

EFFICIENCY AND RESOURCES SCRUTINY COMMITTEE

Thursday, 31 January 2019

PRESENT – Councillors Haszeldine (Chair), Carson, Cossins, Coultas, Johnson, Marshall and C Taylor

APOLOGIES – Councillor Mrs H Scott,

ABSENT – Councillor Crichlow

ALSO IN ATTENDANCE – Councillors Knowles and Newall

OFFICERS IN ATTENDANCE – Elizabeth Davison (Assistant Director Resources), Shirley Burton (Democratic Manager) and Hannah Fay (Democratic Officer)

ER23 DECLARATIONS OF INTEREST

There were no declarations of interest reported at the meeting.

ER24 MEDIUM TERM FINANCIAL PLAN (MTFP) 2019/20

Submitted – The Minutes (previously circulated) of all of this Scrutiny Committee's which had been held to discuss the proposals contained within the Medium Term Financial Plan, which were within their individual remits.

It was reported that all of the Scrutiny Committees had supported the proposals in relation to the proposed Council Tax increase of 2.99 per cent and the proposed increase in fees and charges within their own remits. Each of the Scrutiny Chairs presented, at the meeting, the outcomes of their Scrutiny Committees.

In presenting the findings of the Adults and Housing Scrutiny Committee, the Chair of that Scrutiny Committee also advised Members of the discussion which has taken place in relation to the Council's Housing Review Account (HRA) and particular reference was made to the welcome lift by the Government of the borrowing cap on the HRA which would enable the Council to increase its housing capital programme by around £12 million.

The Chair of the Health and Partnerships Scrutiny Committee reported that that Scrutiny Committee had requested further information in relation to the allocation of the £501,000 which had been identified for winter pressures and it was reported that that money had now been allocated and would be reported to Members.

In relation to Children's Services, reference was made to the significant pressures in Children's social care and the demand pressures on external residential placements and independent fostering placements, together with the cost of SEND school transport which was subject to a review to reduce the current projected overspend.

Discussion ensued on the potential significant financial risks which could occur over the lifetime of the Plan which were difficult to predict at this time, particularly in relation to Brexit outcomes and it was highlighted that further discussions around how

the Council would address these issues and the subsequent financial implications were needed. Some unease was raised about the Council agreeing to a four-year plan which could not be quantified at this stage in view of the uncertainty, however, the Assistant Director Resources reported that the Council had a long established process of operating a medium term approach to its financial planning and to only look at one year would not be prudent. In recommending the Plan to Members it had been accepted that the Council was carrying a significant risk in terms of the need to reduce expenditure, however contingencies had been put in place and the plan was based on the most accurate reflection of the Councils financial position.

It was reported that the Council had just been advised that it was to receive funding of £210,000 over the next two years to help it with its preparations for Brexit and that this funding would be put into reserves until called upon.

Reference was made to the role of this Scrutiny Committee in monitoring the MTFP over its life.

RESOLVED - That, in relation to the Medium Term Financial Plan, Cabinet be advised that :-

- (i) the response of this Council's Scrutiny Committee is to support the proposed increase in fees and charges and the proposed Council Tax increase of 2.99 per cent for the next financial year; and
- (ii) in considering the proposed four-year MTFP, the Efficiency and Resources Scrutiny Committee wishes to highlight its concern in relation to the potential significant financial risks over the lifetime of the plan, which are difficult to forecast at this time and that the Council's Statutory Chief Financial Officer be formally requested to highlight these concerns to Cabinet