

COMMENTS FROM OVERVIEW AND SCRUTINY PANEL (PERFORMANCE AND CUSTOMERS) – 10th January 2018

DRAFT REVENUE BUDGET 2018/19 AND MEDIUM TERM FINANCIAL STRATEGY 2019/20 TO 2022/23

- 10.1 The Panel received the Draft Revenue Budget 2018/19 And Medium Term Financial Strategy 2019/20 To 2022/23. The Executive Councillor for Strategic Resources stated that what was presented was a draft budget and that this was an opportunity for Members to suggest amendments.
- 10.2 A Member expressed praise that despite the non-realisation of £453k of Zero Based Budgeting savings there had still been a net decrease in the budget of £817k.
- 10.3 A Member suggested that an alternative use for reserves should be presented within the report, even if it is later dismissed
- 10.4 Following a discussion on the Commercial Investment Strategy (CIS), a Member stated that the message the Executive Councillor gave Members as to the reasons for the CIS, in particular that the Council may look to invest in the market towns, are effectively communicated to the residents of the District.
- 10.5 Concern was expressed that the budget for 2018/19 was optimistic considering that there had been an overspend of £778k in the 2017/18 budget and that the starting point for 2018/19 would be lower. The Executive Councillor for Strategic Resources and the Head of Resources are confident that the Council could stay within budget in 2018/19.
- 10.6 A suggestion was made that the Council either sets aside money to pay Minimum Revenue Provision (MRP) or pays MRP off early however in the opinion of the Head of Resources this wouldn't be the best use of resources.
- 10.7 A discussion ensued regarding the level of Council Tax increase the Council should impose. The Panel were split on the issue with one Member suggesting that the Council should increase Council Tax by 3% or £5, another Member suggesting that it should not be increased at all and a further Member supporting the proposed 2% increase.
- 10.8 A Member expressed concern that the budget for the Operations Department is optimistic considering the overspend it incurred during 2017/18. Members were informed that a considerable amount of the overspend were one-off items that would not occur again during 2018/19.
- 10.9 The Panel discussed the proposed saving on closed churchyards. The Council maintains closed churchyards in four Parishes and it is proposed to levy the residents of those parishes in order to pay for the maintenance. Although the Panel gave their broad support to this suggestion concern was expressed that the impact of a levy would be greater on the smaller parish. In addition, Members urged the Council to managing the issue with sensitivity.
- 10.10 The Executive Councillor discussed the reason for the inclusion of a bus departure levy however a Member stated that they were concerned that with a levy the bus companies would either remove more services or pass the cost of the levy onto the customers, many of whom are residents of the District.

- 10.11 In regards to the swimming lesson fee increase, the Panel were supportive provided that the relevant Executive Councillor had done the necessary work to ensure the viability of the increase.
- 10.12 The Panel reviewed the capital programme and reminded the Executive Councillor and the Head of Resources that when purchasing ICT equipment that the lifespan of the equipment should be taken into account as that would affect maintenance and replacement costs.