

To: Cabinet

Date: 6 February 2025

Report/Comments of: Scrutiny Committee

Title: Scrutiny feedback to Cabinet – General Fund Revenue Budget 2025/26 and the Medium Term Financial Strategy 2026/27 to 2028/29.

<b>SUMMARY OF REPORT CONSIDERED</b>	
<b>Report Title:</b>	General Fund Revenue Budget 2025/26 and the Medium Term Financial Strategy 2026/27 to 2028/29.
<b>Purpose/Description of Report:</b>	To provide Members with the draft budget proposals for the general fund revenue budget and MTFS.
<b>Key Decision:</b>	No
<b>Scrutiny Lead Member:</b>	Cllr M Brown, Scrutiny Committee Chairman
<b>Relevant Portfolio Holder:</b>	Cllr S Cox, Portfolio Holder for Corporate Finance, Property and Resources

## 1. Introduction and Overview

The Scrutiny Committee met on 23 January 2025 to consider the report on the General Fund Revenue Budget 2025/26 and the Medium Term Financial Strategy 2026/27 to 2028/29.

The report covered the following elements:

- Current year budget and forecast outturn (2024/25)
- Draft budget (2025/26)
- Future years forecasts 2026/27 to 2028/29
- Level and use of reserves
- Financial Sustainability Plan

## 2. Summary of Feedback/Recommendations for Cabinet Consideration

- In relation to the special expenses budget, the comment was raised as to whether there are the funds available to purchase land to expand the

cemetery. In response it was noted that although expansion works would take place, there currently isn't a funded business case or definitive plan.

- Concern was raised that by 2027/28, reserves would be exhausted and that service reductions would need to be considered.
- Concern was raised in relation to the outstanding service charge recharges. It was noted by Officers that there are currently negotiations with tenants of Phoenix House regarding this matter. Members asked that the updated position be provided to all members of the committee outside the meeting.
- A query was raised as to whether the Council could stick to the £306k budget for homelessness temporary accommodation, considering that the current year spend is £348k. It was noted that it is highlighted as a risk, however the Council has a duty to house people. There has been increased demand, which has created a difficult situation. Officers would review how assets could be utilised to support the Council in delivering its statutory duty and Officers are confident that the service would be delivered within budget.
- A query was raised as to whether the Council could afford the Community Coordinator role and the role in the Health and Active Communities Team. It was clarified that both are growth items and it is proposed to be funded by UKSPF funding. There would be an overview of outputs and an assessment of whether the roles meet outcomes.
- The question was raised as to whether it is worth taking on a Funding Co-ordinator when, potentially, there is only two years left before Melton Borough Council ceases to exist. In response, it was clarified that nothing has yet been decided and the Council still has a duty to deliver services until a time it doesn't exist. The aim is that the post would be fixed term for two years and would have to deliver within that time. It was noted that the Funding Co-ordinator would have different focus from the previous Funding Co-ordinator.
- Following a concern raised regarding the MMDR South, it was confirmed that the Council are continuing to work with Leicestershire County Council (LCC) but that LCC doesn't see the project going ahead in either the short, medium or long term. Despite this, there is still a commitment towards delivering it and the local plan depends on the South road being delivered.
- A query was raised regarding the one-off planning expenditure in relation to the solar farm inquiry. In response, Officers confirmed that the expense is expected but that they are unsure what the exact figure would be. An estimate had been included in the forecast reserves.

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