

**Key Themes from Overview & Scrutiny Committees whilst considering the Budget Setting 2023-24 (Stage 2) report – December, 2022**

<b>Information and Communication</b>	<p>Appreciative of the work undertaken thus far and the transparent report. There is still a lot of work to be done. Communication of the issues to the workforce and to residents is important.</p> <p>Important to maintain confidentiality on proposals as discussed.</p>
<b>Schools</b>	<p>Grateful for the engagement we have had from head teachers and schools staff.</p> <p>Schools want to know what is happening and certainty is needed by schools and officers asap.</p> <p>We need to note school reserves are at their highest level but they can only be spent once. There will be difficult decisions for us all over the next few weeks and months and the earliest we know the better.</p> <p>Once we have the provisional settlement we will be able to give Members the options and information to make decisions to set a legal and balanced budget.</p>
<b>Out of County Placements (OCP)</b>	<p>Continuation of escalating costs. Concern that these will be higher than that included in the forecast and that there is likely to be an increase in the pressure as part of the final stages of the budget.</p> <p>To be kept under review as this is a very volatile and hard to predict budget. We are developing our in-house provision but this will take time to influence the OCP budget.</p> <p>The current position on OCP is an overspend of £1m but we cannot budget for every risk. However, we will need to assess the position in the final stages. The reason we need to keep some reserves is to mitigate against such risks.</p>
<b>Cost Pressures</b>	<p>Clarification given on a number of pressures across Portfolios.</p> <p>Need to prioritise wherever possible to balance off against efficiency options.</p>
<b>Cost Reductions</b>	<p>Reduction of budget proposals show that there is a considerable challenge for the Council in that we do not have any remaining “low hanging fruit” there are not many greens and a lot of ambers and reds.</p> <p>Full review given of options with many considered at this early stage for initial discussion as part of scrutiny process. Need to consider the longer term impacts.</p>

	<p>A number of discussions around the use of vacancies as part of efficiencies and the impact.</p> <p>Waste strategy options discussed and clarification on whether changes to service provision would require capital investment.</p> <p>Questions on whether fees could be increased in some areas – clarification given but some are statutory fees.</p> <p>Modern Apprentices efficiency and our ability to recruit.</p> <p>Reductions that benefit the budget are one part but need to consider impact and our ability to respond to a major incident (e.g. I.T).</p>
<b>Reserves</b>	<p>Need to reiterate the point on the importance of maintaining adequate reserves.</p> <p>We cannot budget for every risk so it is important we keep an adequate level of reserves to safeguard the Council against these.</p>
<b>Provisional Settlement</b>	<p>Clarification sought on what the settlement means for the efficiencies. This will be considered alongside everything else in the new year.</p> <p>The settlement is better than anticipated due to a combination of consequential funding arising from the UK Budget announcements and the positive impact of data set adjustments but there is still work to do.</p> <p>Regardless of the settlement for 23/24 we need to be mindful of the medium term position with the indicative uplift for 24/25 now being 3.1%</p>