

Section 2 – Report

1.0 Introduction

- 1.1 As an integral part of the budget setting process all Councils are required to undertake formal scrutiny of the budget.

2.0 Scrutiny of the Budget

- 2.1 The attached Cabinet reports document the evolving position working towards the draft budgets for the Council's General Fund, Housing Revenue Account and Capital Programme for 2025/26. Whilst we are still waiting for some more information from Government to finalise some specific funding streams, have to complete the annual estimate for Business Rates income and confirm whether any other short term savings measures could be considered, the budget is nearing its completion.
- 2.2 The final Cabinet meeting on the 4 February 2025 will need to finalise the above mentioned issues and then take a view on the utilisation of reserves or any other measures to reach a balanced budget position. This will form the recommendation from the S151 officer in their report to Full Council on the 19 February 2025.

3.0 Conclusion

- 3.1 Effective scrutiny of the budget setting process is not only a legislative requirement, but it is also a healthy corporate check and challenge exercise. The Council strives to ensure that all members, through various rounds of Committees and informal budget briefings are actively involved in shaping the budget. In addition it also takes a strong lead from the feedback received from its Resident Survey which indicates how our residents want us to prioritise our ongoing service delivery.

Financial Implications

By undertaking regular reviews of the MTFP the Council can ensure that its Corporate Plan priorities are affordable. The implications of the budget gap are set out within the paper. Many areas require greater clarity, particularly around national funding and possible changes to Government Policy. Therefore a number of key assumptions underpin the reported position, which will be refined as greater clarity is received through the budget setting process.

Legal Implications

None directly arising from this report, although there is a legal obligation to balance the budget. There are legal implications arising from any future consequential decisions to change service provision, but these would be assessed at the time.

Risk Assessment

The MTFP makes a number of financial assumptions based on a sensible/prudent approach, taking account of the most up to date professional advice that is available. These continue to be kept under review and updated where necessary.

Impact on Climate Change

The allocation of resources will impact upon the Council's ability to implement/fund new activities linked to climate change, as the MTFP sets the broad budgetary framework for the Council over the coming years. However, some provision has already been included in the base budget. Significant investment is currently forecast within the Capital Programme, however this will be dependent upon full options appraisals and levels of Grant funding available.

Equalities Impact Assessment

No implications arising from this report.

Relationship to Corporate Plan

The Medium Term Financial Plan (MTFP) sets out the financial resources available to deliver the Council's ongoing Corporate Plan priorities.

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: Andrew Jarrett

Agreed by or on behalf of the Section 151

Date: 20 December 2024

Statutory Officer: Maria De Leiburne

Agreed on behalf of the Monitoring Officer

Date: 20 December 2024

Chief Officer: Stephen Walford

Agreed by or on behalf of the Chief Executive/Corporate Director

Date: 20 December 2024

Performance and risk: Dr Stephen Carr

Agreed on behalf of the Corporate Performance & Improvement Manager

Date: 20 December 2024

Cabinet member notified: Yes

Section 4 - Contact Details and Background Papers

Contact: Andrew Jarrett – Deputy Chief Executive (S151)

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Background papers:

- Govt. Grant Settlement