



Councillor Cliff Lunn - Executive Member for Finance and Resources

Report to Council on 21 December 2021

Financial Results and Budget Exceptions Report to 30th September 2021

This report presented the forecasts for 21/22 based on the position at 30 September 2021. At the end of Q2, forecasts indicated a surplus of £93k for the GF and a £101k surplus for the HRA, against approved budgets – relatively modest sums at this stage in the year.

Covid is still impacting on the Council's services with estimates showing a variety of cost and income pressures totalling some £2.7m for the year – much of this is already built into the budget but the Executive were asked to approve a virement of £154k from the Covid contingency to cover the losses of car park, lifeline and assets team income.

General Fund planned savings are forecast to deliver at £184k but the £195k HRA saving for the housing system has been delayed as the implementation of phase 2 of the housing system will now not happen until later this year.

There is also some slippage on the capital programmes and programme for growth – the Council has ambitious plans, but capacity is stretched and therefore prioritisation will be needed. Details of progress on individual projects were set out in the appendices to the report.

Treasury Management - Quarterly Update Q2 2021/22

This report reviewed the Council's borrowing and investment activity for the period to 30th September 2021.

On average the Council's investments totalled £77.7m over the first half year at a rate of 0.19% and earned interest of £73.1k - £14.4k above the year-to-date budget.

Interest rates remained at unprecedentedly low levels and as older investments with higher rates are maturing, they are being replaced by new investments at the currently depressed rates but spend is slower than forecast, meaning balances are remaining higher for longer.

In addition to investments held in the pool, the Council had £4.93m invested in property funds as at 30 September 2021. The funds achieved 3.46% revenue return and 5.96% capital gain. Whilst it is encouraging to see capital improvement following previous falls, these funds are long term investments and changes in capital values are realised when the units in the funds are sold.

Long-term borrowing totalled £52.833m at 30 September 2021 and interest payments of £1.912m are forecast for 2021/22 – a small saving on the budget as a result of original planned borrowing not required.

The Council had no short-term borrowing in place as at 30 September 2021 and the Council's affordable limits for borrowing were not breached during this period.

Draft Budget

This report set out the Executive's proposals for the draft revenue budget; capital programmes and the Programme for Growth for 2022/23. The report set out our final budget proposals in light of local government re-organisation, our investment plans, and our continued response to Covid.

Whilst 2022/23 will be Selby's last budget, the report also presented indicative budgets and planned programmes for 2023/24 and 2024/25. This approach provides the new council with an understanding of the pressures and opportunities facing Selby District, and investments planned by this Council.

6 weeks public consultation began from the 3 December, which includes wider member engagement events. Policy Review Committee will be asked to comment on the proposals at their meeting in January.

Following consultation, the Executive will finalise the proposals in early February 2022 for submission to full Council later that same month.

Test and Trace support payments

Since September 2020 the Benefits and Taxation Section has been administering the £500 payments on behalf of the Department for Health & Social Care, the scheme has now been extended to the 31 March 2022. Payments totalling £331,000.00 have been made to residents to help them during self-isolation. The main scheme is fully funded by central government, the discretionary funding is limited, however payments issued have not yet exceeded the funding provided.

Household Support Fund

The Benefits & Taxation Section has been working closely with North Yorkshire County Council to support their administration of the new Household Support Fund, which is a pot of funding to help vulnerable households with essentials over the winter. North Yorkshire has been allocated just over £3.5 million to provide this. Across Selby District over 1400 families with children who receive Council Tax Support have been issued letters to claim the support which is being offered as supermarket vouchers totalling £250.00 which will be paid in two payments of £125.00 in December and £125.00 in January.

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