

Overview and Scrutiny Committee

Held at:	Council Chamber - Civic Centre, Folkestone
Date	Tuesday, 31 October 2023
Present	Councillors James Butcher, Bridget Chapman (Minute 20), Laura Davison (Chair), Anita Jones, Alan Martin, Elaine Martin, Connor McConville and John Wing (Vice-Chair)
Apologies for Absence	Councillor David Godfrey
Officers Present:	Andy Blaszkowicz (Director of Housing and Operations), Ewan Green (Director of Strategy and Resources), Jake Hamilton (Committee Services Officer), Sue Lewis (Committee Services Officer), Fred Miller (Transportation Lead Specialist), Lydia Morrison (Interim S151 Officer), Ola Owolabi (Chief Financial Services Officer), Susan Priest (Chief Executive), Andrew Rush (Chief Officer Place & Regulatory Services) and Jonathan Smith (Chief Accountant)
Others Present:	Councillors Jim Martin, Tim Prater, Gary Fuller, Mike Blakemore, Rebecca Shoob, Stephen Scoffham, Polly Blakemore, Rich Holgate and Jeremy Speakman.

19. **Declarations of Interest**

Councillors James Butcher and John Wing both declared an interest as Directors of Oportunitas.

20. **Budget Update 2024/25**

Lydia Morrison, Interim Director of Corporate Services (S151), introduced the item, followed by Ola Owolabi, Chief Financial Services Officer.

The committee received a presentation which covered the following areas:

- The budget setting process overview for 2024/25

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- Medium Term Financial Strategy ('MTFS') and Projected Gap
- General Fund Revenue Budget Gap Solutions and Strategic Approach:
 - Priority Based Budgeting (PBB)
 - Cashable Savings – 12%
- The Star Chamber discussion re the 2024/25 Budget
- Other critical/potential savings for consideration
- Forward look (draft timetable)

After the presentation Members raised several points, including the following:

- How was the 12% saving target calculated?
- Will the Council be reviewing individual department budgets that failed to reach the 12% savings target?
- The current projected 24/25 budget gap of £1,523,414 – is this based on the council achieving the priority-based saving, growth and vacancies requests as set out in the presentation?
- If the Council achieves the goals set out in the presentation, will the accumulative savings put the council on track for future years?
- Does the presentation detail a full list of savings? Can Officers provide the Committee with more details?
- The Committee may find it difficult to weigh up potential savings, such as the On-Street Car Parking, if members do not have the full picture, or proposed alternatives.
- The data detailed in the presentation is hard to follow. Could the figures be presented in a clearer narrative going forward?
- What is the process for the savings and current reserves? The presentation details several reserves already ear-marked for certain services.
- When considering saving, the Committee may find difficult when they do not understand the impact.

The Interim Director of Corporate Services and the Chief Financial Services Officer responded to comments raised by members:

- The Council developed a financial model to determine what savings would be required to realign and balance the budget.
- Although the Council set a saving target of 12%, some departments were unable to achieve this for various reasons, however as seen on page 13 of the presentation, other departments exceeded the expected target.
- Yes if the Council can balance the budget as detailed in the presentation, then the accumulative saving year on year will put the Council on a better footing.
- A more detailed report will be coming to this Committee or Finance and Performance Scrutiny Sub-Committee in due course.

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- Fred Miller, Transportation Lead Specialist confirmed that a report regarding the On-Street Parking Charges will be coming to Overview and Scrutiny on 14 November 2023.
- The current process for the Council is to realign the base line budget and address the MTFS projected deficit.

Councillor Tim Prater, Deputy Leader and Cabinet Member for Finance and Governance proposed that a further explanation be circulated to members with a clearer narrative to the figure's set out in the presentation.

Several Committee members thanked Cabinet members and officers for the information provided.

Members resolved to receive and note the presentation.