

7c REFERRAL FROM FINANCE, AUDIT AND RISK COMMITTEE: 23 JUNE 2021 – REVENUE BUDGET OUTFURN

RECOMMENDED TO CABINET:

- (1) That the report entitled Revenue Budget Outturn 2020/21 be noted;
- (2) That a decrease of £866k in the 2020/21 net General Fund expenditure, as identified in table 3 and paragraph 8.1, to a total of £19.379million, be approved;
- (3) That the changes to the 2021/22 General Fund budget be approved, as identified in table 3, paragraph 8.2 and paragraph 8.3, a total £377k increase in net expenditure.

Cabinet recommends to Council:

- (1) That the net transfer to earmarked reserves, as identified in table 8, of £11.464million, be approved.

REASONS FOR DECISIONS:

- (1) Members are able to monitor, make adjustments within the overall budgetary framework and request appropriate action of Services who do not meet the budget targets set as part of the Corporate Business Planning process.
- (2) Changes to the Council's balances are monitored and approved.

The Service Director – Resources presented the report entitled Revenue Budget Outturn 2020/21 and directed Members to the Executive Summary at Paragraph 1.1. He advised that the coronavirus pandemic had had a significant impact on the Council's General Fund Balance.

The Service Director – Resources then drew Members' attention to the following items in the report:

- Table 3 - Summary of significant variances on page 101 within the report and explained that some budget areas illustrated an underspend. He also advised that the Strategic Priorities Fund contained funds that had been put aside in order to push forward initiatives to save money;
- There had been an underspend of funds in the Apprenticeship Scheme. In order to catch up, more apprentices would be recruited;
- Table 4 - Efficiency Delivery 2020/21 and advised that it outlined the interest earned on various investments;
- Table 5 - Corporate financial health indicators;
- The amounts in relation to Business Rates would be held in a reserve in order to smooth the impact on the General Fund balance;
- Table 6 - COVID-19 Financial Impact on General Fund showed that the net impact was £1,507;
- It was hoped that funds held in the MHCLG Grants Reserve could be released into the General Fund. However, it was prudent to keep it in there for the time being; and
- Table 10 – Covid-19 Financial Support to Businesses and Individuals highlighted the sheer volume of business grants that have been issued owing to the pandemic.

The following Member asked a question:

- Councillor Terry Hone.

In response to the question raised, the Service Director – Resources advised:

- He would check the variance of the Car Parking Income detailed on Table 3 as the figure did not add up; and
- The Waste and Recycling Net Impact was £524k owing to the various areas of expense such as disposal and the additional processing costs. Furthermore, owing to Covid-19 the garden waste service had been temporarily suspended during the first lock-down.

Councillor Sam Collins commented that it was pleasing to see that Table 6 clarified the Income Guarantee amount and that it showed a 25% shortfall as support from Government covered 75% of relevant losses.

It was proposed and seconded and upon being put to the vote, it was:

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