

## OVERVIEW AND SCRUTINY COMMISSION RESPONSE

### The Council's Budget Consultation

The Borough Treasurer reported that full Council had considered a report that set out budget setting proposals to meet the £11.6m funding gap faced by the Council. It was agreed at this Council meeting that £4.5m of savings would be made, a rise in council tax would raise a further £2.1m and £5.1m of reserves would be utilised.

Following this meeting, it was clear that using reserves in this way was not a sustainable approach and that further savings needed to be identified. Additional budget proposals were subsequently agreed by the Executive on 23 February.

This range of saving proposals were now being put before the O&S Commission for consideration. The Borough Treasurer reported that if these budget proposals were implemented, the Council would have an underspend of approximately £3-4m, this underspend could then be added to reserves to be utilised in future years.

The Transformation Board would be working to identify further savings and undertaking a number of reviews to identify further economies over the next four years. Budget proposals were currently being consulted upon and consultation would take place over a 6-12 week period.

In response to Members questions, the following points were made:

- A range of documents had been made available alongside the revenue budget savings proposals to assist understanding of the proposals.
- A proposal to reduce the grant funding to South Hill Park had been made and it was anticipated that South Hill Park would respond to the consultation exercise and this would be taken into account. It was clear that South Hill Park would need to adjust their programme of events to account for a loss of grant of £44,000. The Chief Executive confirmed that he had written to the Chief Executive at South Hill Park and that any detailed proposals would be developed over the next 12 weeks with South Hill Park.
- It was confirmed that youth provision would be considered under the heading of early intervention/prevention heading on page 14 of the agenda papers.
- It was clarified that whilst the Executive work programme detailed in the agenda papers identified a decision on voluntary sector grants decision on 18 March, this would need to be revised to take account of the additional budget proposals.
- It was reported that the parish council tax reduction support detailed on page 15 of the agenda papers was an additional reduction to that already identified in the Commitment Budget 2016/17.
- The budget consultation exercise had been shown on the Council's website and a press release had also been published.
- It was reported that the transitional grant would be paid over a two year period. It had to be taken into the revenue budget and it was viewed as a stop-gap measure to lessen the impact of the funding gap.
- The level of prudent reserves was regarded to be a minimum of £4 million.
- The proposed saving of £200,000 on highway maintenance was a deferral of spending.

Councillor Mrs Temperton reported that she had recently attended a Life Chances Conference which focussed on reducing ill health and improving the emotional resilience of disadvantaged children. The message from the Conference was that early intervention, children' centres, good universal youth provision, programmes like Home Start were all measures that helped children to develop emotional resilience, reduced ill health and reduced the numbers of children being taken into care by local authorities. She felt as a result that the budget proposals relating to young people were short sighted.

The Executive Member for Transformation reported that budget proposals had been put forward by each directorate.

The Chairman stated that there was still opportunity for budget proposals to be removed, amended or replaced.