

BOROUGH OF REIGATE AND BANSTEAD

OVERVIEW AND SCRUTINY COMMITTEE

Draft minutes of a meeting of the Overview and Scrutiny Committee held virtually on Wednesday, 9 December 2020 at 7.30 pm.

Present: Councillors N. D. Harrison (Chair), S. T. Walsh (Vice-Chair), M. S. Blacker, G. Buttironi, J. C. S. Essex, R. J. Feeney, K. Foreman, J. Hudson, N. C. Moses, S. Parnall, J. Paul, J. E. Philpott, K. Sachdeva and R. S. Turner

Also present: Councillors T. Archer, V. Lewanski and T. Schofield

49. BUDGET SCRUTINY PANEL: SERVICE AND FINANCIAL PLANNING 2021/22

Members noted that the roll out of recycling to flats had started in 2012 but this still had not concluded and the budget indicated that this project would continue next year. It was acknowledged that there is provision for additional recycling crew in the budget, but more resources might be needed for Neighbourhood Services to speed up the roll-out and support residents, for example, by having half size bins for older residents that were more appropriate to their homes.

It was noted that there were delays this year due to the emergency response to COVID-19. Officers confirmed that the roll-out would restart after Christmas and they would look at smaller bins if necessary, although this would be an additional cost.

Members thanked the Finance team for clarifying the reserves policy and commented that it was a sustainable budget.

They also thanked Councillor T. Schofield, Executive Member for Finance, and Pat Main, Interim Head of Finance, and her team for the work on the budget. Councillor N. Harrison also thanked all Panel Members for contributing and their questions to the Executive Members and Officers.

RESOLVED – that the Committee receive the report from the Budget Scrutiny Panel to go forward to the Executive to i) consider the provisional budget proposals for 2021/22 and (ii) make the recommendations below to the Executive in line with the Council's budget and policy procedure rules.

That in response to the Service and Financial planning 2021/22 report to Executive on 19 November 2020, the following observations be submitted for the consideration of the Executive:

- a) That the Overview and Scrutiny Committee thanks the Executive Member for Finance, Executive and Officers for preparing initial revenue and capital budget proposals for 2021/22;
- b) That the Overview and Scrutiny Committee considers the following to be achievable, realistic and based on sound financial practices and reasonable assumptions:
- (i) Revenue Budget Savings and Additional Income proposals totalling £2.094m
 - (ii) Revenue Budget Growth proposals totalling £0.812m
 - (iii) Forecast ongoing income budget pressures in 2021/22 as a consequence of the COVID-19 pandemic totalling £1.610m (to be met by one-off funding from the Government Funding Risk Reserve)
 - (iv) Capital Programme Growth and Reprofiling proposals resulting in a net reduction in the five-year Capital Programme of (£0.286m)
 - (v) Revenue Reserve Balances at 1 April 2020 of £35.391m;
- c) That the Overview and Scrutiny Committee considers the potential negative impact of the savings and growth proposals on service delivery to be minimal and concluded that the Council was managing its finances well on behalf of its residents;
- (d) That the budget proposals for 2020/21 included an allowance of £1.256m for the use of reserves including £1m to fund the headroom contingency budget, or a net increase of £256k excluding the headroom contingency budget. For 2021/22 no headroom budget has been established, and a drawing of £539k from reserves is planned. Any overspending will require further drawings from reserves;
- e) That implementation of the Council's Commercial Strategy is vital to meeting the budget gaps in future years, as government funding is further reduced. The Overview & Scrutiny Committee notes that no substantial additional commercial income from investments is included in the 2021/22 budgets;
- (f) That some capital budgets for investment are yet to be finalised, as well as a number of revenue budget items, and for this reason the Overview and Scrutiny Committee has yet to draw a conclusion on the overall budget proposals for 2021/22.