

**Cabinet
(Extraordinary Meeting)**

Monday, 8 February 2021

Present: N Redfearn (Elected Mayor) (in the Chair)
Councillors B Pickard, G Bell, C Burdis, S Cox, S Day,
P Earley, R Glindon, C Johnson and M Hall

In Attendance: Councillor S Graham (Chair of Overview, Scrutiny and
Policy Development Committee)
D Hodgson (Business Representative)
R Layton (North Tyneside Joint Trade Union Committee)

Apologies: S McKenzie (Young Mayor) and D McNally (Age UK)

**CAB202/21 To Receive any Declarations of Interest and Notification of any
Dispensations Granted**

There were no declarations of interest or dispensations reported.

**CAB203/21 2021-2025 Financial Planning and Budget Process: Consideration of
Overview and Scrutiny's Response to the Cabinet's Final Budget
Proposals**

A report was received which presented the recommendations of the Overview, Scrutiny and Policy Development Committee and Budget Scrutiny Sub-group in relation to Cabinet's final budget proposals as part of the 2021-2025 Financial Planning and Budget Process.

The Budget Scrutiny sub-group had met on 17 December 2020 where the Head of Resources and Senior Officers had presented the 2021-2025 Financial Planning and Budget Process: Cabinet's Initial Budget proposals. A further meeting had taken place on 12 January 2021 where it had received updated information on the level of central government funding for the Authority.

The sub-group had reported its views to the Overview, Scrutiny & Policy Development Committee at its meeting on the 18 January 2021, which had then been considered by Cabinet at its meeting on 1 February 2021.

The Overview, Scrutiny & Policy Development Committee at its meeting on 18 January 2021, had given delegation to the Budget Scrutiny sub-group to make any further recommendations to Cabinet as a result of its meeting on 2 February 2021.

The Cabinet Member for Finance and Resources, in introducing the report, invited Councillor S Graham, Chair of the Overview, Scrutiny and Policy Development Committee, to present the views of the Committee and the sub-group from its meetings held as part of the 2021-2025 Financial Planning and Budget Process.

Councillor Graham highlighted a number of the points made by members of the Budget

Sub-group during their discussions. In particular, there were two themes that the Committee had considered needed to be emphasised further as set out in the report. There were no recommendations made in relation to Cabinet's engagement approach or the initial Budget proposals for the General Fund, HRA, the 2021-2026 Investment Plan and the 2021/22 Treasury Management Statement and Annual Investment Strategy.

No further recommendations had been raised by the sub-group from its meeting held on 2 February 2021.

The recommendations referred to Cabinet by the Overview, Scrutiny and Policy Development Committee and the proposed response for Cabinet to consider were as follows:

Recommendations	Cabinet's Response
<p>Recommendation 1: The level of strategic reserve is reported each year and the Budget Scrutiny sub-group is provided with a comprehensive explanation to the levels of committed/ringfenced funds for future use. The Committee raised that there continues to be some misunderstanding with residents and the press as it is often reported that the Council has access to an extensive level of reserves.</p> <p>The Committee's recommendation was that the levels and use of the strategic reserve be more widely explained to the public.</p>	<p>Noted.</p> <p>During the Budget-setting process the Authority has issued a number of press releases which provide additional information in relation to the use and level of reserves.</p> <p>In addition to this, a Budget update will be included in the next edition of the Our North Tyneside Magazine which will cover the use of and level of reserves to ensure there is sufficient information for the residents of North Tyneside to gain further insight and understanding.</p> <p>The level and use of reserves have also been included in the information provided during Budget engagement with residents and other stakeholders.</p>
<p>Recommendation 2: The Committee discussed the reporting of funding provided by Central Government to local authorities. It was expressed that the information provided by Central Government is given with a national context view and often reports the funding in billions and hundreds of millions. The concern was that the funding received by North Tyneside Council from Central Government is not clearly understood at the local context by residents and businesses.</p> <p>The Committee's recommendation is that a</p>	<p>Noted.</p> <p>This information has been shared during the Budget engagement sessions that took place with residents and other stakeholders throughout the Budget-setting process.</p> <p>The Budget update which will be published in the next edition of the Our North Tyneside Magazine will include a graphical representation of how the General Fund Budget is funded which will include a breakdown of the Authority's available resources.</p>

simple graphical representation of what funding has been or will be received by North Tyneside Council from Central Government may provide a greater understand to the public.	The Council Tax leaflet for 2021/22 will include an additional insert which will show how each £1 of Council Tax is used to fund the Services that the Authority provides.
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The Elected Mayor thanked Councillor Graham and members of the Budget Study Group and all parties involved in the budget setting and engagement process.

Resolved that the report be noted and the proposed response to the recommendations of the Overview, Scrutiny and Policy Development Committee, as set out above, be endorsed.

(Reason for decision: Option 1 is the recommended option as the Budget proposals have been worked through with all Cabinet Members and have taken due consideration of the Budget Engagement suggestions. Option 1 also enables Cabinet to take account of any recommendations of the Overview, Scrutiny and Policy Development Committee in accordance with the Budget and Policy Framework Procedure Rules set out in the Authority's Constitution. The reasons for recommendations are mainly legal in nature, as stated in paragraphs 2.1 and 2.2 of the report.)

CAB204/21 Date and Time of Next Meeting

6.00pm on Monday 22 February 2021.

Minutes published on 11 February 2021.