DURHAM COUNTY COUNCIL

At a Meeting of **Corporate Overview and Scrutiny Management Board** held in Committee Room 2, County Hall, Durham on **Thursday 3 October 2024 at 9.30 am**

Present:

Councillor R Crute (Chair)

Members of the Committee:
Councillors V Andrews, A Batey, B Coult, S Deinali, P Heaviside, L Hovvels, C Hunt, M Johnson, C Lines (Vice-Chair), C Marshall, C Martin, A Reed, K Shaw and A Watson (Substitute) (substitute for J Charlton)

1 Apologies

Apologies for absence were received from Councillors J Charlton, J Elmer, K Hawley, L Maddison, J Miller, B Moist, E Peeke, M Stead, A Sterling, A Surtees, R Yorke and S Zair

2 Substitute Members

Councillor A Watson for Councillor J Charlton

3 Declarations of Interest

Councillor C Martin declared an interest in Item No. 5.

4 2023-24 General Fund Revenue and Capital Outturn

The Board considered a report of the Corporate Director of Resources which provided details on the general fund revenue and capital outturn for the 2023/24 (for copy see file of Minutes).

The Head of Corporate Finance and Commercial Services provided an update on the following:

(a) the final revenue and capital outturn for the General Fund for 2023/24;
(b) the final outturn for the dedicated school's grants (DSG) and schools for 2023/24;
(c) the final outturn for the Council Tax and Business Rates collection fund for 2023/24;

(d) the use of and contributions to earmarked, cash limit and general reserves in 2023/24 together with the closing position regarding balances held at 31 March 2024;
(e) the achievement of Medium Term Financial Plan (MTFP) (13) savings targets in 2023/24; and
(f) the outcome of a review of all earmarked reserves, which had resulted in set of proposals to repurpose a range of these reserves.

The Head of Corporate Finance and Commercial Services highlighted the key messages from the executive summary, noting that the Council continued to financial challenges due to continuing short term local government finance settlements, inherent low tax raising capacity due to the low tax base together with significant unfunded inflationary pressures, enduring demographic and cost pressures in Children's Social Care, increased demand and complexity of demand for a range of services and the ongoing inflationary impact of pay awards.

The Board were informed that there had been an underspend against the revised budget, however there was a significant overspend in Children's social care. The Head of Corporate Finance and Commercial Services detailed some of these underspends and overspends for services.

In terms of Treasury Management, cash balances remained reasonably high, which allows the council to maintain an under-borrowed position compared to the need to borrow. Reserves, excluding school balances have reduced by 6% since the previous year.

The Head of Corporate Finance and Commercial Services reported that it was essential that the Council had a strong balance sheet and access to earmarked reserves which were available to support future budget shortfalls. A thorough review of all earmarked reserves had been completed as part of the 2023/24 final outturn process with a key aim that sought to replenish and increase corporate reserves such as the MTFP Support Reserve and the Early Retirement/Voluntary Redundancy (ER/VR) reserve to ensure corporate capacity was in place to support future budget shortfalls.   The redirection to corporate reserves ensured that there was sufficient capacity in place to meet corporate commitments going forward and strengthen the council's ability to set balanced budgets over the coming years. In total, £18.330 million of reserves had been repurposed to replenish corporate reserves and paragraph 19 of the report provided further detail around this.

In terms of the council capital programme the Head of Corporate Finance and Commercial Services outlined the final capital outturn position for 2023/24 that showed expenditure totalling £233.010 million, and paragraph 166 of the report showed how the programme was funded.

With regards to the school's position members were advised that 145 maintained schools would contribute a net £2.902 million to school reserves at the end of the year 2023/24, which were held separately from Council reserves.

There was an overspend in the Dedicated Schools Grant (DSG) of £1.196 million and paragraph 156 of the report showed the impact of the outturn on the DSG reserves position.

Finally, the Head of Corporate Finance and Commercial Services reported under paragraph 198 of the report the total position for the Business Rates element of the Collection Fund for 2023/24.

