

**UPDATE - 2013/14 BUDGET AND MTP
(Report by the Overview and Scrutiny Panel (Economic Well-Being))**

1. INTRODUCTION


- 1.1 At its meeting held on 6th December 2012, the Overview and Scrutiny Panel (Economic Well-Being) considered a report by the Head of Financial Services providing an update on the 2013/14 Budget and MTP. This report summarises the Panel's discussions on the matter.

2. THE PANEL'S DISCUSSIONS

- 2.1 The Panel has previously held informal discussions on the Council's financial position. The Chairman has informed Members that he has advised the Cabinet of the options considered and recommendations that have been made. The Panel is reassured that the Cabinet is developing its own range of options for savings, many of which are similar to those identified by the Panel. The Panel looks forward to reviewing the Cabinet's plans in due course and to discussing the way information is presented.
- 2.2 The Panel has discussed the report by the Head of Financial Services in detail. Members are generally of the view that the Council should seek to effect what savings it can make rather than run down reserves. In order to establish a complete picture, information on the savings that have been achieved to date has been requested. It is further felt that Members should be provided with ongoing monitoring data on progress against savings targets. At the same time, it is stressed that there is a need to protect services to customers.
- 2.3 The Panel has discussed the consequences of not pooling business rates. Further work is to be undertaken before a decision is taken for next year. If it is decided not to proceed, it will be possible to pool business rates in future years.
- 2.4 Members have discussed predictions for future housing completions, the procurement of energy and projected borrowing trends. A Working Group currently is looking at the Council's policies and approach to the latter. Particular emphasis has been placed on the assumptions made for the pay award and performance pay. While the view has been expressed that performance pay should only be awarded for better than expected performance and that no provision should be made for it in the budget, the Executive Councillor for Resources has indicated that there should be a performance related element in employees' pay.
- 2.5 Attention is drawn to Annex B, which identifies the increase in income as a result of the rise in the population level of the District.
- 2.6 At the conclusion of its deliberations the Panel has resolved to ask the Cabinet to examine what additional savings can be made bearing in mind the need to maintain those services that impact on the community whilst preserving if possible the Council's reserves.

3. RECOMMENDATION

- 3.1 The Cabinet is requested to take into consideration the views of the Overview and Scrutiny Panel (Economic Well-Being) as set out above when considering this item.

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