

Cherwell District Council

Budget Planning Committee

Minutes of a meeting of the Budget Planning Committee held as a Virtual meeting, on 19 January 2021 at 6.30 pm

Present:

Councillor Nicholas Mawer (Chairman)
Councillor Carmen Griffiths (Vice-Chairman)
Councillor Nathan Bignell
Councillor Phil Chapman
Councillor Conrad Copeland
Councillor David Hughes
Councillor Andrew McHugh
Councillor Barry Richards
Councillor Douglas Webb
Councillor Fraser Webster
Councillor Lucinda Wing

Substitute Members:

Councillor Shaida Hussain (In place of Councillor Sean Woodcock)

Also Present:

Councillor Ian Corkin - Lead Member, Customers and Transformation
Councillor Tony Ilott - Lead Member, Financial Management and Governance
Councillor Barry Wood - Leader of the Council

Apologies for absence:

Councillor Sean Woodcock

Officers:

Yvonne Rees, Chief Executive
Lorna Baxter, Director of Finance & Section 151 Officer
Michael Furness, Assistant Director Finance
Anita Bradley, Director Law and Governance & Monitoring Officer
Ansaf Azhar, Corporate Director of Public Health & Wellbeing
Claire Taylor, Corporate Director Customers and Organisational Development
Stephen Chandler, Corporate Director Adults & Housing Services
Steve Jorden, Corporate Director Commercial Development, Assets & Investment
Jason Russell, Corporate Director Communities
Aaron Hetherington, Democratic and Elections Team Leader
Emma Faulkner, Democratic and Elections Officer

38 **Declarations of Interest**

There were no declarations of interest.

39 **Minutes**

The minutes of the meeting of the Committee held on 5 January 2021 were confirmed as a correct record, to be signed by the Chairman in due course.

40 **Chairman's Announcements**

There were no Chairman's Announcements.

41 **Urgent Business**

There were no items of urgent business.

42 **Provisional Local Government Finance Settlement Update**

The Committee considered a report from the Director of Finance that gave an overview of the 2021/22 Provisional Local Government Settlement, and the impact on Cherwell District Council compared to assumptions included in the Budget Consultation.

In presenting the report, the Director of Finance clarified to the Committee that the amount of one-off Covid grant funding announced was £0.8 million and not £0.7 as detailed in the report. This meant that there was a total of £1.8 million of one-off funding available to the Council, over and above the levels anticipated.

Regarding the Government compensation scheme relating to irrecoverable Council Tax and Business Rates loses, the Director of Finance advised the Committee that a consultation had been issued and was due to run until 14 January. It was therefore unknown as to the amount of funding that the Council would receive under the schemes.

Resolved

- (1) That the outcome of the Provisional Local Government Finance Settlement be noted.

43 **Reserves Review**

The Committee considered a report from the Director of Finance which provided an update on the Review of Reserves that had been taking place.

The Assistant Director - Finance explained to the Committee that the aim of the review had been to ensure the Council had sufficient levels of General Balances more strategic Earmarked reserves rather than small focussed reserves.

Services holding earmarked reserves had been asked if there was an intention to carry out the projects requiring those reserves in the next 5 years. Where there were plans in place, it was proposed to leave the reserves. Where there were not any plans, it was proposed to pool the reserves into a larger earmarked reserve, with the potential for use in a more strategic way.

With regards to the minimum level of general balances, it was felt that an amount of £5 million would be an appropriate level.

The Assistant Director - Finance advised the Committee that the total balance of £45 million of reserves forecast for 1 April 2021 was as a result of a Government grant. The grant had been paid in advance, and would offset the deficit on the collection fund.

Resolved

- (1) That the proposed outcome of the reserves review be noted.
- (2) That the Executive be advised that Budget Planning Committee support the allocation of reserves as a prudent and sensible allocation of funds.

44 **Financial Management Code Assessment**

The Committee considered a report from the Director of Finance which detailed their assessment of the Council's readiness to implement the Financial Management Code.

The Director of Finance explained that the Cherwell position against the standards listed in the code had been given a Red, Amber or Green (RAG) rating. Of the 17 standards, 16 had been rated green and one amber. The amber rating related to the monitoring of reserves, which already had work underway on improving the position as had been discussed earlier on the agenda.

The Director of Finance also advised the Committee that areas for improvement had been identified for those standards rated as green, which meant that the Council was in a good position for the implementation of the code.

Resolved

- (1) That the assessment of Cherwell District Council's readiness to implement the Financial Management code be noted.

45

Proposed Fees and Charges for 2021/22

The Committee considered a report from the Director of Finance that provided an update on the draft Fees and Charges for 2021/22.

The Assistant Director - Finance explained that income from fees and charges would increase by 2%. The rate of increase across individual service areas varied depending on regulation or legislation in place covering those services.

The Assistant Director - Finance advised the Committee that there were no detailed figures listed in relation to parking charges for 2021/22. This was due to a service consultation which needed to be conducted, and levels of charging would remain at the 2020/21 rates until that process had been completed.

In response to questions from the Committee, the Assistant Director - Finance agreed to seek information on the cost of the Cherwell District Council Building Control Service compared to commercial suppliers.

Resolved

- (1) That the draft Fees and charges schedule for 2021/22 be noted.

46

Update Staffing and Budget

The Committee received a verbal update from the Corporate Director – Customers and Organisational Development relating to staffing and the budget.

The Corporate Director – Customers and Organisational Development reiterated to the Committee that detailed proposals would be subject to consideration by the Personnel Committee, and carried out in line with the Organisational Change policy which would involve formal consultation with affected staff and trade unions.

Following the public consultation on budget savings, the impact of the proposals had been identified as fewer than 17 full time equivalents (FTEs). The Corporate Director – Customers and Organisational Development advised the Committee that FTEs did not equate to 17 individuals or 17 posts, due to various elements such as part time posts.

The Corporate Director – Customers and Organisational Development also advised that the proposals did not take account of the redeployment policy or joint working opportunities, and explained that it was fairly common for

changes to be made to proposals as the various consultation stages were carried out.

The Corporate Director – Customers and Organisational Development concluded by advising the Committee that she had committed to keeping Group leaders briefed on the situation as work progressed.

Resolved

(1) That the verbal update be noted.

47

Review of Committee Work Plan

The Assistant Director - Finance provided a verbal update regarding the Committee work plan for the remainder of the 2020/2021 Municipal year.

It was anticipated that the following items would be considered at the next meeting of the Committee on 9 March 2021:

- Performance, Finance and Risk Monitoring for Quarter Three

Resolved

(1) That the verbal update be noted.

The meeting ended at 7.10 pm

Chairman:

Date: