

Resources Scrutiny Commission Submission to the 4th October 2022, Cabinet Meeting

Finance Task Group Report.

The Finance Task Group would like to thank officers for their efforts to keep us informed during challenging and constantly changing times.

We have met 5 times with officers since June 2022 and have now been briefed on the current financial situation and the projections in the Medium-Term Financial Plan (MTFP). We share concerns about the volatile figures and potential financial gap of £30m – £80m over the coming years.

The Group commend officers for the considerable amount of work officers have already undertaken including a range of financial scenarios. However, with so many complexities to take account of we can never be certain of the figures going forward at this moment in time and recognise the level of difficulty of planning and that much is out of the Councils control.

The main areas of concern are:

- Levels of inflation in certain areas, for example inflation within construction is through the roof. Different areas have different levels of exposure to inflation, varying from 4 – 11%. The Group has concerns about housing market pressures and the planning uncertainty on Goram Homes. Also, City Leap, as energy is also a big uncertainty right now.
- Information suggested that Bristol Waste Company (BWC) will absorb some costs but the Group have concerns about this assumption.
- Adult Social Care – seems to be facing new and sometimes unpredicted pressures every year.
- Direct Schools Grants (DSG) / special needs deficit.

Many extra pressures exist this year, due to inflation and energy prices, but a significant chunk of the budget gap comes from existing service pressures and unmet savings, and we need to acknowledge this and discuss those unmet saving plans.

Given the ongoing budget pressures, as previously recommended, the Group would like to see more priority given to 'invest to save'.

After years of cuts and savings, the Group is very concerned about the Councils ability achieve such a scale of savings and will need additional support from central Government.

The Finance Task Group would like to be involved when budget proposals are being considered, and to work with other scrutiny bodies to look at the impact of proposed cuts early on.