

## Recommendations of Overview & Scrutiny Committee

### 6.1 Overview & Scrutiny Committee – 19 January 2022

#### 6.1.1 Budget Update from Budget Panel

Consideration was given to a verbal report of the Lead Member for the Budget Panel which updated Members on changes to the 2022/23 budget forecast, including the provisional Local Government Finance Settlement, New Homes' Bonus provisional allocations, the impacts of Coronavirus, revenue savings and budget pressures. It also provided an updated Medium Term Financial Forecast covering 2022/23 to 2024/25. In order to achieve a balanced budget, it will be necessary to close the remaining gap of £62,000 before figures are finalised in February 2022.

The Budget Panel discussed a range of options to close the budget gap and noted that there are a number of factors that will impact on the completion of the estimates for 2022/23 that still retain a degree of uncertainty.

The Head of Finance and Revenues gave an update on;

- 2022/23 budget forecast
- Local Government Finance Settlement
- Council Tax increase – referendum threshold
- Income from Council Tax
- Government Grants in Provisional Local Government Finance Settlement
- Inflation
- Investment Income
- Savings options, income generation proposals and budget pressures
- Transfers to and from reserves
- New homes bonus
- Localisation of non domestic rates
- Medium term financial forecast

One of the areas of concern was the loss of parking revenue which was around £500,000 lower than target. This is the only budget pressure relating to the pandemic which will continue into the next financial year. It is not expected that income will return to pre pandemic levels and therefore a budget pressure has been included in the budget.

The remaining parts of the budget process still to be completed are service estimates and the forecast income to be generated from retained business rates.

Members discussed;

- Council Tax increases
- Additional properties being built

The Budget Panel Lead Member expressed thanks to the Head of Finance & Revenues and the team for all their efforts and a very comprehensive report.

The recommendation from this Committee will be considered by Cabinet on 23 February 2022 with the final budget being considered by Council on 25 February 2022.

**Resolved:**

**That the Budget Update be endorsed.**

**Recommended to Cabinet:**

**That Cabinet notes that the Overview and Scrutiny Committee received and approved a Budget Update and endorsed the work undertaken to deliver a Budget for 2022/23.**