

Report to Overview & Scrutiny Committee



Date of meeting: 23 January 2024

Portfolio: Finance, Economic Development & Qualis – Cllr J. Philip

Subject: Draft Budget 2024/25 (including General Fund & HRA revenue & capital, Fees & Charges, and an updated Medium-Term Financial Plan)

Responsible Officer: Andrew Small (07548 145665).

Democratic Services: Laura Kirman

Recommendations/Decisions Required:

1. To consider the Cabinet's draft Budget proposals for 2024/25 as set out in the attached paper; and
2. Make such comments and/or recommendations as the Committee feels appropriate to assist the Cabinet in further considering the Budget on 5th February 2024, when they will agree final proposals for recommendation to full Council on 20th February 2024.

1. Executive Summary

- 1.1. Cabinet considered early draft Budget proposals for 2024/25 at its meeting on 18th December 2023. The full report included revenue and capital proposals for both the General Fund and Housing Revenue Account as well as a schedule of suggested Fees and Charges for the forthcoming financial year. An updated Medium-Term Financial Plan (MTFP) covering the financial years 2024/25 through to 2028/29 was also included, which reflected both the impact of the draft Budget proposals as well as the latest available intelligence at the time.
- 1.2. In recognising the important role of scrutiny in developing a robust budget, the Cabinet also requested that the Overview & Scrutiny Committee considers the draft Budget proposals for 2024/25, as well as the associated documents.
- 1.3. The Cabinet were advised by the Section 151 Officer at the December meeting that – as required by law – a balanced revenue position has provisionally been reached, but this necessitated the identification of £3,535,590 of savings, making this one of the most challenging of all budgets in recent years.
- 1.4. Recognising the challenging scale of the savings requirement and the difficult

choices necessitated in order to reach the statutory requirement of a balanced budget, Cabinet sought advice from Overview & Scrutiny Committee at special joint meeting on 12 December 2023. Cabinet reflected the discussions that took place at that meeting in formulating their draft proposals for further consideration by this Committee.

- 1.5. The provisional Local Government Finance Settlement 2024/25 was eventually released just before Christmas 2023; the outcome for Epping Forest District Council was generally as expected and provided further assurance as to the underlying financial sustainability of the draft Budget proposals as currently presented.
- 1.6. The full Budget report considered by the Cabinet on 18th December 2023 is presented in Attachment 1.
- 1.7. Members of the Committee are requested to note that the Appendix setting out the savings proposals was presented as a Confidential appendix because of the sensitive nature of some of these savings. In particular, savings related to staff require consultation and due process to be followed and therefore open discussion of these savings is not appropriate at this stage of developing the budget proposals.
- 1.8. Following comment, the savings Appendix has subsequently been divided between those savings which are staffing related and those which are non-staffing related so that the non-staffing savings can be considered in open session in Appendix Fi. The staffing related savings proposals remains in a Confidential Appendix Fii at this stage.

2. Reason for Decision:

- 2.1. This report facilitates the scrutiny of the initial draft Budget proposals for 2024/25, which will support the Cabinet in further developing, and recommending final proposals, for adoption by full Council on 20th February 2024. Comments and/or recommendations made at this Committee, where relevant, will be reported to Cabinet for their consideration at their meeting on 5th February 2024.

3. Options:

- 3.1. There are no matters for decision in this report. The Committee is asked to consider the and make comments and/or recommendations for consideration by Cabinet.

4. Resource Implications

- 4.1. The resource implications in this report are overwhelmingly financial in nature and are explained in detail.

5. Legal and Governance Implications

- 5.1. The Council has a legal duty under the Local Government Finance Act 1992 to set a balanced budget. This report presents initial draft budget proposals that reflect a balanced position for 2023/24, although they are based on a series of estimates and assumptions that still require further refinement.

6. Safer, Cleaner and Greener Implications

- 6.1. None.

7. Consultation Undertaken

- 7.1. The savings options were presented to the Overview and Scrutiny Committee on 12th December 2023 to aide Cabinet in their formulation of their draft proposals; the comments from that meeting were considered by Cabinet alongside the draft Budget proposals presented at their meeting held on 18th December 2023. Comments and/or recommendations made by the Stronger Council Select Committee on this report will be taken forward for Cabinet consideration on 5th February 2024.

Background Papers