

Overview & Scrutiny, 13th January 2020

10. Budget proposals (for coming year) – Councillor Matt Babbage, Chair of the Budget Scrutiny Working Group

The Budget Scrutiny Working Group (BSWG) was set up by Council in 2010 as a result of the economic crisis and increasing pressures on the council's financial resources. It was agreed that this group should be a scrutiny task group and form part of the new overview and scrutiny arrangements. The group aims to ensure that members work collectively, accepting political differences, on solutions to the budget gap. The working group is not a decision making body, but its role is to develop the budget process, support the development of Members' scrutiny role and to consider ideas from Members for reducing the budget gap.

The group met on Tuesday 7th January to discuss the Cabinet's interim budget proposals for the coming year. Andrew Knott, Chief Accountant, and Paul Jones, Executive Director Finance and Assets, presented reports on the Housing Revenue Account and General Fund 2020/21 budget proposals and responded to members' queries.

They sought to ensure that the wider national context was taken into account, such as the recent local government finance settlement, changes to Universal Credit, possible changes to interest rates and the use of Right to Buy receipts.

Members welcomed the focus on new affordable housing, but questioned the feasibility of fulfilling the council's commitment to building carbon neutral homes, which it was acknowledged would be difficult. The reallocation of £1.6m from the Town Hall redevelopment was of particular interest, with funding allocated to a number of growth items including the climate emergency fund.

They discussed how the council's fleet of vehicles can be made more efficient, with members insisting that the business case be fully considered for in-cab technology. The meeting also touched on the property maintenance program, the relative merits of short-term and long-term borrowing, and the possible effects of interest rate increases. One member asked about the possible debt implications if the number of Universal Credit claimants in Cheltenham increases as expected – Cheltenham Borough Homes have been asked to provide a written response to this query.