

<b>Name of Committees:</b>	Overview & Scrutiny Committee		
<b>Committee Date:</b>	12 <sup>th</sup> February 2024		
<b>Report Title:</b>	2024/25 Budget report papers		
<b>Responsible Officer:</b>	Steven Pink – Chief Finance Officer & S151 Officer		
<b>Cabinet Lead:</b>	Councillor Bowdell – Cabinet Lead for Finance		
<b>Status:</b>	Non-Exempt		
<b>Urgent Decision:</b>	No	<b>Key Decision:</b>	No
<b>Appendices:</b>	Appendix 1 - Draft Havant Borough Council Budget 2024/25		
<b>Background papers:</b>	None		
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<b>Report Number:</b>	HBC/75/2024		

### Corporate Priorities:

The financial performance of the authority's budget has an overarching impact on all corporate priorities and the Council's ability to deliver against them. Ensuring the Council has a balanced and robust budget is not only a legal requirement, but also vital to allow the Council to deliver against its corporate priorities without putting the financial viability of the Council at risk.

### Executive Summary:

The Council's constitution requires the annual budget reports to be considered by the Overview and Scrutiny Committee.

The report presented ensures that the Council will deliver a balanced and robust budget, sets the Council Tax Base and endorses the Capital Programme, the Medium-Term Financial Plan and Treasury management strategy for the year 2024/25.

Early oversight and scrutiny of the report and its appendices offers the Committee the opportunity to scrutinise the budget prior to the budget being presented to Cabinet and finally to Full Council for approval.

## **Recommendations:**

The Committee is requested to scrutinise the budget papers and resolve that:

- (a) the submitted 2024/24 budget proposals, Reserves and Balances, Capital Strategy, Treasury Management Strategy and Medium-Term Financial Plan (MTFP) be noted.

## **1.0 Introduction**

- 1.1 Following a thorough process of challenge and review, and considering all known financial pressures and opportunities, the Council will be presented with the following reports and papers for its revenue budget, Medium-Term Financial Plan, Capital Strategy and Capital Programme, Treasury Management Strategy, Fee and Charges and Council Tax resolution.
- 1.2 The budget report is following a clear governance path before being presented to the Council for approval.
  - Audit and Finance Committee – 29/01/2024 (Draft papers)
  - All Member briefing – 01/02/2024 (Background, assumptions, and options)
  - Overview and Scrutiny Committee – 12/02/2024 (Draft papers)
  - Cabinet – 14/02/2024
  - Full Council – 28/02/2024

## **2.0 Background**

- 2.1 It is a legal requirement for the Council to set a “Balanced Budget”. Each year, the Council faces a number of changes to our available funding, service requirements and cost inflation. Given the general rate of inflation, this has put significant pressure on the Council’s budget in the past few years.

## **3.0 Budget 2024/25 report**

- 3.1 The Overview and Scrutiny Committee plays a key role in the governance processes of the Council. It is a key element of the Council’s Constitution that the budget report/s be considered by the Overview and Scrutiny Committee as part of the budget setting processes.
- 3.2 The budget report and proposals are presented to the Overview and Scrutiny Committee to provide members of the Committee the opportunity to review, scrutinise and comment on the budget report and its associated appendices before the budget is presented to Cabinet and then Full Council on 28<sup>th</sup> February for approval.

3.3 The budget report presents the key items for the financial year 2024/25:

- A balanced Revenue Budget
- Capital Strategy
- Five-year Capital Programme
- Five-year Medium-Term Financial Plan
- Treasury Management Strategy
- Investment Strategy
- Council Tax Resolution
- Business Rates Report
- Fees and Charges levels
- Reserves Report
- A Statement of Robustness from the Chief Finance and Section 151 Officer

3.4 The data held within the budget report and appendices are accurate and based actual data so far as is possible. Where not available, carefully calculated estimates are used, and independent third-party evidence/opinion is sought to support these estimates.

3.5 The budget report and appendices are still in draft form. They are currently being finalised prior to receipt at Cabinet. It is not anticipated that there will be any material changes to the reports prior to publication. In the unlikely event that any materials changes are made, these will be brought to members attention.

## **4.0 Options**

4.1 Officers have worked closely with Cabinet Leads to set a balanced budget. Part of setting the budget requires a view to be taken on available resources and proposals have been considered in order to ensure the most appropriate use of resources in meeting the Council's priorities.

4.2 The Overview and Scrutiny Committee is requested to scrutinise the Budget before them.

## **5.0 Relationship to the Corporate Strategy**

5.1 A balanced budget and agreed capital programme, enables the Council to deliver both its statutory functions and its Corporate Strategy.

- 5.2 Ensuring that key projects that support the Corporate Strategy have approved funding (whether revenue or capital) is essential to ensuring the achievement of our objectives.

## **6.0 Conclusion**

- 6.1 The proposed budget, Medium-Term Financial Plan, Capital Programme and associated papers and strategies have been through a rigorous process of consultation and collaboration between finance, operational officers, executives and elected members before being presented to the Council's official committees (in line with the constitutional requirements) for scrutiny and approval.
- 6.2 As Section 151 and Chief Financial Officer I am content that the budget being presented is adequate, and that the level of reserves held throughout the MTFS period are adequate to meet the Council's financial obligations having due regard for foreseeable risk.

## **7.0 Implications and Comments**

### **7.1 S151 Comments**

Members should be reminded that the authority to approve the budget cannot be delegated from Full Council. Therefore, the role of the committee is to assess the validity of the budget and the reports to ensure a fair and well-informed decision can be made by Full Council.

Members should be comfortable that a reasonable range of options to balance the budget have been considered and that appropriate consultation and engagement process have and will be followed.

### **7.2 Financial Implications**

The financial implications are listed within the body of the main report and its appendices.

### **7.3 Monitoring Officer Comments**

In accordance with the Local Government Finance Act 1992, local authorities in England and Wales are required to set a balanced budget for each financial year, following a specific process.

Approval of the Council's Budget and the levying of Council Tax are functions reserved to Full Council as per Part 2 Section B paragraph 1.1.8 of the Council's constitution.

The Overview and Scrutiny Committee is responsible for assisting with the formulation of the Council's budget in accordance with the Budget and Policy Framework standing orders.

#### 7.4 Legal Implications

The legal implications are listed within the body of the main report and its appendices.

#### 7.5 Equality and Diversity

These recommendations comply with our internal Equality and Diversity policy and practises where applicable.

#### 7.6 Human Resources

These recommendations have been considered in line with current HR policies and best practise.

#### 7.7 Information Governance

These recommendations have been considered in line with current information and governance guidelines.

#### 7.8 Climate and Environment

There are no direct climate and environmental impacts from the report.

### 8.0 Risks

8.1 The risks around the budget have been detailed in the body of the main report.

### 9.0 Consultation

9.1 Consultation of the content of this report is detailed within the main paper.

### 10.0 Communications

10.1 Communication of this report is in line with the Council's constitutional requirements.

<b>Agreed and signed off by:</b>		<b>Date:</b>
<b>Cabinet Lead:</b>	Cllr N Bowdell	
<b>Executive Head:</b>	Matt Goodwin	

<b>Monitoring Officer:</b>	Jo McIntosh	02/02/2024
<b>Section151 Officer:</b>	Steven Pink	31/01/2024