

REPORT TO:	Scrutiny and Overview Committee 1 March 2022
SUBJECT:	Budget Scrutiny 2022-23
LEAD OFFICER:	Richard Ennis, Interim Director of Finance, Investment and Risk (S151 Officer)
PUBLIC/EXEMPT:	Public

ORIGIN OF ITEM:	This report has been included on the agenda for the Scrutiny and Overview Committee to inform the budget scrutiny process, with the meeting originally to be held on 15 February 2022 and now held on 1 March 2022, being the culmination of the process over the past three months
BRIEF FOR THE COMMITTEE:	<p>The Scrutiny and Overview Committee is asked to:-</p> <ol style="list-style-type: none"> 1. Note the update to be provided on the delivery of the 2021-22 budget and setting the 2022-23 Budget. 2. Consider the conclusions of the Committee on 2022-23 budget, to be submitted to the Budget Council meeting on 7 March 2022, including:- <ol style="list-style-type: none"> a. Reaching a conclusion on deliverability and sustainability of the 2022-23 budget. b. Reach a conclusion on whether sufficient evidence has been provided to conclude that there is understanding of the key risks and ownership of the proposals by the Council's political leadership. c. Consider whether there are any further conclusions on the 2022-23 budget the Committee would like to bring to the attention of Council.

3. 2022-23 BUDGET

3.1. The Scrutiny and Overview Committee will be provided with a final update on the progress made with setting the 2022-23 budget. This will include the latest budget reports scheduled to be published as part of the Cabinet agenda for 7 March 2022, when published on 25 February 2022.

- 3.2. The purpose of this update is to inform the budget scrutiny process, from which the Committee will be looking to reach a view on the deliverability and sustainability of the 2022-23 Budget. The Committee will also be looking to ensure that there is an understanding of the key risks and ownership of the proposals by the Council's political leadership.
- 3.3. To prepare for the budget scrutiny process, members of the Committee have received two training sessions delivered by the Centre for Governance and Scrutiny on best practice for budget scrutiny. On 23 November 2021, the Committee has also received a briefing from the Council's Section 151 Officer on the key budget principles and the approach to setting the budget.
- 3.4. At the Scrutiny & Overview Committee on 7 December the agenda included and update on the setting of the 2022-23 Budget and the Three Year Medium Term Financial Strategy. From the discussion a number of areas were identified for further investigation such as programme management capacity of the Council to manage the delivery of the budget and the financial monitoring systems. Since the meeting the Scrutiny Chairs have followed up these issue directly with officers and will report back to the meeting.
- 3.5. The three scrutiny sub-committees (Children & Young People, Health & Social Care and Streets, Environment & Homes) each had a briefing on the budget proposals for their areas of responsibility in the week of 29 December. At the meetings of the sub-Committees in January/February, each agenda will include a budget challenge item focusing on specific areas of the budget identified for further scrutiny. The outcome from these sessions will be fed back to this Scrutiny & Overview Committee meeting on 1 March 2021.
- 3.6. As this meeting is the final opportunity for the Scrutiny and Overview Committee to consider the budget setting process, at the conclusion of this item the Committee should finalise its conclusions on the 2022-23 Budget. These conclusions will be reported to the Budget Council meeting on 7 March.

4. **BUDGET DOCUMENTS REVIEWED BY SCRUTINY**

- 4.1. To aid the Committee in its final consideration of the budget, a series of links are provided below to agenda papers and minutes (where available at the time of publication) already consider over the past couple of months.

[Scrutiny & Overview Committee – 7 December 2021](#)

Items

1. Finance Performance Report – Month 7

Considered:

2. 2022-23 Budget & Three Year Medium Term
Financial Strategy [Agreed Minutes](#)

Children & Young People Sub-Committee – 18 January 2022

- Items Considered:
1. Children, Young People & Health Budget Scrutiny Challenge
 2. Education Estates Budget 2022-23

Scrutiny & Overview Committee – 20 January 2022

- Items Considered:
1. Budget 2022-23 (Including the following Cabinet reports: Financial Performance Report – Month 8, MTFS 2022-23 to 2024-25 Update on position, General Fund Capital Programme 2022-23 to 202425)
 2. Scrutiny Budget Challenge
[Draft Minutes](#)

Health & Social Care Sub-Committee – 25 January 2022

- Items Considered: Budget Scrutiny Challenge: Adult Social Care & Health Directorate
- [Draft Minutes](#)

Streets, Environment & Homes Sub-Committee – 1 February 2022

- Items Considered:
1. Budget Scrutiny Challenge
 2. [HRA Rent Setting and Draft Budget 2022-23 Sub-Committee Recommendations to 7 February Cabinet on HRA Rent Setting & Draft Budget](#)

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APPENDICES:

Cabinet Finance Reports:
Budget and Medium Term Financial Strategy Report
Appendix A – Summary of General Fund Revenue Estimates
Appendix B – General Fund Growth and Savings Proposals
Appendix C – General Fund Departmental Revenue Budgets
Appendix D – General Fund Service Subjective Budget Summary
Appendix E – Recommendations for Council Tax 22/23
Appendix F – GLA Budget Requirement and Band D Charge
Appendix G – Pension Fund Committee Asset Transfer Decision
Appendix H – Croydon Affordable Home – Tenures Briefing Note
Appendix I – 2022-23 Budget Proposals Feedback

Treasury Management Strategy Statement Report
Appendix A – Capital Strategy

Appendix B – Debt Maturity Profile
Appendix C – Specific and Non-Specific Investments
Appendix D – Capital Prudential and Treasury Indicators
Appendix E – Minimum Revenue Provision Policy
Appendix F – Prospects for Interest Rates
Appendix G – Economic Background

BACKGROUND DOCUMENTS: None