

## Overview & Scrutiny Recommendation Response Pro forma

*Under section 9FE of the Local Government Act 2000, Overview and Scrutiny Committees must require the Cabinet or local authority to respond to a report or recommendations made thereto by an Overview and Scrutiny Committee. Such a response must be provided within two months from the date on which it is requested<sup>1</sup> and, if the report or recommendations in questions were published, the response also must be so. **NB Owing to interactions with other constitutional and meeting timeframes, these recommendations must be responded to on the day received.***

*This template provides a structure which respondents are encouraged to use. However, respondents are welcome to depart from the suggested structure provided the same information is included in a response. The usual way to publish a response is to include it in the agenda of a meeting of the body to which the report or recommendations were addressed.*

### Issue: Post-Consultation Budget Proposals 23/24 – 25/26

Lead Cabinet Member(s): Cllr Callum Miller, Cabinet Member for Finance

Date response requested: 24 January 2023

### Response to report:

### Response to recommendations:

Recommendation	Accepted, rejected or partially accepted	Proposed action (if different to that recommended) and indicative timescale (unless rejected)
That the Council reports back to Performance and Corporate Services Scrutiny as large capital projects develop in addition to oversight by Audit & Governance.	Agreed	<i>Cabinet adopted a revised approach to capital governance in July 2022. The purpose is to exercise closer internal scrutiny of the capital portfolio and of high value programmes and projects within it. Cabinet undertook a capital prioritisation exercise in October</i>

<sup>1</sup> Date of the meeting at which report/recommendations were received

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		<p><i>2022 which is reflected in the proposed changes to the capital programme (including two additional schemes into the firm programme for 23/24 and a number of high priority schemes in the pipeline) document submitted to Cabinet for decision on 24 January. The revised Capital and Investment Strategy now includes a prioritisation framework – this will be used to assess all future proposed schemes, and any proposed changes in costs/scope/time to existing schemes, before they can be considered in the firm capital programme. The Cabinet Member for Finance and officers would be glad to take part in a workshop with members of the PCSOSC to present these approaches and answer questions.</i></p> <p><i>The Capital Monitoring report is published quarterly and submitted to Cabinet. It is suggested that the PCSOSC considers whether it would like to review this document as a means to scrutinise in-year developments within the capital programme.</i></p> <p><i>To note: it was highlighted at the Committee that there was an omission in the capital prioritisation framework on page 4, the word ‘target’ should be added to the end of bullet point ‘f’. This has been amended.’</i></p>
<p>That Cabinet members for Finance and Corporate Services maintain a close ongoing dialogue to ensure effective ongoing monitoring of both the revenue and capital sides of the budget, with said Cabinet members reporting proactively to the committee on any in-year areas of concern as soon as reasonably practicable.</p>	<p>Agreed</p>	<p><i>The Cabinet members for Finance and Corporate Services will continue to collaborate closely over the monitoring of the Council’s performance and budgetary outturn. The key document for this activity is the Business Management and Monitoring report, which is reported to Cabinet on a regular basis. PCSOSC is invited to review this document as a means to scrutinise any areas of concern.</i></p>

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<p>That Council ensures a) that directorates' reported service pressures from inflation reflect specific service-level inflation where relevant rather than nation-wide OBR inflation b) that directorates' estimates follow a best practice procedure and are checked at a central level, and c) that in the next budget the Council provides a table showing the inflation outturn versus budgeted estimates.</p>	<p>Agreed</p>	<p><i>(a) Many contracts contain clauses that uprate prices annually in line with inflation; the Council will always seek to negotiate the best value from its contracts through procurement and active contract management. (b) Directorates build their future budget estimates using sector-specific estimates of inflation and their local knowledge of cost and demographic pressures. The Council believe this reflects best practice and will continue to seek any ways to improve estimates through peer review and dialogue with other authorities. (c) The next budget will include a table showing the relevant inflation rate used in budget setting and the latest in-year rate (the outturn will not be available until the end of the financial year in April 2024; the budget will be consulted upon in November 2023).</i></p>
<p>That the Council develops a revenue pipeline of projects whose order of priority is justified by agreed principles, including their contribution towards the Council's strategic aims.</p>	<p>Agreed</p>	<p><i>The Council will develop a set of potential revenue priorities as part of the budget process for 2024/25.</i></p>
<p>That the Cabinet provides within the Budget Council meeting pack a table showing how savings proposals which were reversed after the consultation budget correspond to the feedback and level of support expressed by the consultation.</p>	<p>Agreed</p>	
<p>That the Council gives closer consideration in forthcoming financial years to mainstreaming tackling the climate crisis as a principle of budget design with proposals evaluated at the earliest opportunity according to their impact on the Council's climate targets. This decision making should be able to be evidenced in the</p>	<p>Agreed</p>	<p><i>The Council is committed to tackling the climate crisis and is constantly seeking ways to mainstream this within its policies and procedures. The Council will seek to learn from best practice in other authorities to ensure that its budget decisions are informed by an understanding of their impact on climate targets and that this is evidenced in the next budget.</i></p>

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presentation of the budget and accompanying narrative.		
That the Council works with parish, town, city and district councils to develop a clearer understanding over the financial and legal issues involved in joint working with regards to tree-planting.	Agreed	
That the Council tracks and reports on a) the number of trees it is responsible for planting over the next year, and b) the net impact once trees which have been cut down are also considered.	Agreed	