

# **POLICY AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE**

**21<sup>st</sup> DECEMBER 2020**

**Present-** Councillor Dave Harling (in the Chair), Councillors Afzal, Liddle, Rawat, Bateson, Slater, Floyd and Connor.

**Also Present-** Councillor Vicky McGurk, Executive Member for Finance and Governance

Louise Mattinson, Director of Finance and Customer Services

David Fairclough, Director of HR, Legal and Corporate Services.

Paul Conlon, Democratic Services.

## **1. Welcome and Apologies**

The Chair welcomed those present to the meeting and received apologies from Councillor Colin Rigby.

## **2. Minutes of the Meetings of the Committee held on 23<sup>rd</sup> September 2019 and 21<sup>st</sup> January 2020.**

The Minutes of the meetings held on 23<sup>rd</sup> September 2019 and 21<sup>st</sup> January 2020 were submitted. In response to a question from a member it was reported that the information requested relating to sickness absence would be submitted to the meeting in March to enable a fuller picture to be given as it would be nearer to year end.

RESOLVED-

1. That the Minutes of the meetings held on 23<sup>rd</sup> September 2019 and 21<sup>st</sup> January 2020 be approved as a correct record and signed by the chair.
2. That the further information on sickness absence be submitted to the next meeting of the Committee in March.

## **3. Declarations of Interest**

The Committee were informed that there were no declarations of interest in items on the agenda.

## **4. The Council's Budget and COVID 19.**

The Committee were reminded that the major focus of the overview and scrutiny Committees for the year had been agreed as the effects of COVID 19 on the Council

services, the community and the economy and how the Council puts actions in place to support the community and the economy.

The Committee looked at the key issues of finance, members had previously been made aware of the concerns expressed earlier in the year regarding the significant increase in costs and losses of income that had been incurred in responding to the pandemic, through the first national lockdown, then coming out of the restrictions in June only to have further restrictions imposed in July.

The Committee were informed that given the lack of government funding at the time, it was very apparent that unless further resources were forthcoming, the Council would not be able to contain these costs and losses within the existing budget for 2020/21, and due to the low level of reserves held, it was becoming more and more likely that the Director of Finance, as the Section 151 Officer, would need to issue a Section 114 notice, which would effectively declare that the Council would not be able to balance its budget for the year, and in essence would be insolvent.

Due to the continuous lobbying by the Leader, Members, Officers, both of our MPs, together with other local authorities and their representative bodies across the country, further funding had been provided and the risk of issuing a Section 114 notice had subsided.

The Committee received an outline the funding received at 11<sup>th</sup> December. They were informed that

- for some funding streams such as the Business Rate schemes, the Council acts as a conduit, administering the payments on behalf of government,
- some that are listed are the maximum amount of funding earmarked for the Borough, which can only be accessed retrospectively on submission of a claim detailing the costs incurred
- some are paid in advance but are subject to a reconciliation and evidence of payments made with recovery by government for unspent funds
- some relate to general funding provided to address additional costs incurred and income lost as a result of the pandemic

The Committee looked at the total forecast additional expenditure the Council expect to incur of £17.752 mill, and the income losses expected to make of £9.906 mill, excluding those on business rates and Council tax, i.e. total £27.712mill, the Council expect that the government funding at this point in time is sufficient to cover our costs. This is based on;

- £16.794mill - funding for general costs expenditure and losses of income as at 11<sup>th</sup> December
- £3.988mill – additional funding for lost sales, fees and charges income for the period 1<sup>st</sup> Oct – 31<sup>st</sup> Mar
- £3.510mill – contain outbreak Management
- Further funding to cover costs referred to by the Chancellor in the Spending Review

With regard to Business Rates and Council Tax, the government has given an undertaking to fund 75% of 'irrecoverable losses' incurred on these in 2020/21, with further information to be provided on the definition of irrecoverable loss, and for any resulting deficit on the Collection Fund in 2020/21, legislation has been amended to provide for recovery of this by the Council over a 3 year period rather than the normal 1 year process.

The Committee looked at the specific challenges that had to be faced by the Council and how the challenges had affected delivery of corporate priorities and also the support that had been made available and how have staff coped with the demands placed on them by meeting the realignment of services.

As can be seen in the analysis of expenditure incurred on Covid, one of the categories that MHCLG have asked to be included is the delay in delivery of planned savings programmes – clearly although work was in train to deliver the savings programme, several areas have been deferred as the response to the pandemic has had to be prioritised. Non-recurring savings had been generated as some activities/services have been curtailed as it has simply not been possible to undertake them.

Priorities such as the accommodation strategy and delivery of elements of the IT digital programme have continued and indeed have been accelerated during the pandemic. As staff have been working from home, the Corporate Building Team have been able to successfully complete Phase 1 of the Accommodation Strategy and the 3<sup>rd</sup> and 4<sup>th</sup> floor of the Old Town Hall have been refurbished and are now in use. Work has now begun on Phase 2 which includes the 1<sup>st</sup> and 2<sup>nd</sup> floors and the Council Chamber.

The need to work from home has meant that plans to implement the technology to facilitate mobile working had to be scaled up at speed and the introduction of alternative ways of working using Microsoft Teams and Cloud technology have been implemented far more quickly than had been intended with huge benefit and success. Staff have been flexible and have been redeployed in many instances to meet the demands arising in the pandemic; from establishing and running the Food Hub and the Help Hub, to providing a 7 day-a-week service in social care, to supporting the national Test and Trace Service. Staff have demonstrated their versatility and commitment in ensuring the needs of the residents of the borough are put first and have worked tirelessly to provide a first class service, in whatever service area they have worked. We are mindful of their efforts and of the need to ensure their own health and wellbeing and so have in place, and continue to develop, various schemes, mechanisms and ways in which we can provide support.

RESOLVED-That the implications of the COVID19 Pandemic on the Council's Budget and the response delivered be noted and that the thanks of the Committee be forwarded to those involved for the magnificent response.

##### 5. Progress of the Overview and Scrutiny Committees.

The Committee were updated on the progress of the Place and People Overview and Scrutiny Committees. The Committees had been working on the common theme agreed in June of the Councils response to the COVID-19 pandemic.

RESOLVED- That the progress of the People and Place Overview and Scrutiny Committees be noted.

Chair at the meeting where the minutes were  
signed.....

Date.....