

## **CABINET – 8TH FEBRUARY 2024**

### **Report of the Director Finance, Governance and Contracts Lead Member: Cllr Ashcroft**

#### **Part A**

#### **BUDGET SCRUTINY PANEL**

##### **Purpose of Report**

To consider the conclusions of the Budget Scrutiny Panel following its scrutiny of the Council's draft budget for 2024/25.

##### **Recommendation**

Set out below are the Panel's conclusions, followed by officer comment. The Cabinet is asked to note the conclusions.

##### **Reason**

To acknowledge the work undertaken by and the views of the Budget Scrutiny Panel. On this occasion, there are no recommendations to be considered or agreed by the Cabinet.

#### **Panel Conclusions**

The Panel notes that due to the impact of higher interest rates on monies invested and the ability to use Business Rates Pool income in future years, the Medium Term Financial Strategy working balance is at £4.1 million not £2.8 million. This is a much stronger financial position than was previously expected.

Whilst many councils appear to be financially struggling, it is good to see that Charnwood will be able to budget with a limited use of reserves that have been built up over many years of shrewd fiscal management.

There are potential risks on the horizon, particularly within the housing benefits subsidy and we wait to see what changes can be made to assist the General Fund through additional income or cuts in expenditure.

#### **Comment of the Director Finance, Governance and Contracts**

The Panel's comments are noted.

#### **Policy Justification and Previous Decisions**

The Scrutiny Commission, at its meeting on 8th January 2024, agreed that the report of the Budget Scrutiny Panel be submitted for consideration by the Cabinet.

Scrutiny Committee Procedure 11.12(a) sets out the procedures by which a report of a Scrutiny Committee should be considered by the Cabinet.

In accordance with Scrutiny Committee Procedure 11.12(d), sufficient background information and officer advice has been provided within this report to enable the Cabinet to make any decisions without undue delay.

#### Implementation Timetable including Future Decisions and Scrutiny

A report setting out the draft General Fund and HRA Budget 2024/25 is included on the agenda for this meeting, for recommendation to Council at its meeting on 26th February 2024.

The Cabinet's response to the Panel's conclusions will be fed back to the Scrutiny Commission, indicating what (if any) action the Cabinet proposes to take. Where necessary, the Scrutiny Commission will review the implementation of any Cabinet decisions at an appropriate time, usually after 6 months.

#### Report Implications

Implications, if any, are as set in out in the above officer comment.

Key Decision: No

Background Papers: None

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## Part B

### Background

1. Following a decision of the Scrutiny Commission at its meeting on 7th August 2023, a Budget Scrutiny Panel has undertaken scrutiny of the Council's draft budget for 2024/25.
2. The Scrutiny Commission considered the Panel's report at its meeting on 8th January 2024 and resolved that the conclusions of the Panel be submitted to the Cabinet for its consideration .
3. The following extract from the Scrutiny Commission's minutes outlines its consideration of the matter:

"92. BUDGET SCRUTINY PANEL

*A report of the Budget Scrutiny Panel to enable the Commission to consider any recommendations and observations of the Budget Scrutiny Panel was submitted (item 10 on the agenda filed with these minutes).*

*Councillor Seaton assisted with the consideration of this item as a Budget Scrutiny Panel member. The following summarises the discussion:*

- i. The Chair of the Budget Scrutiny Panel (Councillor Charles) communicated via email that he would like to thank the members and officers involved in the Budget Scrutiny Panel. He went on to say that whilst the Council would face financial challenges in the year ahead, it was in a strong position to face these challenges.*
- ii. Members acknowledged the relatively strong financial position of the Council and thanked members and officers for their work in scrutinising the Council's upcoming budgets.*

**RESOLVED** *that the Budget Scrutiny Panel report be approved for submission to the Cabinet at the next available meeting.*

### Reason

*To ensure timely and effective scrutiny of the matter and subject."*

4. The Panel's report submitted to the Scrutiny Commission is attached as an Annex.