

Community Independent Group

20.02.2024

Gloucester City Council Budget Amendment

Proposer A. Chambers

Seconder B. O Donnell

Based on the General Fund Summary 2024-2025 the council will be in arrears of £7,150.00.

The City Council has already looked to take the VAT Shelter funding for earmarked reserves and raid the full balance of the earmarked reserves.

Earmarked reserves is a budget equalisation – This reserve was established to provide a buffer with which to deal with the uncertainties in the forward financial planning.

It is proposed to utilise this reserve in 2023/24 to contribute towards the significant cost pressures the Council has seen this year, such as from temporary housing and inflationary pressures. This earmarked reserve was set up for this purpose and will reduce the annual impact on the overall General Fund position of the Council.

Therefore, the city council is already forecast to operate at a loss, and has no buffer left to facilitate any unidentified significant cost pressures.

Therefore it is imperative that the council is financially well and spending tax payers money correctly. If a private business was trading at a loss they have a legal responsibility to close the business.

Statutory Services are struggling and these are legally required by law.

Culture is not a statutory requirement and therefore needs to be addressed as such.

Below is a breakdown of BlackFriars and Guildhall showing the sites separately, each site is operating at a significant loss to the tax payer.

Culture		
2024-25 Budget		
Type	Guildhall	Blackfriars
111EE: Employees	730,086.84	207,004.28
112PR: Premises	147,750.00	54,350.00
113TR: Transport	200.00	
114SS: Supplies and Services	424,820.00	71,300.00
115TPP: Third Party Payments	186,600.00	5,500.00
121GC: Grants and Contributions	(254,000.00)	
122FC: Fees and Charges	(208,500.00)	(130,000.00)
123IN: Other Income	(685,281.00)	(90,000.00)
Total	341,675.84	118,154.28

Culture portfolio is costing the Gloucester Tax Payer £2,229,641.00 loss each year. Blackfriars and Guildhall are set to continue to make losses based on their cash for the next 2 years.

Private cinema, bar and wedding venues when operated as a private business establishment are financially successful, employing people, generating a profit and servicing the community. My motion is for the City Council to sublet these premises to private businesses so that a profit can be generated for the business, they can be ran successfully by a private director and the premises can be fully maximised for the community. Furthermore, rental sublets for similar premises are around Guildhall £50,000 - £65,000.00 per annum and Blackfriars Wedding Venue £35,000.00 - £40,000.00 per annum. This will therefore generate an income to the Gloucester Tax Payer of circa £85,000.00 to £105,000.00 per annum.

Furthermore, the deficit of the Guildhall & Blackfriars Wedding Venue costs the Gloucester Tax payer £459,830.00 a year in lost Tax payers money. It has continually made significant losses year on year and has not been able to at least break even.

Therefore, the total cost for the Gloucester Tax Payer for the Guild Hall & Blackfriars is £564,830.12

This money should be invested in emergency accommodation. Currently the city council is forecast to lose £1,577,300.00 on premises costs to support emergency accommodation such as hotels costs etc, which Government grants cover in some cases 10%- 20% of these costs.

The £564.830.12 would purchase around 10 x Emergency housing newbuild pods, these are carbon neutral housing pods, made and manufactured locally in Gloucester, built by serving offenders and ex-offenders. And offer a combined yearly electric and heating bills of around £350 per year per unit.

Currently emergency housing costs to hotels in some circumstances cost the Gloucester tax payer £200.00 - £240.00 per night. 365 days in a year at £240.00 is £87,600.00 for one individual.

Therefore, 10 x individuals at £87,600.00 per year is a cost to the Gloucester Tax Payer of £876,000.00 per year. Therefore saving £477,230.12 to the Gloucester Tax Payer per year and on going savings per year of £876,000.00

Year On Year Saving

Year 1 = £876,000.00 – Minus cost of 10 x New build pods = £564,830.12 = £477,230.12

Year 2 = £876,000.00

Year 3.4.5.6.7.8.9.10 = £876,000.00 per annum

Year 10 SAVINGS OF £8,195,169.80 at a 10 year period.

Furthermore, Gloucester City Council can purchase more pods with the generated saved income, and the on going saving of not facilitating the financially failing Guild hall & Blackfriars, while generating a on going lease income from these units while they remain functioning for the community.

Moreover to saving £8,195,169.80 over a 10 year period. Gloucester City Council will own outright a minimum of 10 x new build pods which are carbon neutral and are A+ EPC rated.