

To: Cabinet

Date: 7 February 2024

Report/Comments of: Scrutiny Committee

Title: Scrutiny feedback to Cabinet – General Fund Revenue Budget 2024/25 and Medium Term Financial Strategy (MTFS) 2025/26 to 2027/28

SUMMARY OF REPORT CONSIDERED	
Report Title:	General Fund Revenue Budget 2024/25 and Medium Term Financial Strategy 2025/26 to 2027/28
Purpose/Description of Report:	To provide Members with the draft budget proposals for the general fund revenue budget and MTFS.
Key Decision:	No
Scrutiny Lead Member:	Cllr M Brown, Scrutiny Committee Chairman
Relevant Portfolio Holder:	Cllr S Cox, Portfolio Holder for Corporate Finance, Property and Resources

1. Introduction and Overview

The Scrutiny Committee met on 25 January 2024 to consider a report on the General Fund Revenue Budget 2024/25 and Medium Term Financial Strategy 2025/26 to 2027/28.

The report covered the following elements:

- Current year budget (2023/24)
- Draft budget (2024/25)
- Future years budget (2025/26 onwards)
- Use of reserves
- Financial Sustainability Plan
- Capital Resources

2. Summary of Feedback/Recommendations for Cabinet Consideration

- A concern was raised that as there is a lot of information in the paper for Members to consider, the job of Scrutiny is difficult. Members recognised the link between the Corporate Strategy and Budget but it would be better if they were done separately. It was explained that it was time to renew the Corporate Strategy and that it usually wouldn't be presented every year. In addition, Officers take Members through the budget process throughout the year and that it is discussed at the State of Melton Debate and there is the Budget Scrutiny Workshop in December as well. Members were invited to raise any further queries with the Director for Corporate Services outside of the meeting.
- Members Allowances was raised. It was explained that there is due to be an independent review in 2024/25 but that the annual uplift had been provided for in the budget.
- The backlog of service charging at Pheonix House and the concern over whether the occupiers know it is coming was raised. It was explained that Officer have discussed the issue with occupiers and that they are aware of the process. The building has been surveyed and the charges will be divided accurately. Officers confirmed that there will be an accrual at year end and it will go in the current year accounts. It was also highlighted that the Council will also be considering the new Asset Management Plan which demonstrates the significant progress that Corporate Asset team has made over the last year.
- A concern was raised in relation to the increasing charges at Thorpe Road Cemetery, as well as the repairs that need doing and the remaining number of plots. It was clarified that work on preparing to increase capacity at the current cemetery has progressed but the work has not yet been undertaken. It was noted that the Special Expenses Budget is a small budget and that the Increase in fees is necessary to help mitigate the rising costs.
- Thanks was given to Officers on the work done during the budget setting process.
- Concern raised over the spend on consultants around projects. The Chief Executive clarified there was not significant use of consultants but confirmed that there will be occasions where using external technical expertise is necessary, especially in areas the Council doesn't have in-house expertise.
- Members raised the issues of the car parking assessment and whether external resources were required for that It was explained that this was a legacy commitment and that there is no proposed budget allocated to the task. What there is, is a commitment to review options for new car parking technology which does not require additional resources.
- A Member raised concern that there is a lot of red on the risk register. In response it was explained that finance is a high risk, especially post

covid, with rising inflation, reduced income and decreasing government grants but that the Council's finances are under control and there had not been a deterioration from previous years. That said, Members were informed that local government finances as a whole remain fragile and that the SLT maintain constant oversight on the financial position and that the council can in no way be complacent. It was also highlighted that while the current budget was not proposing any significant cuts, there was no guarantee that this may not be required in 12 months' time.

- Parking charges on evenings and Sundays was raised and the concern that this would conflict with the objective of getting more people into the town centre. It was explained that fees and charges had already been approved under delegation and that no other car parking charges had been increased.

Written by: Scrutiny Committee Chairman in consultation with Members of the Scrutiny Committee