

PUBLIC

MINUTES of a meeting of **IMPROVEMENT AND SCRUTINY COMMITTEE - RESOURCES** held on Thursday, 14 December 2023 at Committee Room 1, County Hall, Matlock, DE4 3AG.

PRESENT

Councillor S Swann (in the Chair)

Councillors J Barron, R Ashton, J Dixon, M Foster, A Hayes, K Gillott, D Muller and D Murphy.

Apologies for absence were submitted for Councillor J Innes.

Officers present: Mark Kenyon (Director of Finance and ICT) and Juliette Normington (Senior Democratic Services Officer).

10/23 DECLARATIONS OF INTEREST

There were no declarations of interest.

11/23 MINUTES

The minutes of the meeting held on 28 September 2023 were confirmed as a correct record.

12/23 PUBLIC QUESTIONS (30 MINUTE MAXIMUM IN TOTAL)

There were no public questions.

13/23 PRODUCTION OF THE 2024/25 BUDGET

Mr M Kenyon, Director of Finance and ICT introduced the report, which had been circulated in advance of the meeting, to consult with Members of the Improvement and Scrutiny Committee – Resources as part of the 2024-25 Revenue and Capital budget process. The report also provided Members with details of the process followed to prepare the budget(s) and the proposed consultation approach to be adopted, as well as providing an initial summary of the Chancellor's Autumn Statement in so far as it was expected to impact upon the Council's financial position.

The highlights of the report were summarised and it was confirmed that the current financial position of the Council was a forecasted overspend of £33 million, with significant cost pressures placed on its budget.

There were no new substantive measures announced in the Autumn Statement and the Council would need to deliver significant cost savings and efficiency improvements to deliver a balanced budget.

Following Cabinet consideration, a detailed consultation would be issued on savings options and other material aspects and a review of earmarked reserves was underway to identify balances that may be surrendered and released to bolster reserve levels. A report outlining the proposed savings was expected to go to Cabinet on 11 January 2024 and this Committee for its scrutiny on 22 January 2024.

Following questions from Committee members, Mr Kenyon advised that the interest rates and inflation were playing a significant role in expenditure and it was getting more difficult to identify future earmarked reserves. This was an unpredictable situation, with inflation difficult to predict however interest rates had stabilised with a continued demand on services. There had been an impact on the investment surplus cash and it was recognised that it was not clear-cut on how to make key savings

There was no further information on the Member allowance award and there was no hint from central government on how the national minimum wage would be impacted on. It was not appropriate to comment on any possible redundancies.

Mr Kenyon confirmed that investment advice was shared with internal partners and, in light of the financial situation, the publication date for quarter three would be brought forward with the programme management approach considering each element as a whole for a speedier outcome.

RESOLVED to note:

- 1) The Revenue Budget Forecast Outturn for 2023-24, as at Quarter 2 (30 September 2023);
- 2) That the Council faces a significant financial challenge to produce a balanced Revenue Budget for 2024-25 based on currently known information;
- 3) That cost savings and efficiency options were being developed;
- 4) The intention to consult on savings and efficiency options and other material aspects of the budget to inform decisions required to deliver a balanced budget; and

- 5) The key announcements in the Autumn Statement 2023 relevant to Local Government.

The meeting finished at 2.21 pm