

Cherwell District Council

Budget Planning Committee

Minutes of a meeting of the Budget Planning Committee held at Bodicote House, Bodicote, Banbury, Oxon OX15 4AA, on 25 July 2023 at 6.30 pm

Present:

Councillor Patrick Clarke (Chairman)
Councillor Tom Beckett
Councillor Becky Clarke MBE
Councillor Donna Ford
Councillor David Hingley
Councillor Matt Hodgson
Councillor Simon Lytton
Councillor Sean Woodcock

Apologies for absence:

Councillor Douglas Webb
Councillor Dorothy Walker
Councillor Barry Wood

Also Present Virtually:

Councillor Adam Nell, Portfolio Holder for Finance

Officers:

Joanne Kaye, Head of Finance and Deputy S151 Officer
Leanne Lock, Strategic Business Partner - Business Partnering & Controls
Jacey Scott, Revenues and Benefits Manager
Sandra Ganpot, Benefits Services and Performance Manager
Matt Swinford, Democratic and Elections Officer

Officers Attending Virtually:

Shahin Ismail, Interim Head of Legal Services & Deputy Monitoring Officer

3 Declarations of Interest

There were no declarations of interest.

4 Minutes

The minutes of the meetings of the Committee held on 7 March 2023 and 23 May 2023 were agreed as correct records and signed by the Chairman.

5 Chairman's Announcements

There were no Chairman's announcements.

6 Urgent Business

There were no items of urgent business.

7 Council Tax Reduction Scheme 2024-25

The Committee considered a report from the Assistant Director of Finance to enable members to consider the proposed banded scheme for Council Tax Reduction for 2024-25.

The Revenues and Benefits Manager explained the existing income banded scheme was introduced in April 2020 and in general had received good feedback from residents.

The Revenues and Benefits Manager advised that the Council tax reduction scheme had remained the same but adjusted for inflationary purposes and that the scheme had set a maximum level of Council Tax reduction based on net income of the applicant and household members.

Following questions from the Committee, the Revenues and Benefits Manager confirmed that the reduction scheme had increased in line with the Council Tax increase.

It was proposed by Councillor Sean Woodcock and seconded by Councillor Matt Hodgson that Executive be recommended to agree that the current scheme (adjusted for inflationary purposes) be retained for 2024/25.

Resolved

- (1) That the contents of the report be noted.
- (2) That, having given due consideration, the Executive be recommended to agree that the current scheme (adjusted for inflationary purposes) be retained for 2024/25.

8 Budget Process 2024-25

The Committee considered a report from the Assistant Director of Finance that summarised the approach Cherwell District Council (CDC) intended to

take in order to set its 2024/25 budget and 5-year Medium-Term Financial Strategy (MTFS) for the period to 2028/29 and revises the Reserves Policy.

The Head of Finance advised that the Medium-Term-Financial Statement covered a five-year timeframe therefore the MTFS approved in February 2023 was to be extended by one year to cover the 2028/29 financial year.

The Head of Finance advised there was a current trend for external audits to extend beyond the end of the financial accounting year that could have an impact on the usable reserves. Because of this, section 6.2 had been introduced in the revised Reserves Policy to allow the Section 151 Officer delegated authority, in consultation with the Portfolio holder of Finance, to manage such impact of changes to ensure the long-term resilience of the Council.

In response to a question from the Committee regarding the actions that the Section 151 Officer could take if section 6.2 of the Reserves Policy needed to be used, the Head of Finance advised that, as the final use of reserves was reported to Executive in June/July in the Outturn Report, to use reserves to address audit issues in prior years after this point under the original policy could cause time delays in getting the accounts signed off. The revision to the policy gave the S151 Officer the flexibility to manage audit issues and protect the general fund balance.

Following questions from the Committee as to whether all fees and charges would be uplifted by 10%, the Head of Finance advised that all budget holders had been encouraged to look at their fees and charges where they could be set by the Council, to ensure that costs were recovered as far as possible to reflect the inflationary rises.

Following questions from the Committee regarding whether the Leader or Portfolio holder for Finance had lobbied central government about decreases in government funding, the Head of Finance advised that they would seek a response and update to Committee members after the meeting. Following on from the response from the Head of Finance, Councillors Hodgson and Woodcock urged the Portfolio Holder to write to central government asking them to address the level of funding, if such correspondence had not already been sent.

In response to further detailed questions from the Committee, the Head of Finance advised that responses would be sought from the relevant departments and circulated to Committee members after the meeting:

- A breakdown of the increase in the 'Corporate Changes' cost of £0.909m for 2024/25 on Table 1 of Appendix 1.
- A breakdown of the reduction in business rates income of £2.495m forecast for 2024/25 on Table 1 of Appendix 1

Resolved

- (1) That the report be noted.

9 **Monthly Finance Performance Report**

The Assistant Director of Finance submitted a report to the Committee that summarised the Council's outturn position for revenue and capital for 2022/2023.

The Strategic Business Partner - Business Partnering & Controls explained that the outturn position showed an overall underspend of £1000 which had been achieved against a backdrop of financial challenges under the current economic circumstances. The January monitoring report advised a forecast of £38,000 overspend so a small movement to the end of March position.

The Capital budget had ended the year with a £14.958m underspend, however £14.273m of this has been requested to be reprofiled into future years. The Strategic Business Partner - Business Partnering & Controls advised that £685k had not been utilised in the financial year and would not be carried forward into future year's budgets.

In response to further detailed questions from the Committee, the Strategic Business Partner - Business Partnering & Controls advised that responses would be sought from the relevant departments and circulated to Committee members after the meeting:

- The number of transfers from the reserves General Balance into revenue that have occurred over the last few years.
- An explanation of the Castle Quay capital projects that had been paused.
- Data in car park usage to understand the drop in income from car parks.

Resolved

- (1) That the report be noted.

10 **Review of Committee Work Plan**

The Strategic Business Partner – Business Partnering & Controls presented the Budget Planning Committee Work Plan.

The Strategic Business Partner – Business Partnering & Controls advised the Committee that at the next scheduled meeting on 26 September 2023, the Committee would consider the monitoring report for Q1, June 2023 and details of ongoing and upcoming central government consultations regarding budgetary matters. The Committee would have an opportunity comment and feed into the consultation responses where appropriate.

Following a question as to whether the Committee could be given the opportunity to consider the planned budget consultation activities for the

2024-25 budget process for the council, the Chairman advised the Committee that he would discuss the possibility with officers.

Resolved

- (1) That the update on the Committee Work plan be noted.

The meeting ended at 7.11 pm

Chairman:

Date: