



Councillor Cliff Lunn

Executive Member for Finance and Resources

Report to Council on 18 February 2021

Executive – 7 January 2021

Housing Rents

The Executive resolved to increase housing rents by CPI + 1% with effect from 1 April 2021. This is in line with the approved business plan and is necessary to support the ambitious improvement programme planned.

Executive – 4 February 2021

Budget report

The Executive considered the proposed budget in light of the provisional local government finance settlement along with responses to the public consultation and feedback from Policy Review Committee. The Executive noted the general support for freezing Council Tax for 2021/22. The recommended budget and Council Tax is subject of a separate report on this agenda.

Q3 Budget Exceptions

The on-going impacts of Covid-19 continue. A revised budget was approved at Full Council on the 22nd September. As at quarter 2, quarter 3 outturn forecasts are reported against the revised budget. The latest return to Government on the financial impacts of Covid, estimates losses of nearly £3m in 2020/21 split between the General Fund and HRA. To date the Council has received £1.2m emergency Covid-19 funding from the Government with further funding expected.

At the end of Q3, the forecast full year revenue outturn shows a £197k deficit in the General Fund, and a HRA surplus of £3.9m for transfer to the Major Repairs Reserve.

General Fund and HRA planned savings are on target to be achieved against the revised budget targets.

Following the reprofiling of projects in quarter 2, the majority of projects in the general fund are expected to deliver as expected in 2020/21 with a small level of further slippage forecast.

In the HRA, there is additional forecasted slippage on the property refurbishment programme and on the housing development programme. Programme for Growth projects have also been rephased with £1.4m carried over to future years.

The appendices to the report provide further detail on the variances.

Q3 Treasury Management

This was the third quarter report on treasury management activities. The trend identified at Q2 has continued with low interest rates but balances higher than anticipated so improving income as the year progresses.

Property funds continue to provide reasonable revenue returns whilst capital values are still below our original purchase price – as colleagues are aware fluctuations are expected and these are long term investments.

Borrowing levels remained stable and we continue to plan for further internal borrowing to support the capital programme whilst interest rates are so low.

And once again, Prudential indicators were not breached in the last quarter.

Treasury Management and Capital Strategy

This report sets out our approach to capital spending, investments and borrowing and the management of the Council's cashflows. Again, this is subject of a separate report on this agenda.

Business Grants

After the announcement of the November national lockdown a range of further grants from central government have been introduced to support businesses, for both the national lockdowns and the Tiered systems. Those businesses forced to closed in the national lockdowns in November and January have received payments of over £4.1 million for weekly support and an additional one-off payment for the January 2021 lockdown. Public houses forced to closed in the Tier 2 restrictions have received grants totalling £33,686 and 51 wet led pubs have received one off Christmas Support payments of £1,000. A discretionary scheme has also been implemented to support those businesses that may not have properties in the rating list or have been forced to close but their trade has been severely affected by the lockdowns and payments to 170 businesses have been made so far at a total of £957,000.

Test and Trace support payments

The Benefits & Taxation Team continues to administer the Test and Trace isolation support payment scheme on behalf of the Department for Health and Social Care (DHSC). This began in October 2020 and was due to end January 2021 however in the middle of January they advised the scheme would be extended until at least the 31st March. Applicants are eligible for a £500 payment to support any loss of income due to the need to self-isolate. DHSC provide full funding for the Standard scheme which is for those applicants on benefits who have a loss of income. The DHSC also provide limited discretionary funding for applicants not on benefits who have a loss of income. To date 410 applications have been received and payments made to 126 applicants eligible for the Standard scheme at £63,000 and 57 eligible for the Discretionary scheme at £28,500.

Digital transformation

The 'digital workforce' project continues to progress. The final tranche of officers are receiving their new devices and internal teams are moving information into the cloud to make it easier to collaborate with each other as well as sharing reports with us, as Councillors. To support colleagues in working with officers, Councillors will receive details of an online training portal in the next few weeks. This has short videos of how to do different things using the new Microsoft technology, such as: how to set up meetings; how to use instant chat; and also videos on how to use programmes like Word and One Note.

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