The Chair asked if there was a separate reserve for the higher needs block and if this expired in 2025/26. The Head of Corporate Finance and Commercial Services confirmed this and added that the government gave dispensation to the LEA to carry across deficits relating to the higher needs block to an unusable reserve, however, this statutory override would end on 31 March 2026. By the end of March 2027, the deficit would be written off against the Council's general reserves position, unless the Government continues to provide dispensation to local authorities to continue this accounting treatment or agree to write off the deficit balance. If the estimated balance by 2026/27 had to be charged against reserves it would be very challenging for the local authority when its reserves had already significantly depleted. He added that we were in the middle of the pack in terms of comparisons with other LEAs on the level of the DSG deficit, however there was a growing trend of deficits with £18 million by the end of this financial year and a forecast of £45 million by 2026/27 which would have a significant impact on reserves. A Section 114 Notice could be triggered and therefore government were being lobbied heavily on this emerging very significant risk.

The Chair asked if there was the option for the Government to write off the debt balance. The Head of Corporate Finance and Commercial Services commented that this was not a debt but rather a cumulative overspend. Many other local education authorities were in a similar position, however there would be issues of equity if the Government needed to write these balances off on a mass scale and nor would it address the underlying funding position.

Councillor Marshall asked where the Council were in terms of the reserves review and that it would be helpful to know if we had spent more or less reserves than we had expected in previous budget projections. In response the Head of Corporate Finance and Commercial Services explained that this had reduced and was not as much as expected. A reserves review across all services had taken place, looking at why reserves were being held for various reasons, and a decision had been taken to centralise some of those reserves. As the Council had to make significant savings, we would need to downsize the workforce and look at the risk factor on various commercial projects which require a level of reserves to mitigate the risks associated with these projects. He added that reserves had decreased by 30% since April 2022.

The Chair added that we faced difficult times and would need to make savings to balance the budget. He asked if we had lifted general reserves as a safety net. The Head of Corporate Finance and Commercial Services explained that was the case. Furthermore, each Directorate held a certain level of cash reserves to manage any overspends and all services' cash limit reserves were being closely monitored. However, one directorate CYPS had exhausted its cash limit reserves. The February Budget report would set out all the risks.

Councillor Marshall commented that overall general savings had dropped over the years and he believed the Council were living beyond their means and that we needed to be upfront to the public about not appointing to posts.

The Chair said that we had seen significant overspend in CYPS and that we needed to react in real time.

Councillor Marshall added that the Council faced cost pressures before COVID and conflicts had also contributed to problems in the economy. The current situation, in his opinion, was not sustainable and we were seeing the impact across communities.

Councillor Reed was concerned with the overspend and in particular the increase in the number of foster children or children looked after. The Council had introduced a Kinship Scheme which would not only provide children and young people with a home with someone they knew but would also provide a saving for the Council. She informed members that a special meeting of the Children and Young People's Overview and Scrutiny Committee was taking place on the afternoon of 3 October discussing the Independent Review of Children's Social Care. She asked what else the Council could do in terms of the overspend.

In response the Head of Corporate Finance and Commercial Services explained that this cut across all three reports on the agenda and as the numbers of children in care had risen to 1200 this had created the huge overspend. Approximately 10% of that figure were children placed in external residential care, costing an average of £350,000 per year. He added that the service have had an external review of these pressures and were working through next steps including analysing the overspend projections in excess of the budget overspend, looking at mitigation measures to bring in line with the budget increase, how we managed external placements, investing in our own internal provision and better contract management arrangements.

Councillor Reed commented that she did believe the Council were doing everything they could under the financial restraints in place to maintain the quality of life for residents. The Head of Corporate Finance and Commercial Services said that the Council had been pro-active in managing financial challenges which challenged the assertion made that the Council were living beyond our means. He added that mitigating measures could not always keep pace with additional pressures but the risks around that were being managed.

The Chair said that it was important to note that members of the board were not being critical of officers but that we did need to have open and honest discussions about the budget.

Referring to the Kinship Programme Councillor Hunt said that after two years the Council did not have to pay the carers and that it was important to consider what was best for the children. She also noted the reduction in costs for home to school transport and the long term goal through early years help to prevent children going into care.

Resolved:
That the content of the report and comments made be noted.

