

Durham County Council Independent Group Budget Amendment

MTFP 10

The Council, in respect of the Cabinet's 2020/21 budget and MTFP 10 to consider :

(a) County Durham News – Cease Publication

Cease entirely the publication of the County Durham News from April 2020. This produces an annual saving of £200,000.

(b) Comms & Marketing Team Staffing

Reduce the staffing in the Communication and Marketing team to one press officer and two assistants. This would produce a saving in 2020/21 of £828,000 and the same in 2021/22.

TOTAL REVENUE SAVING – 20/21 - £1,028,000 with an additional £828,000 in 2021/22.

The revenue savings identified above to be invested as follows :

(a) Reduce Council Tax

Reduce the 1.99% Council Tax increase in 2020/21 to 0.99%. The total council tax increase in 2020/21 will therefore be 2.99% once the Adult Social Care 2% precept increase is included. The lost income in 2020/21 is £2,200,000 from this proposal.

(b) Re-Open the DLI Building

One-off costs of re-opening the building are estimated at £500,000 with on-going running costs estimated at £212,000.

(c) Increase Members Neighbourhood Budgets for 20/21 only

Increase Members Neighbourhood budgets from £19,400 to £22,000 at a cost of £327,600

(d) One-Off 20/21 contribution to Village Halls / Community Associations

Provide a contribution to each village hall and community association at a cost of £200,000

Total Revenue Costs from (a) to (d) total £3,439,600 in 2020/21

There will be a requirement to utilise additional Budget Support Reserve of £2,411,600 in 2020/21. The total use of the Budget Support Reserve in 2020/21 will increase from £2,733,000 to £5,144,600 reducing the forecast balance on the Budget Support Reserve to £14,028,000.

The estimated savings shortfall for 2021/22 to 2023/24 will increase by £1.025 million from £32.457 million to £33.482 million to reflect the revenue and capital proposals set out in this budget amendment.

In relation to the capital budget, additional capital investment as follows:

(a) Highways Maintenance – Additional £10 million Investment

An increase in the Highways Maintenance capital budget of £10.000 million in 2020/21 with a subsequent borrowing cost estimated at £469,000 per annum from 2021/22.

Additional Revenue Costs of Additional Highways Capital Schemes total £469,000 from 2021/22

The net MTFP impact of the budget proposals is set out below:

Summary of MTFP Impact	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
Savings	-1,028	-828	0	0	-1,856
Revenue Investments	1,240	-1,028	0	0	212
Capital Investments	0	469	0	0	469
Reduced Council Tax	2,200	0	0	0	2,200
Increase Use of Budget Reserve	-2,412	0	0	0	-2,412
Adjustment for PYR use of Reserve	0	2,412	0	0	2,412
Change in MTFP Savings	0	1,025		0	1,025
Revised MTFP Savings	0	10,186	4,651	18,645	33,482

The council's estimated savings shortfall for 2021/22 to 2023/24 will increase from £32.457 million to £33.482 million to reflect the revenue and capital proposals set out in this budget amendment.

Cllr John Shuttleworth

DCC Independent Group