

Shadow Executive (Cabinet)

Title of Report:	Report of the Forest Heath and St Edmundsbury Performance and Audit Scrutiny Committees: 27 September 2018	
Report No:	EXC/SA/18/012	
Report to and date:	Shadow Executive (Cabinet)	27 November 2018
Shadow Executive (Cabinet) Members:	Councillor Stephen Edwards (Forest Heath) Tel: 07904 389982 Email: stephen.edwards@forest-heath.gov.uk	Councillor Ian Houlder (St Edmundsbury) Tel: 01359 250912 Email: ian.houlder@stedsbc.gov.uk
Chairman of the Committees:	Councillor Louis Busuttil FHDC Performance and Audit Scrutiny Committee Tel: 01638 810517 Email: louis.busuttil@forest-heath.gov.uk	Councillor Sarah Broughton SEBC Performance and Audit Scrutiny Committee Tel: 01284 787327 Email: sarah.broughton@stedsbc.gov.uk
Lead Officer:	Christine Brain Democratic Services Officer (Scrutiny) Tel: 01638 719729 Email: Christine.brain@westsuffolk.gov.uk	
Purpose of report:	On 27 September 2018, St Edmundsbury Borough Council's and Forest Heath District Council's Performance and Audit Scrutiny Committee's held an informal joint meeting together, and <u>considered the following item jointly:</u> (1) Approach to Delivering a Sustainable West Suffolk Budget 2019-2020 and Medium Term Plan	

Recommendation:	It is <u>RECOMMENDED</u> that Report No: EXC/SA/18/012, being the report for both St Edmundsbury Borough Council's and Forest Heath District Council's Performance and Audit Scrutiny Committees, be <u>noted</u>.
Key Decision:	No, it is not a Key Decision - <input checked="" type="checkbox"/> Report for information only.
Consultation:	<ul style="list-style-type: none"> • See reports listed in Section 2 below.
Alternative option(s):	<ul style="list-style-type: none"> • See reports listed in Section 2 below.
Implications:	
<i>Are there any financial implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers.
<i>Are there any staffing implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers.
<i>Are there any ICT implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers.
<i>Are there any legal and/or policy implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers.
<i>Are there any equality implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers.
Risk/opportunity assessment:	Please see background papers.
Ward(s) affected:	All Wards
Background papers:	Please see background papers, which are listed at the end of the report.
Documents attached:	None

1. Key issues and reasons for recommendation

1.1 Approach to Delivering a Sustainable West Suffolk Budget 2019-2020 and Medium Term Plan (Report Nos: PAS/SE/18/0029 and PAS/FH/18/032)

1.1.1 The Committees received the above report, which updated Members on progress made towards delivering a balanced budget for 2019-2020 and sustainable budget in the medium term.

1.1.2 It was reported that at this stage in the budget and the medium term financial strategy process, there had been a set of adverse trends identified which gave rise to an estimated annual budget deficit on £0.5m for 2019-2020 and 2020-2021 for the West Suffolk Council. The major causes of this revision of the plan were:

- The lower growth trend in car parking income as seen in 2018-2019 and anticipated to continue into 2019-2020;
- The increased cost relating to recycling charge per tonne;
- The estimated impact of revising the pay-line; and
- The new business case for Barley Homes.

However, the budget gap at this stage, did not include any variation or profile changes in respect of projects related to delivering our growth agenda or the savings anticipated from moving to a single council. The current expectation was that these projects would deliver to the existing plan.

1.1.3 Having identified these pressures on the delivery of a balanced budget for 2019-2020 and 2020-2021, the focus was clearly on assessment on areas and assumptions that, if changed, could close the gap, which included:

- Major income stream trends (including ongoing work on car parking);
- Cost base assumptions, efficient trends; and
- Assumptions relating to the wider macro environment which required a change in approach.

1.1.4 Members considered the report in detail, the approach and timescales for the 2019-2020 budget setting process and medium term plans as the council heads into the new West Suffolk Council. Members asked a number of questions to which comprehensive responses were provided.

In particular, responses were provided to the following questions raised:

- (Lower growth trend in car parking income) - the drop in income was coming from mid-week parking rather than weekend parking.
- (Increased costs relating to recycling charge per tonne) - an assumption had been made that it will cost £100,000 in 2019-2020 and this will continue.

1.1.5 There being no decision required, the Committee's both **noted** the contents of the report.

2. Background Papers

2.1.1 Report No: [PAS/SE/18/029](#) and [PAS/FH/18/032](#) to the Performance and Audit Scrutiny Committees: Approach to Delivering a Sustainable West Suffolk Budget 2019-2020 and Medium Term Plan