5 Forecast of Revenue and Capital Outturn 2024/25 - Period to 30 June 2024 and Update on Progress towards achieving MTFP (14) savings

The Board considered a report of the Corporate Director of Resources that provided:

(a) the forecast revenue and capital outturn for 2024/25, based on the position to 30 June 2024;
(b) an update on the dedicated school's grants and forecast schools' outturn as at 31 March 2025, based upon the position to 30 June 2024;
(c) the forecast for the council tax and business rates collection fund outturn at 31 March 2025, based on the position to 30 June 2024; and
(d) details of the updated forecast use of and contributions to earmarked, cash limit and general reserves in 2024/25 and the estimated balances that would be held at 31 March 2025.

The report also provided an update on progress towards achieving MTFP (14) savings in 2024/25 (for copy see file of Minutes).

The Head of Corporate Finance and Commercial Services reported that at the end of quarter one up until the end of June 2024 there was a net underspend of £4.1 million, a net service grouping cash limit overspend of £5.798 million, the majority of which related to Children and Young People's Services where there was a forecast cash limit overspend of £7.609 million forecast related to Children Looked After placement costs and associated expenditure. There were a lot of uncertainties again this year with the increase in home to school transport and the local government pay award not yet agreed. A lump sum of £1290 had been proposed and was subject to trade union approval.

The Head of Corporate Finance and Commercial Services highlighted from within the report social care placements, the assessment process for SEND children, challenges in adult social care, leisure services, housing benefit subsidy and energy prices decreasing. With reference to paragraph 47 he highlighted the overspends outside the cash limit at the end of quarter one were £2.6 million. Paragraph 103 highlighted the change in borrowing and investments at the end of quarter one. A summary of the forecast of council reserves (excluding school reserves) showed that the total earmarked and cash limit reserves were forecast to reduce by £13.378 million in 2024/25, from £176.307 million to £162.929 million.

Moving on the Head of Corporate Finance and Commercial Services reported that additional grants for schools should improve at quarter two, the high needs DSG block would rise next year to show £18.5 million deficit.

Details of the capital programme were outlined from paragraph 130, including the uplift to the DLI.

Finally, members were informed that MTFP (14) savings proposals for 2024/25, agreed by County Council on 28 February 2024, total £8.083 million. At 30 June 2024, savings totalling £5.736 million, representing 71% of the £8.083 million total savings target had been delivered.

With reference to paragraph 150 relating to the Council Tax Collection Fund Councillor Watson was advised that the position showed a modest surplus and that people were given a number of opportunities to pay.

In response to a question from the Chair concerning the uplift for pay increases the Head of Corporate Finance and Commercial Services confirmed that the pay award offer for 2024/25 was roughly a 4% composite pay rise. The lump sum offered to employees which was lower than previous years but met some challenges for lower paid workers against the National Living Wage.

Referring to the uplift of an additional £2.6 million for the DLI in response to a question from Councillor Batey, the Head of Corporate Finance and Commercial Services explained that additional funds had been allocated to the capital budget for the project and agreed by Cabinet on 18 September 2024. Discussions were ongoing with the contractor to offset the additional costs. He added that this had been discussed in Capital Member Officer working group and agreed to circulate further details to the Board following this meeting.

Referring to the additional pressures in CYPS and the huge costs to the local authority Councillor Shaw asked how much of this had been incurred due to contracting out and how much could be brought back in house. The Head of Corporate Finance and Commercial Services explained that using external sources were the highest element of spend, with temporary care provision adding to that pressure. Some of the internal accommodation had also been closed in order to maintain and make improvements. The supplier market regionally faced issues in availability which also drove costs up. Previous reports had shown developments on the second phase of an efficiency strategy including placements in foster care, the external market and managing demand.

Councillor Shaw asked if any cost benefit analysis had been carried out in relation to in-house residential care providers. The Head of Corporate Finance and Commercial Services reported that this would be subject to the business case as significant costs in placing children outside of the County and only having one or two children with significant complex needs in a single home with extra wrap around care and staffing increased costs to support those children. He said that issue was not dealing with the underlying demand as further funding to invest more was required. It was noted that by addressing families at the risk and potential risk of breakdowns required earlier intervention.

