

Cabinet

Monday, 5 February 2024

Present: N Redfearn (Elected Mayor) (in the Chair)
Councillors C Johnson, K Clark, P Earley, S Graham,
J Harrison, Janet Hunter, H Johnson, A McMullen
and S Phillips

In Attendance: D Hodgson (Business Sector)
R Layton (JTUC)

Apologies: No apologies were received

CAB97/23 Declarations of Interests and Dispensations

Councillor K Clark declared a registerable personal interest in agenda Item 3: 2024-2028 Financial Planning and Budget Process – Cabinet’s updated budget proposals, as she was a Director and Employee at Justice Prince CIC which had contracts with North Tyneside Council funded from North Tyneside Council, she is also a co-opted governor of Northumbria Healthcare NHS Foundation Trust for which she has a dispensation granted.

Councillor P Early declared registerable personal interest in agenda Item 3: 2024-2028 Financial Planning and Budget Process – Cabinet’s updated budget proposals is a Trustee of North Tyneside Carers Centre which has a contract with the Council.

Councillor J Harrison declared registerable personal interest in agenda Item 3: 2024-2028 Financial Planning and Budget Process – Cabinet’s updated budget proposals as he is a member of Northumbria Healthcare NHS Foundation Trust and the Northumbria Regional Flood and Coastal Committee. Councillor Harrison has a dispensation granted in relation both of these roles.

CAB98/23 Report of the Budget Scrutiny Sub-Group of the OSCF Committee in response to Cabinet's Final Budget Proposals as part of the 2024-2028 Financial Planning and Budget Process

Cabinet received a report to consider the outcomes of the Overview, Scrutiny Co-ordination and Finance Committee meeting on 31 January 2024 which considered the Budget Study Sub-Group's review and challenge of Cabinet's budget proposals.

Cabinet noted that the Scrutiny Process is a vital element of the budget setting process for the General Fund, the Housing Revenue Account and our Investment Plan. It's important that we ensure we are developing our proposals in a robust, effective manner and we welcome the challenge that the process has delivered. With that in mind Councillor McMullen expressed his thanks to the Members who have engaged with the process and provided probing questions and constructive feedback throughout.

It was noted that given the immense pressure on our resources it is important that we continue to make the right decisions regarding our Budget and that we embed our key principles and the delivery of Our North Tyneside Plan in our process.

It was noted that the report acknowledges the significant challenges that we face, with ongoing inflationary pressures, increasing demand and complexity and heightened uncertainty around our funding, but it was pleasing to see recognition within the report that despite the challenges, the 2024/25 budget is balanced and is in line with the agreed Our North Tyneside Plan. It is also pleasing to note that there were no formal recommendations raised, there were a number of points for Cabinet to consider which I will address in turn.

- Home to School Transport, the report acknowledged the need for change but confirmed the need for savings to be delivered. I can confirm that the approach we are taking will consider the outcome of the consultation process, as well as our statutory requirements as we look to align the services we provide to the resources we have available to us.
- Regarding our Highways, the group welcomed the Authority's proposal to continue to invest our own resources on improving the condition of our

roads and pavements. We have made a significant contribution in excess of the amount the government have allocated to us for this purpose. This confirms that this does indeed represent a key priority within our Investment Plan. Investing an additional £2m each year does bring ongoing financing costs, which have balanced with our other priorities within the Budget. However, we should not forget that we continue to attract significant levels of external funding to help undertake highway improvements across a range of schemes. Our investment is made in accordance with our Highways Asset Management Plan principles and the condition of our network continues to be closely monitored. Our plans retain the flexibility to respond and react to additional funding announcements as we've seen in recent years. But, this is an area where we simply do not receive enough government funding and we continue to lobby to ensure the scale of the pressures we, and other Local Authorities, face.

- Within the Housing Revenue Account, there was significant consideration regarding the proposed rent increase, which is in line with the government's policy of Consumer Price Index plus 1%. Our HRA budget, which was agreed last week, balanced rent decisions with our long-term investment needs and the need for additional affordable housing. However, the Authority does continue to listen to the views of our tenants and we are maintaining our commitment to those in need, including the continuation of the £3m Tenancy Sustainment Fund we created in 2023/24 which included a range of measures to help support our tenants and improve sustainability.
- The report highlighted uncertainty around the funding associated with the Government's proposed introduction of separate food waste collections. Whilst we have since had formal confirmation of the capital grant the Government intend to provide, confirming we would receive £1.6m towards a projected capital cost of £2.1m, we still await details of the revenue funding. As the report suggests, this is an area we will continue to monitor closely and ensure that we are prepared and that the financial implications are fully considered.
- In relation to future Council Tax support, our budget proposals continue to

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maintain provision to fund £1.5m of additional Council Tax support measures. The nature and level of this fund will be considered as part of developing our proposals in future years alongside other support measures to ensure the package remains appropriate, but we maintain our commitment to supporting our residents.

Cabinet agrees with the need to closely monitor how each of the project workstreams are delivering as they continue to evolve. Throughout the scrutiny process, additional information was provided to respond to queries and challenge which provides a good foundation for understanding the level of detail that is required moving forwards. The existing Performance and Financial Management reporting framework provides us with an opportunity for regular progress reporting. It also gives us an increasing focus on how we are performing against our plans. Both Cabinet and Overview, Scrutiny Co-ordination and Finance Committee will continue to play an important role in ensuring that we continue to deliver successfully within our financial plans.

Cabinet is requested to approve the recommendations set out in the report and the responses to the useful points made within the Overview, Scrutiny Co-ordination and Finance Committee report.

Cabinet **RESOLVED**: that the report of the Budget Scrutiny Committee Sub-Group of the Overview, Scrutiny Co-ordination and Finance Committee dated 16 January 2024 in response to Cabinet's Final Budget Proposals be noted.

CAB99/23 Date and Time of Next Meeting

Monday 19 February 2024 at 6.00pm

Minutes published on 8 February 2024

The decisions contained within these Minutes may be implemented (unless called in by 3 Non-Executive Members for consideration by the Overview, Scrutiny and Policy Development Committee) immediately following the expiry of the call-in period; i.e. 5.00pm on 15 February 2024.