

## **COMMENTS FROM OVERVIEW AND SCRUTINY PANEL (PERFORMANCE AND GROWTH)**

### **FINAL 2022/23 REVENUE BUDGET AND MEDIUM-TERM FINANCIAL STRATEGY (2023/24 TO 2026/27); INCLUDING THE CAPITAL PROGRAMME**

- 6.1 The Panel discussed the Final 2022/23 Revenue Budget and Medium-Term Financial Strategy (2023/24 to 2026/27); including the Capital Programme at its meeting on 2nd February 2022.
- 6.2 Following a question from Councillor Chapman, the Panel heard that the New Homes Bonus was as a result of an annual report being submitted rather than a trigger point to achieve.
- 6.3 Councillor Chapman additionally commented that detail in relation to projects would be helpful in enabling the Panel to make informed observations and discussions. Historically commercial sensitivity had been cited as a reason for less detailed information than desired. This point was noted.
- 6.4 The report was praised by Councillor Roberts, who felt that the emphasis was just right. He also observed that with a strong local economy and a plethora of new business creation within the district, would there be any scope to be more optimistic in the figures. The Panel heard that whilst inspiration could be drawn from the inspirational local businesses and their creative ways of working, the budget has been set with realistic aims in mind.
- 6.5 Councillor Roberts additionally queried the consistency of the amends made to the pre application fees in Annex A. The finance team will investigate this question and respond to the Panel at a later date.
- 6.6 The proposed increase in Council Tax was queried by Councillor Wakeford, who also questioned the rationale for not having done so in the previous financial year and how this had impacted upon the current finances. The Panel heard that last years Council Tax freeze was the right thing to do for the residents of Huntingdonshire and the importance of striking a balance between spend and funds raised was emphasised. Councillor Wakeford was satisfied that this increase had been included into the budget across the medium term period, however he questioned the stability for the remaining years of the medium term and particularly what position could be expected in the next financial year. The Panel were reassured that the facts had been presented to allow for informed debate and that the budget was as conservative and realistic as possible to allow for strong progress in the coming municipal year.
- 6.7 Councillor Dew observed that the New Homes Bonus had been utilised to good effect over past years, and that having expressed initial doubts over the Commercial Investment Strategy (CIS), this had been well implemented to the benefit of the Council. He queried whether there had been any indication on

the future travel of funding and the Panel were informed that advice had been taken from Pixar to allow for the most accurate estimate in this matter.

- 6.8 In response to questions from Councillor Shellens and amiable debate, it was confirmed that the underspend had had a positive impact on the reserves. The Panel also heard that since 2014, the New Homes Bonus had been used in line with the CIS projects, however given the economic climate in the current financial year, it had been returned to the budget to strengthen the Council's financial position.
- 6.9 Councillor Shellens further questioned the substantial degree of risk associated with income forecast from traded services. The Panel were reassured that the legacy commercial estate held by the Council had formed the development of the CIS. Complete transparency is given through CIS reporting and this strategy has brought much needed income into the Council's budget. It was also noted that CIS acquisitions are currently at 97% occupancy.
- 6.10 Following a question from Councillor Sanderson, the Panel heard that leisure centre figures showed the predicted return of customers to centres but that these were also realistic numbers. It was further confirmed that leisure services had undergone additional scrutiny and work had been undertaken to restructure leisure costs. It was noted that the Panel would like to see a breakdown of costs by centre in the future.
- 6.11 The Panel welcomed the report and encourage the Cabinet to endorse the recommendations contained within the report.