With reference to the DLI and a speech made by the Deputy Leader about revenue required for the building of £600,000 Councillor Shaw asked for further details and how this could be cost neutral. In response the Head of Corporate Finance and Commercial Services explained that additional budget provision had been set aside for the facility but was being reviewed and monitored closely. The additional grant had been reported net costs of running the facility as when it opened it might not generate income and would therefore become cost neutral.

The Chair asked for a position statement from the Deputy Leader to explain how this would be cost neutral.

Councillor Watson asked if in house residential care was more cost effective than the private sector and Councillor Coult asked about more children’s homes being set up in house. They were advised that there needs to be a certain standard for facilities and to provide a safe home environment with the right measures in place such as CCTV, alarms, repairs etc so the Council were not making huge savings.

Resolved:
That the content of the report and comments made be noted.

6 Medium Term Financial Plan (15) 2025/26 to 2028/29 and Review of the Local Council Tax Reduction Scheme and Council Tax Discretionary Discounts and Premiums Policy

The Board considered a report of the Corporate Director of Resources which provided an update on the proposed approach to scrutiny of the Budget 2023/24 and the Medium-Term Financial Plan (MTFP) (13) 2023/24 to 2026/27 (for copy see file of Minutes).

The Head of Corporate Finance and Commercial Services reported an updated on the development of MTFP 15 agreed by Cabinet on 18 September and County Council on 26 September 2024. Appendix 2 of the report showed the itemised growth pressures and funding assumptions which influenced the budget position. The Autumn Statement will take place on 30 October 2024. At this stage no additional funding or increases are expected. The inability to significantly grow the Council's taxbase, due to a highly skewed proportion of Band A-C residential properties was highlighted in paragraph 27. Paragraph 8 of the report highlighted the challenges with having a one-year settlement and the issues around the national living wage and meeting the demands of pay increases. The Council would need to borrow c.£300 million over the next two years to fund the existing capital programme.

The Head of Corporate Finance and Commercial Services commented that local government was an under resourced sector which was competing with other government departments for resource allocations. Although the Council were not expecting any significant changes to funding we would continue to lobby the new Government and local members of parliament for a Fair Funding Review from 2026/27 and would expect a three year settlement from 2026/27 onwards.

Paragraph 13 of the report showed that £21.7 million savings target for 2025/26, totalling £64 million by the end of the four-year MTFP(15) period. Children's social care costs were expected to rise significantly and a new waste disposal collection of food waste would add pressure to the budget as a new treatment facility was required. Appendix 3 showed the savings profiled across 2025/26 to 2027/28.

Moving onto reserves the Head of Corporate Finance and Commercial Services reported that the MTFP Support Reserve was available to support the budget and smooth in savings and presently had an unallocated balance of £32.579 million following the review of reserves agreed by Cabinet in July and the application of £3.72 million of the reserve to balance the current year's budget. It was not financially sustainable to place an over-reliance on this reserve to balance the Council's financial position in 2025/26 and in later years, and application of the reserve should only be considered a short term fix whilst more sustainable solutions were developed.

The Head of Corporate Finance and Commercial Services reported that the overall position of the MTFP(15) forecasts were shown in paragraph 96 of the report. Paragraph 107 showed the risks and challenges around the fiscal position. The settlement expected just before Christmas would dictate any changes to council tax, fees and charges and spending cuts, which in turn would affect savings plans, business rates and pay increases.

Finally, paragraph 109 of the report highlighted the budget timetable.

Councillor Deinali did not believe the consultation contained enough detail to allow people to make informed decisions, with a number of reports being in Part B so were not accessible. The Head of Corporate Finance and Commercial Services assured members that all information for this report was in the public domain, there was a four-year £64 million gap, assumed council tax increases of 3% and savings required to be made, and that the decision would be made on 19 February at the Council meeting. He went on to say that the Council were interested in views on where to make additional cuts, to make preferences and look at options for the delivery of services. Savings were still being worked up and would be presented in December. Councillor Deinali was still concerned that information was limited in the consultation and not enough to make informed decisions. In response the Head of Corporate Finance and Commercial Services took on board the comments made and said that he had gone into a lot of detail about how the gap had arisen and how we would balance next year's budget. He confirmed that AAPs would be revisited in 7-8 weeks' time as the next Cabinet report in November would contain further details and that the Autumn Statement would be announced on 30 October. The funding settlement for local government would follow this, although this was likely to be after the 4 December Cabinet report.

