from the changes detailed above, all other elements of the City Mayor's proposed budget, for example service and Innovate savings proposals, are retained.

Whilst these proposals will enable a balanced budget position to be achieved in 2023/24 it is recognised that funding gaps will increase for the remainder of the medium term strategy period. These are mainly driven by the short term nature of the delay in implementation of the pay review.

The Section 151 Officer has advised that sustainable, recurrent savings must be identified to bridge this funding gap given the financial uncertainty facing the local government sector. If recurrent savings are not identified, the impact upon the council's medium term financial strategy will be as set out within Appendix 1, placing further stress upon the council's budget position.

At the point of the budget council meeting these savings are still to be identified. It is our intention to work with members, officers and external advisors to identify these savings during 2023/24 with initial work to be undertaken on rationalisation of the council's asset base through the disposal of office space.

The net result of this alternative proposal is reflected in the revised council tax resolution included in Appendix 2. Total council tax, at Band D, is £2,160.49 including the GM mayoral precepts for Police and Crime Commissioner and the General precept including Fire.

Appendix 1 – Impact of proposals on the Medium Term Financial Strategy

	2023/24 £m	2024/25 £m	2025/26 £m
City Mayor's budget proposal - funding gap	0.000	12.441	23.906
Funding reduction			
No core council tax increase in 2023/24.	3.917		
Investments			
Street Cleaning - increased frequency	0.600		
Investment in Children's crossings	0.336		
Revised funding gap	4.853	12.441	23.906
Proposals to balance the budget			
Pay Review -deferred implementation	-4.100	3.200	0.900
Reduction in cost of living crisis fund to £2.750m	-0.419	0.419	
Reduction in Communications Team	-0.309		
Removal of funding for working class movement library	-0.025		
Funding gap	0.000	16.060	24.806

Appendix 2 Formal resolutions - 2023/24 council tax

1. That the following amounts be now calculated by the council for the year 2023/24 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 (the Act):
 - a) £800,535,525 being the aggregate of the amounts which the council estimates for the items set out in Section 31A (2) of the Act representing the gross revenue budget of the council.
 - b) £666,906,868 being the aggregate of the amounts which the council estimates for the items set out in Section 31A (3) of the Act.
 - c) £133,628,657 being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated by the council, in accordance with Section 31A (4) of the Act, as its council tax requirement for the year. (Item R in the formula in Section 31A (4) of the Act).
 - d) £1,809.24 being the amount at (c) above, divided by Item T ((73,859) calculated by the council, in accordance with Section 31B (1) of the Act, as the basic amount of its council tax for the year.
 - e) The amounts attributable to the valuation bands as shown in the following table being the amounts given by multiplying the amount at 1(d) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

Basic amount of council tax for the year £

A minus	A	B	C	D	E	F	G	H
1,005.13	1,206.16	1,407.18	1,608.22	1,809.24	2,211.30	2,613.35	3,015.40	3,618.48

2. That it be noted that for the year 2023/24 the Greater Manchester mayor has stated the following amounts in precepts issued to the council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below.

Precept Valuation bands

Mayoral Police and Crime Commissioner Precept £

A minus	A	B	C	D	E	F	G	H
135.16	162.20	189.23	216.26	243.30	297.36	351.43	405.50	486.60

Mayoral General Precept (including Fire Services) £

A minus	A	B	C	D	E	F	G	H
59.97	71.96	83.96	95.95	107.95	131.93	155.92	179.91	215.90

3. That, having calculated the aggregate in each case of the amounts at 1(e) and 2 above, the council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of council tax for the year 2023/24 for each of the categories of dwellings shown below:

2023/24 council tax £

A minus	A	B	C	D	E	F	G	H
1,200.26	1,440.32	1,680.37	1,920.43	2,160.49	2,640.59	3,120.70	3,600.81	4,320.98