

Economic Development Committee

10 January 2024



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| Title | <i>Service Plans 2024-25</i> |
| Purpose of the report | To make a decision and a recommendation to Corporate Policy & Resources Committee |
| Report Author | <i>Paul Taylor Chief Accountant</i> |
| Ward(s) Affected | All Wards |
| Exempt | No |
| Corporate Priority | Community Affordable housing Recovery Environment Service delivery |
| Recommendations | <p>Please note that the proposed Service Plans include the Revenue and Capital bids, and savings plans for each Cost Centre, as set out in Appendices B to D below and therefore, all references to Service Plans includes the items in said appendices.</p> <p>Fees & Charges are dealt with via a separate report.</p> <p>Committee is asked to:</p> <ol style="list-style-type: none">1. Formally review the proposed Service Plans for 2024-25 for this Committee.2. Approve the proposed Service Plans for 2024-25 for this Committee.3. Recommend to Corporate Policy & Resources Committee that they approve the proposed Service Plans for 2024-25. |
| Reason for Recommendation | <p><i>This relates to the Committee Cost Centres and forms part of the Net Revenue Expenditure budget, often referred to as above the line expenditure.</i></p> <p><i>Committee approved Service Plans are an important operational document and form the basis of each Cost Centre's plans for 2024-25, including Revenue and Capital growth bids, and savings plans, providing the financial data to support the delivery of each service, as part of the 2024-25 Budget setting process.</i></p> |

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| | <p><i>Whilst the Service Plans provide financial data for the three years beyond 2024-25, these are for indicative purposes only and will be subject to formal Committee approval, as part of the following years' budget setting process.</i></p> <p><i>Members of this Committee have informally received the documents in the attached appendices and have provided feedback to officers to develop their plans, including providing input into revenue and capital growth bids and the savings plan. The documentation is now formally provided for the agenda.</i></p> <p><i>Officers will use this information to shape the Council's Medium Term Financial Plan for the 4 years to 2027-28 and beyond.</i></p> <p><i>Council must approve a balanced budget at the annual Council meeting in February.</i></p> |
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Summary of the report

| What is the situation | Why we want to do something |
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| <ul style="list-style-type: none"> The Council has a legal obligation to set a balanced budget for 2024-25 at its Council Meeting on 22 February 2024, The Committee is asked to review, approve the proposed Service Plans for each Cost Centre, which included the relevant Revenue and Capital growth bids and savings plans for 2024-25 as set out in Appendix A to D for this Committee. Appendix E provides a summary of the draft Budget by cost centre for the Committee to provide a comparison and benchmark for each member of the Committee. | <ul style="list-style-type: none"> As part of producing a balance budget, the Service Plans, and accompanying bids and plans provide the basis of the 2024-25 Budget. To fulfil the Council's statutory obligation to agree a balanced Budget for 2024-25 at the Council Meeting on 22 February 2024, of before 31 March if not agreed. |
| This is what we want to do about it | These are the next steps |
| <ul style="list-style-type: none"> Take a view of the Service Plans, which are based upon the guidance provided by this committee to Officers in November – December 2023. Question Budget Managers about their final plan, particularly if it | <ul style="list-style-type: none"> That this Committee review the proposed Service Plans and accompanying bids and plans as set out in Appendix A to D for 2024-25 Approve the proposed Service Plans for 2024-25 |

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| <p>does not agree with the input provided by this Committee late last year.</p> <ul style="list-style-type: none"> • Focus on the figures for 2024-25. • Noting that the figures for 2025-26 and beyond are indicative and will be subject to Council approval in the future years' budget setting process, so expect the figures to change over time, due to inflation changes, salary agreement settlements, change of strategy, , changing statutory requirements etc.. • To ensure that all discretionary services breakeven or are fully subsidised. | <ul style="list-style-type: none"> • Recommend that Corporate Policy & Resources Committee approve the proposed Service Plans for 2024-25 |
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1. Appendices

1.1 Included with this report are the following items for this Committee:

- (a) Service Plans, noting that a number of cost centres are amalgamated into one service plan.
- (b) Revenue Growth Bids
- (c) Summary Committee budget by cost centre
- (d) Detailed Committee budget by cost centre

2. Key issues

- 2.1 The Committee should provide a strategic steer to Officers, who will prepare the operational Service Plans to deliver the strategic outcomes desired by the Committee.
- 2.2 In the absence of any strategic direction, Officer will set the strategic direction and the Committee will then approve the strategy.
- 2.3 The Budget Manager originally prepared the Service Plan, and this was in turn reviewed by the relevant Group Head, then MAT, before being submitted to this Committee for review in October - November 2023.
- 2.4 The feedback provided by the Committee was incorporated into the Service Plans attached with this report.

3. Options analysis and proposal

- 3.1 Following guidance from Corporate Policy & Resources Committee in September, every Committee has reviewed and considered each fee and charge and apart from the items in 2.7 below, considered the proposal to increase fees and charges by a minimum of 5% for the discretionary and to charge the maximum for statutory fees and charges, as the only option.

4. Financial management comments

- 4.1 The Council has a draft balanced budget for 2024-25 and should the Committee decide to increase or decrease the net revenue expenditure budget for this committee, it must state where the additional income or reduced services will come from to support a change, for example, should the Committee wish to an additional £50k service, then it will need to raise an additional £50k in income, through price increase, volume increase or increasing the frequency of spend or either reduce costs in one of more of the Committee Cost Centres to an aggregate of £50k, to maintain an overall draft balanced budget.

5. Risk management comments

- 5.1 Service Plans include a section on risk considerations and appetite. It is the responsibility of each Service Manager and Group Head to ensure that they identify, assess, and proportionately manage key risks relating to their service areas. This may include a range of risks that specifically impact the effective delivery of service objectives (and corporate priorities) The Council has an approved risk management policy that provides guidance in the management of risk, to support informed decisions.
- 5.2 The risk implications of approving any growth bids in terms of the financial impact on the draft balanced budget have been highlighted elsewhere in this report, along with proposed control and mitigation measures.

6. Procurement comments

- 6.1 Any new Council contracts taken on as part of the revenue and capital growth bids will be subject to the Council's procurement policies.

7. Legal comments

- 7.1 Any contracts required in connection with the revenue and capital growth bids shall have to comply with the Contract Standing Orders and the Council's duty to deliver best value under the Local Government Act 1999.

The Legal Services (g.legal@spelthorne.gov.uk) will assist with the preparation, review and negotiation of the contract terms and conditions where necessary.

8. Other considerations

- 8.1 There are none.

9. Equality and Diversity

- 9.1 Individual projects are subject to equality and diversity impact assessments.

10. Sustainability/Climate Change Implications

- 10.1 All new actions and ongoing activities within service plans undertaken by the Council should meet the objectives of the Council's climate change strategy.

11. Timetable for implementation

- 11.1 Once approved the Service Plans will be presented to Corporate Policy & Resources Committee for approval at their meeting on 19 February, ahead of the full Council meeting on 22 February.

11.2 Once agreed by Council, the 2024-25 budget will be implemented from 1 April 2024.

12. Contact

12.1 Paul Taylor Chief Accountant – p.taylor@spelthorne.gov.uk

Background papers: There are none.

Appendices:

Appendix A – Service Plans for this Committee

Appendix B – Revenue Growth Bids for this Committee

Appendix C - Summary Committee budget by cost centre

Appendix D – Detailed Committee budget by cost centre