

CORPORATE SERVICES OVERVIEW AND SCRUTINY PANEL

MONDAY, 18 FEBRUARY 2019

PRESENT: Councillors Gerry Clark (Vice-Chairman), Paul Brimacombe and Julian Sharpe

Officers: Rob Stubbs, Andy Jeffs and David Cook.

APOLOGIES

Apologies for absence were received by Cllrs Burbage, L Evans, Ilyas, Quick and the Lead Member for Finance MJ Saunders.

DECLARATIONS OF INTEREST

There were no declarations of interest received.

FINANCIAL UPDATE

The Head of Finance introduced the latest Financial Update Report and informed that the report confirmed a projected overspend on service budgets of £3,298,000. The Council had General Fund Reserves of £8,161,000.

There were two variances reported in the report:

- Registrars income shortfall of £40,000.
- IT Services network circuit costs of £37,000.

Cllr Brimacombe mentioned that the mitigations were helped by the business rates pooling windfall and asked if the £3million of mitigations were on track. The Panel were informed that the mitigations were on track with any variances being reported.

Cllr Sharpe asked if the saving proposals were on track and was informed that it was expected that they would all be achieved with the number reflecting those that started mid-year.

Cllr Brimacombe informed that at the Audit and Performance Review Panel Members had discussed the budget methodology and concerns about the amount of sensitivity. When looking at the budget there would be areas that did not change, areas that were semi variable and those areas that were very sensitive to variations such as social services. He asked that out of the £85 million budget had officers looked at sensitivity. The Panel were informed that the budget had not been set that way the flexibility in areas such as children's services had been greater than expected and this new forecasted trend had been built into the 2019-20 proposed budget.

Cllr Brimacombe recommended that more sensitivity analysis should be added to the more variable areas of the budget. If added this would take out some of the heat when discussing future budgets as you would have already explained and taken into account those volatile areas.

Cllr Sharpe mentioned that there were a lot of areas that we know could be variable but other not yet known, he asked what process had been followed to plan for future pressures. The Panel were informed that there were two main areas of concern; children's services and parking income. There had been a lot of analysis into these areas when the budget build had been undertaken.

Cllr Brimacombe said that one should not get excited about variances in areas of high sensitivity as these were to be expected, it was variances in the fixed forecasted areas that should raise concern.

Cllr Sharpe mentioned that all authorities when budgeting worked to similar parameters but he hoped that we looked at smart ways of setting the budget. The Panel were informed that were done on an incremental basis but occasionally zero based budget exercises were undertaken but these were intensive. It was feasible to do zero based budget exercises in specific areas when required.

Resolved unanimously: that the Panel endorsed the recommendations contained within the Cabinet report. The Panel felt that when a shortfall had been identified within the report it should be made clear if this was an isolated incident or of the pressure would continue and thus mitigating action should be proportionate.

LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF THE PUBLIC

RESOLVED UNANIMOUSLY: That under Section 100 (A)(4) of the Local Government Act 1972, the public can be excluded from the remainder of the meeting whilst discussion takes place on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 1 and 3 of Part I of Schedule 12A of the act.

The meeting, which began at Time Not Specified, finished at Time Not Specified

CHAIRMAN.....

DATE.....