

Administration Response to the Overview and Scrutiny Committee Budget Review Recommendations

Recommendation 1

Devise a financial strategy that delivers a sustainable budget without the need to rely on reserves.

Response

A financial strategy is currently in development and this will involve reviewing areas of council expenditure and income in depth, holding joint sessions between officers and Members to analyse the budget and commencing the 24/25 budget planning process immediately. Progress on the Finance Strategy can be reported back to Overview and Scrutiny as required during the year.

Recommendation 2

Provide the pro formas detailing growth and saving proposals in sufficient time for OSC to review as part of its budget scrutiny

Response

Once Committee dates are confirmed for the new financial year, the budget timetable for 24/25 will be set and as part of this officers will endeavour to provide these pro formas earlier, before the Christmas period for next year.

Recommendation 3

Explore increasing Educational Maintenance Allowance for those children above the threshold – even if only temporarily during cost-of-living crisis.

Response

As part of delivering a financial strategy that delivers a sustainable budget, the Council needs to identify efficiencies or additional funding of £30.8m for 2024/25, rising to £37.8m in 2025/26. The Council had introduced an Educational Maintenance Allowance, in line with the Mayor's manifesto and any review of this in the new year will need to be considered in the context of the funding challenges facing the organisation. Any expansion of the Educational Maintenance Allowance would increase the budget gap facing the Council.

Recommendation 4

Review funding arrangements for the Resident Support Scheme

Response

The Council has received a number of grants from Government which are for specific purposes and are time limited, that would need to be repaid to Government if not utilised within the specified timescale. These grants have meant that for one year only, 2023/24, the Council will not be required to draw on its own

resources to fund the Resident Support Scheme. Any changes to funding arrangements would need to be considered in the context of ensuring a financial strategy that delivers a sustainable budget, and any additional commitment of council resources to this scheme for 2023/24 would increase the budget gap and subsequent draw down of council reserves, which is not a viable medium to long term solution.