

COMMUNITIES AND LOCAL SERVICES SCRUTINY COMMITTEE

Thursday, 10 December 2020

PRESENT – Councillors Renton (Chair), Mrs Culley, Allen, Bartch, Cossins, Donoghue, Durham, McCollom, Tait and Wallis

APOLOGIES – Councillor Haszeldine

ABSENT –

ALSO IN ATTENDANCE – Councillors Dulston, Keir and Ali

OFFICERS IN ATTENDANCE – Ian Thompson (Assistant Director Community Services), Brian Graham (Head of Environmental Services), Seth Pearson (Partnership Director), Elizabeth Davison (Assistant Director Resources) and Hannah Fay (Democratic Officer)

CLS25 MEDIUM TERM FINANCIAL PLAN

Submitted – A report (previously circulated) of the Chief Officers Executive which had been considered by Cabinet at its meeting held on 8 December 2020, in relation to the Medium Term Financial Plan (MTFP) 2021/22 to 2024/25, including setting a budget and council tax increase for 2021/22.

It was reported that the Council had faced significant challenges over the last decade following the economic downturn and reduction in public sector spending; that to date, the Council had been successful in responding to these challenges but this was becoming increasingly difficult, particularly in respect of a growing elderly population, pressure in the children's social care sector and the major economic impact of Covid-19 which had a direct impact on the Council's finances this year.

The submitted report outlined details of the core offer budget, which had been agreed following a significant consultation exercise in 2016 and allowed reduced expenditure and services to a risk based minimum level with a small investment fund of £2.5m per year. It was noted that in subsequent MTFP's unallocated balances of £6.5m were invested in five areas, namely Community Safety, maintaining an attractive street scene, maintaining a vibrant town centre, developing an attractive visitor economy and neighbourhood renewal.

The submitted report highlighted areas of saving within the plan and areas of pressure, in particular the significant effect of Coronavirus pandemic on the Council's expenditure and income budgets. It was reported that estimates had been made on the direct service impact of the pandemic in 2021/22 with the assumption services would return to normal in 2022/23; and Members noted the projected expenditure for 2021/22 of £95m.

Reference was made to projected income, including core grant funding to Local Government; in particular the continuation of the Sales, Fees and Charges recompense scheme from April to June 2021 which was estimated to be £0.616m; and the increase in Council Tax and National Non-Domestic Rates (NDR), which would provide an increase in income over the period of the MTFP. Members noted

the projected income of £94m for 2021/2022.

Reference was made to the Futures Fund allocation, with £3.401m committed to the futures fund themes to date with a balance of £0.699m remaining; and Members noted the recommendation to utilise £0.914m of the unallocated balances to continue the Futures Fund ongoing priorities and commitments into 2024/25.

It was reported that by 2024/2025 the projected general fund balance was £3.504m however this relied on building around 433 Band D equivalent houses per year, no significant overspending, assumptions of a cash equivalent position materialising in the settlement and a Council Tax increase of 1.99 per cent and a further 3 per cent Social care precept totalling 4.99 per cent.

Members entered into discussion on the pressures relating to street scene services, waste disposal and fly tipping.

Reference was made at the meeting to providing costings at the next meeting of this Scrutiny Committee for the potential provision of additional bins (Minute CLS27).

RESOLVED –That this Scrutiny Committee has no comment to make on the proposed schedule of fees and charges for those services within its remit; supports the Council Tax increase of 1.99 per cent plus the 3.00 per cent adult social care precept for the next financial year; and supports the Futures Fund continuation into 2024/25.