The Chair asked if the Adult Social Care precept would stand at 2%. The Head of Corporate Finance and Commercial Services did not know that at present but advised that the Council were looking at comparative budget assumptions being made by other local authorities which showed some local authorities were assuming they would be permitted to raise the adult social care precept.

Councillor Martin commented that there were not going to be many major changes or cuts as there was no time to consult so he understood it that we would keep doing what we could, reduce where we had to and wait for decisions to be made by central government such as whether the single person discount on council tax would end. He asked at what point would you ask Cabinet to put these cuts onto the taxpayer by increasing council tax and the adult social care precept or use up all of the reserves. The Head of Corporate Finance and Commercial Services reported that the single person discount was speculative at the moment but if brought in margins would be looked at. Any changes would be of minimal benefit to the council as we already received a flat rate cap and had a higher proportion of smaller houses. He said that council tax needed reforming but that there was no appetite to change and therefore local discretion was left to local councils. With regards to council tax support this may need to be visited again in future years and that council tax funding was inequitable with the ability to generate extra income was low due to having a high number of band A to C properties.

Councillor Martin agreed that council tax was unprogressive but asked again at what point would you say to us that we needed to put up precepts to a higher level. In response the Head of Corporate Finance and Commercial Services explained that through the consultation a decision would be made by Cabinet whether to raise the council tax and how we could bridge the gap.

The Chair said that the Council need to work with what we have got and within the regime we had however we also needed a fair funding review, a business rates retention scheme review and commented that unprotected services would always take a hit first.

Going back to the DLI Councillor Heaviside was aware that a trust had been set up and chairs appointed to the board and would ask for an update from the portfolio holder. The Chair agreed that it would be helpful to have a position statement from Cabinet.

Councillor Watson referred to paragraph 36 of the report regarding the potential £20 million for new planning officers and £400 million will be recycled from existing budgets to fund additional police officers, mentioned in recent the King’s speech, and asked about the implications of this. In response the Head of Corporate Finance and Commercial Services explained that the Council had not received any financial detail on the government intentions and therefore this had no direct impact on the budget.

Councillor Marshall said that he hoped to see longer term funding made available to local government and ministers, MPs and the NECA Mayor had all been lobbied around this issue. He referred to the moving of money from reserves to balance the budget and believed that all decisions were a reaction to poverty. A lot of pressure on the budget was linked to poverty and as funding had been removed year on year since 2010 the support was available in schools, through SureStart were no longer available. The overspends in Children's Services and the extra children's homes being built were linked to poverty. He said that decisions and the political choices being made by this Council did not compensate for the retained budgets. The uplift to the DLI was another cost to budget pressures with the capital budget being topped up. He said that members had not seen a projected footfall, the number of staff to be employed, the opening hours, the projected income, or any sort of business plan but that the Council were asking people to pay more tax next year. He asked that the relevant Cabinet members attend a COSMB meeting to explain in further detail. He referred to the huge overspends in sports and leisure with the rise in construction costs and believed that the Council were living beyond their means. With the largest capital programme ever seen we needed to be honest with people about what was affordable when we had depleted reserves and he hoped that the external auditors were looking closely at the decisions being made, especially as the biggest problem seemed to be with delivery of projects. He commented that there was not the capacity to deliver them and that the Council were asking staff to do too much. He said that we needed to have conversations around our savings and make decisions living within our means.

The Chair agreed that the capital programme was huge and that a review to make this deliverable and to scale would help to alleviate budget pressures.

The Head of Corporate Finance and Commercial Services explained that the £64 million shortfall in the revenue budget could become worse depending on decisions made around the number of issues such national living wage and housing benefit subsidy. With regards to capital financing the programme included £650 million borrowing which would rise to £900 million however this was reasonable in comparison to other local authorities. He added that decisions were made to take out debts at the right time and to re-profile the planned work in order to manage how we paid those debts. In referring the DLI Museum he reported that the business case documentation was being improved in order to focus on delivery and to make assumptions on delivery. The Transformation Programme had been ambitious and the borrowing would be self-financing. Although challenging the Council had to fulfil certain requirements on children's homes, community projects and we could not assume they would be self-financing until they proved that they were. With regard to poverty and deprivation he said that this was an ongoing challenge and that the Council would continue to lobby government on these funding problems.

