

Meeting Date: 7 March 2017

Public/Private*: Public

Title: **Resources Overview and Scrutiny Chairman's Report – Councillor
Reg Watson OBE**

The main focus of the Panel's deliberations at the meeting was the Budget 2017 – 18.

We were happy to welcome the Chairs of Environment & Economy and Community Panels.

Over 50 questions were asked by Members of the Resources Panel ranging from bulky waste to parking charges from allotments to the new Funding Officer.

Concern was expressed with regard to the Public Budget Consultation document and would it be possible in future years to make it easier to understand to encourage more responses.

The Finance, Governance and Resources Portfolio Holder reported that the Budget assumed a £5 (2.54%) increase in Council Tax for a Band D property, which equated to less than 10 pence per week. The Executive was aware of the financial difficulties faced by many families. It was not therefore their intention to revise the Council Tax Discount Scheme which would continue at the statutory levels thus protecting vulnerable groups.

A Member asked for an explanation for the term 'over-borrowed' which had been used in the report.

The Chief Accountant responded that the term referred to the £15m borrowing and reflected the fact that cash back reserves and working capital added up to less than the balance of investments, with the remaining investment amount being made up of 'over borrowing'. The Capital Financing Requirement currently indicated that the Council may only need to borrow £13m in the future to finance the Council's assets. Therefore the Council currently had more borrowing than was needed to finance capital assets and the extra borrowing was in investment balances. He further advised that being over borrowed

was nothing to be concerned about. It merely had the benefit of providing additional cash for investment purposes but was very much dependent upon the balance on the Capital Financing Requirement (CFR) at particular point in time.

Future of Internal Audit

That the Executive:

1. Confirmed that the Council would not continue with the Internal Audit Shared Service arrangement with the County Council post March 2017.
2. Agreed, in principle, to bring the service back in-house subject to an appropriate financial appraisal and business case being considered and approved at a future meeting of the Executive.