

## Response of the Cabinet Member – Finance and Resources to Overview Committee’s Consideration of the Budget Update and Medium Term Financial Strategy Proposals

	Issue raised by the Overview Committee	Response from the Cabinet Member – Finance and Resources and the Service Director for Finance, Infrastructure, and Improvement (Section 151 Officer)
1.	<b>Public Consultation</b>	
	<p>Members agreed that the increase in the number of residents who participated in the Budget Survey, with 3,911 responses to the 2023 Budget Survey being received (which was a 59% increase on the 2,454 responses received last year) was to be welcomed.</p> <p>Members requested that Overview Committee should receive a report at a future meeting to enable them to identify what had worked well in the running of the survey and how this success could be built on further in the delivery of the 2024 survey.</p> <p>Members noted that the outcomes of the survey had shown:</p> <ul style="list-style-type: none"> <li>• Most respondents disagreed or strongly disagreed when asked whether the Council should reduce spend on a range of services to help meet the financial challenge.</li> <li>• Overall, 63% of respondents would support an increase in council tax – 44% up to the current referendum limit of 2.99% and 19% would support an increase by lower than the referendum limit.</li> <li>• Overall, 70% of people completing the survey would support an increase</li> </ul>	<p>In June 2023 Overview Committee reviewed the Council’s approach to consultation and made several recommendations to improve both the process and increase the number of responses. This included bringing forward the timetable, increasing publicity, maximising use of social media, increasing younger people to participate and setting expectation on length of time to complete the survey.</p> <p>All must have played a part in the increase in responses seen this year. The Deputy Leader agreed to feedback to Overview Committee on the statistics that may explain the increase.</p> <p>As per the previous year’s budget process the high level budget consultation is considered and reflected as part of the Budget report.</p>

	<p>in the Adult Social Care Levy – 48% by the maximum level currently permitted of 2%, whilst 22% would support an increase by a lower level permitted.</p> <p>Members asked that Cabinet should fully consider this information when formulating its proposals on Council Tax and in the development of the 2024/25 Budget.</p>	
<p><b>2.</b></p>	<p><b>SEND Transport Growth</b></p>	
	<p>Members noted the significant overspend during 2023/24 on the delivery of SEND Transport.</p> <p>Members asked whether the risks and assumptions that had been used to set the Budget for SEND Transport in 2023/24 had adequately considered the rising number of children and young people with EHCPs and increased levels of transport for the transferring of pupils to educational provision where there was no current provision available within their catchment area.</p>	<p>The Cabinet Member for Finance &amp; Resources together with the S151 Officer explained the national trend that is reflected in the Council’s budget monitoring reports and set out in the detail regarding the pressure bid for SEND Transport.</p> <p>This set out that the growth in demand for transport is driven by an increase in EHCP (Educational Health Care Plans) and increased levels of transport for transferring pupils to educational provision where there is no current provision available within their catchment area.</p> <p>For 2024/25 there is a planned increase in EHCP’s of 150 pupils at an average cost per pupil of £8,750 each = £1.3m. Also, 30 new school places @ £8,750 each = £0.26m. For 2025/26 – there is forecast to be 30 new EHCP’s = £0.26m; there will also be 300 new school places as two new schools will open in Sept ‘25 = £1.75m.</p>
<p><b>3.</b></p>	<p><b>Transformational Activity</b></p>	
	<p>Members sought further information around the delivery and monitoring of the Council’s transformational activity.</p>	<p>The Deputy Leader agreed to provide an update on progress with transformation activity to a future meeting of Overview Committee.</p>
<p><b>4.</b></p>	<p><b>Response to Flooding</b></p>	
	<p>Members asked whether the risks and assumptions that were used to set the budget for flood response activities included sufficient consideration of the impacts of climate change on the number and severity of flooding incidents.</p>	<p>The Budget report agreed last February includes a risk-based approach for setting the level of the General Fund Balance. This was set at £1m.</p> <p>Cabinet will again review the level of the General Fund Balance as it proposes a Budget to Full Council for 2024/25.</p> <p>The Bellwin scheme, provided by the Government, may be activated where an emergency or disaster involving destruction of or danger to life or property occurs and, as a result, one or more local authorities incur expenditure on, or in connection with, the taking of immediate action to safeguard life or property, or to prevent suffering or severe. The Government assumes a level by which the local</p>

		<p>authority should manage the financial risk before the scheme is triggered.</p> <p>In the context of the Bellwin scheme and reflecting upon the number of significant weather events during 2023/24 The amount set aside to manage this risk will be increased to £1.5m.</p>
<b>5.</b>	<b>Local Government Funding</b>	
	<p>Members welcomed the additional local government funding that had been announced by the Government on 24 January in addition to the funding outlined in the provisional local government settlement.</p> <p>Members asked for further information on the amount of extra funding that this announcement would provide for the Council.</p>	<p>Details of the funding allocations will be provided to local authorities when the final local government settlement is announced in the next few weeks.</p>
<b>7.</b>	<b>Capital Receipts</b>	
	<p>Members asked what the current figure for Capital Receipts was for 2023/24 and what the current estimate was for 2024/25.</p>	<p>The anticipated level of capital receipts as per Budget 2024/25 is as follows:  2023/24 £7.1m  2024/25 £22.6m</p>
<b>8.</b>	<b>Capital Programme</b>	
	<p>Members asked for further information on the factors that had been considered to inform the review of the capital programme and whether other factors in addition to inflation had impacted on the revised cost of delivering the Capital Programme</p>	<p>In February last year the Council approved its Capital Strategy as part of the Budget. This sets out in detail all the factors that are taken into consideration in setting the capital programme for the council, the detail of the major schemes, the links to the Council's plan and strategies as well as the implications of the capital programme upon the Council's revenue budget and Medium-Term Financial Strategy (MTFS). Again, as the Council considers its Budget, both at Cabinet and at Full Council, the Council will see all this detail set out in its Capital Strategy.</p>
<b>9.</b>	<b>Savings</b>	
	<p>Members asked for information on potential areas, the scale and implications of the further savings that would be required to be considered by Cabinet when formulating its proposals on Council Tax and in the development of the 2024/25 Budget (as noted at paragraph 60 of the report to Overview Committee).</p>	<p>The Budget 2024/25 report at Cabinet meeting in February 2024 will set out any savings proposals.</p>