Further to a question from Councillor Marshall about the DLI business case he was advised that he would receive a written response to his query.

Councillor Watson was assured that this Council had the best financial controls in place and were not living beyond its means but living within them. The £64 million funding gap would be closely monitored by the Section 151 officer who would step in and ask members to make different decisions should this be required.

Councillor Lines understood that the capital programme could be a difficult area but that in order to support and grow the economy and bring in income it should be supported. He referred to the success of NETPark with 40 companies, 700 employees and the plans to attract further businesses and business rates into the County and therefore we needed to continue to invest in the capital programme. With regards to reserves he said that once spent they would be gone and therefore we did need to be prudent however the reason to have reserves was for situations that we were facing at the moment. The second phase of the consultation process would provide more information and as councillors he said that they were responsible for getting the right messages out to people and tell them what was happening. As people always commented saying use your reserves we needed to articulate about why we retained reserves at a certain level, and would appreciate information in laymen’s terms to pass on.

The Head of Corporate Finance and Commercial Services advised that the use of reserves had dropped significantly in recent years. The Council need to hold reserves for a variety of reasons including to meet grant funding conditions, for specific known contingencies, to maintain a self-insurance fund for insurance liabilities, the known commitments to release staff through ER/VR and to mitigate against commercial project risks. Should the level of reserves drop to unacceptable levels, the council could be challenged by Government Regulator (OFLOG), external auditors and MHCLG.

The Chair commented that once the reserves had been depleted Section 114 notices may be issues and therefore we needed to be prudent and keep the reserves at a certain level. The Head of Corporate Finance and Commercial Services added that if the Council did not have sufficient levels of reserves the government would be asked for support and borrow money at higher costs, and this would have a significant impact on members and staff. With regard to the capital programme his team worked closely with colleagues in taxation to factor in growth and that risks around business closures had to be managed.

Councillor Coult commented that people of Durham had spoken about the DLI and she did not feel the need to say anything further. With regards to the leisure transformation programme discussions had taken place at a recent scrutiny meeting. She reminded members that as a Council we were doing a lot of good things in the County, making it a better place for local people. She supported the comments about being honest and open with the public and that we needed to get the communications around this right.

The Chair added that we did need to get the message right and have the narrative around the decisions that were being made. He referred to the tight timetable for the budget to be agreed and said how important it was for scrutiny to have their comments heard and input into the debate.

Resolved:

(a) That the content of the report and comments made be noted.

(b) That the indicative timetable for scrutiny discussions subject to receiving the funding settlement from government, be noted.

7 Customer Access Point Service Offer Review

The Board considered a report of the Corporate Director of Resources that outlined proposals to adjust the face-to-face service offer delivered in Customer Access points (CAPs) which reflected reduced demand whilst preserving channel choice, and to set out the findings of the consultation activity and equalities impact assessment (EIA) on the proposals, which were linked to the achievement of savings targets included in MTFP (14) (for copy see file of Minutes).

The Head of Transactional and Customer Services highlighted options for early realisation of a proportion of associated savings, as demand for the CAP service offer had decreased year upon year with appointment take up falling by 16,000 appointments per annum since the launch of Universal Credit (UC) in 2018 and visitor numbers dropping even further post pandemic. Demand levels in 2023/24 were 33% of that which they were in 2017/18. Further to a public consultation the recommended option, following analysis of data, resident, and member feedback, was to evolve the operating model into a CAP surgery model operating 1 day a week from current locations with additional locations in Peterlee and Newton Aycliffe also opening 1 day each week to better reflect current demand and increased accessibility in the East and South of the County.

The Chair understood the reasons for the review but said how important it was to remember that the community were central to these changes and asked that communication was clear with all staff affected by the changes. He asked that the trade unions be kept involved in all consultations. The Head of Transactional and Customer Services informed the Board that she had worked closely with colleagues in HR about the possibilities of redundancy to ensure they were complying within guidelines. She added that they did carry a number of vacancies and that there had been some expressions of interest from staff requesting to leave so any compulsory redundancy numbers were expected to be low.

