

Agenda Item 9

EXECUTIVE DECISION – 5 JULY 2022

REVIEW OF FINANCIAL PERFORMANCE 2021/22

COMMENTS FROM THE OVERVIEW AND SCRUTINY MANAGEMENT BOARD

At its meeting on 30 June 2022, the Overview and Scrutiny Management Board considered the report and agreed to support the recommendations to the Executive.

In response to questions from members of the Board, the following points were confirmed:

- Discussions on the allocation of underspends did not take place until the end of the financial year once the exact amounts and financial pressures were known. Each directorate would keep 1% of its underspend.
- The loss of £24m of government funding over the last two years had impacted significantly on the Highways budget. The additional funding proposed for Highways was supported by the Board given the state of the roads and footpaths were a main area of concern for local residents and led to several claims against the Council for pothole damage. A number of roads needed significant investment, particularly in rural areas which were affected by large agricultural machinery and urban areas due to the volume of traffic. The Highways Asset Management Plan would help to determine where the funding should be allocated according to priority.
- The Green Masterplan was a project included within the Development Fund. As part of the Green Agenda and in response to the rising cost of energy, the Council was investigating how it could get energy saving aids, such as solar panels PV and heat recovery, into the Council's buildings.
- The Council was facing considerable financial volatility and uncertainty due to inflation, on-going pay negotiations which were likely to be higher than budgeted for, higher energy costs when the current procurement deals for gas and electricity come to an end, and the increase in the national living wage which would impact on the Council's contracts with providers.
- The Secretary of State for Housing, Communities and Local Government had announced at the Local Government Association Conference that there would be a consultation on a two-year financial settlement shortly. The fairer funding review, which was due this calendar year, may see limited redistribution across councils.

In addition, the following suggestions were made by members of the Board:

- That the ringfenced funding of £335,000 for civil parking enforcement and permitting should be used to employ more parking attendants across the county.
- That some of the underspend proposed for the contingency budget should be allocated to the Green Masterplan to fund energy saving schemes.

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