Councillors Lines asked if the webchats were with people or bots and was informed that there was a two layered approach in place, a less complex journey that would give people the option they required, and more high level queries would give the option to be handed over to a live agent or if out of hours give the option to be contacted. The number of automated responses were limited to mitigate any frustration for the customer as they could request to be contacted.

Councillor Martin commented that he supported the change as this was a positive move. In his small ward, even with a great bus service, he believed that a mobile service would help some people who struggled to get out and about to get the help they needed.

That Chair agreed that this would be a good idea to consider in the future as it was important that local people had access to services and had the opportunity to be informed of local issues.

Councillor Hovvels commented that she did not have a good reliable bus service in her area and it was important to think about how those people with ill health or who were housebound had their needs met. She had voiced her concerns at her local AAP but she was concerned that this needed addressing.

Resolved:
That the content of the report and the information contained within be noted and the comments from the COSMB be incorporated into the final Customer Access Point report to Cabinet.

8 2024-25 Q1 Resources Revenue and Capital Budget

The Board considered a report of the Corporate Director of Resources which provided details of the forecast revenue and capital outturn budget position for the Resources service grouping, highlighting major variances in comparison with the budget based on the position to the end of June 2024 (for copy see file of Minutes).

The Finance Manager, Resources and Regeneration reported a quarter one forecast position showing that the service was forecasting a cash limit underspend of £0.691 million against a revised budget of £18.002 million. The Resources cash limit balance carried forward at 31 March 2025 was forecast to be circa £1.628 million and other earmarked reserves under the direct control of Resources Management Team (RMT) were forecast to total £1.188 million at 31 March 2025. The revised Resources capital budget was £8.004 million for 2024/25, with total expenditure to 30 June 2024 of £0.877 million.

The Finance Manager, Resources and Regeneration reported a forecast net spend of £3.532 million in relation to Housing Benefit subsidy, which was £0.932 million above the budget due to increasing temporary accommodation and supported housing costs, where the Council cannot claim full subsidy from the Government.

The main reason for the forecasted cash limit underspend was staffing underspends across all service areas, where posts were being held vacant in advance of future MTFP savings.

Resolved:
That the forecast of outturn position be noted.

9 2024/25 Q1 Chief Executive's Revenue and Capital Budget

The Board considered a report of the Corporate Director of Resources which provided details of the forecast revenue and capital outturn budget position for the Resources service grouping, highlighting major variances in comparison with the budget based on the position to the end of June 2023 (for copy see file of Minutes).

The Finance Manager, Resources and Regeneration highlighted the quarter one forecast position showing that the service was forecasting a cash limit underspend of £0.468 million against a revised budget of £18.032 million. The CEO cash limit balance carried forward at 31 March 2025 was forecast to be circa £1.601 million. Other earmarked reserves under the direct control of CEO were forecast to total £3.026 million at 31 March 2025, and the revised CEO capital budget was £0.658 million for 2024/25, with a total expenditure to 30 June 2024 of £0.362 million.

The Finance Manager, Resources and Regeneration reported a forecast overspend of £0.172 million on barrister fees relating to childcare litigation due to an increasing number of looked after children, with some complex cases in the High Court. The cash limit underspend related mainly to staffing underspends across the service, where posts were being held vacant in advance of future MTFP savings.

Resolved:
That the forecast of outturn position be noted.

10 Update in relation to Petitions

The Board considered a report of the Director of Legal and Democratic Services which provided for information the quarterly update in relation to the current situation regarding various petitions received by the Authority (for copy see file of Minutes).

The Democratic Services Manager advised that the schedule provided a list of those petitions that were active, and those that were to be closed and which would be removed from the list prior to the next update.

Since the last update one new e-petition had been submitted and was rejected as other procedures applied. Three new paper petitions had been submitted, all of which had completed.

The Democratic Services Manager informed the Board that two requests for review had been considered by the Chair and Vice Chair of the Board together with the statutory officers. It had been determined that both petitions had received responses that met the requirements of the Petitions Scheme and therefore the requests for review were rejected. Any additional information or evidence would go back to the service as this was outside of the petitions process.

Resolved:
That the report be noted.