

## CABINET MEMBERS REPORT TO COUNCIL

23 September 2020

### **COUNCILLOR ERIC SEWARD - CABINET MEMBER FOR FINANCE, REVENUES & BENEFITS**

For the period June 2020 to September 2020

#### **1 Progress on Portfolio Matters.**

**COVID-19** – a second update report in respect of the ongoing financial pressures as a result of the COVID-19 pandemic was provided for Member's consideration to Cabinet and Overview and Scrutiny in August. Following on from the previous update report in May which highlighted a potential budget deficit of around £1m in the current financial year, the updated position is now forecasting a potential deficit of around £0.3m. Further update reports will be provided as part of the budget monitoring process over the remainder of the year which will include the latest forecasts.

**Business rates NHS appeal** – On the 12<sup>th</sup> December the Council received some excellent news in relation to this case which determined whether or not the NHS Trusts are charitable and the Court determined that they are not. It's extremely good news for the Council. However, the NHS have appealed this decision and we are now awaiting an update as to when the appeal will be heard so unfortunately the case is still not concluded.

**Small Business Grants** – the Revenues and Finance teams have been heavily involved in the delivery of this grant scheme which will have closed by the time this report is published (end of August 2020). The support provided to local businesses through this scheme totals £53.4m and has helped nearly 5,000 customers. I would like to pass on the thanks of my Cabinet colleagues for the work that has gone in to the success of this scheme to all of the various teams involved.

**2019/20 Business Rates Pilot** – the figures for the pilot are contained within the 2019/20 outturn report which was presented to Cabinet earlier this month and saw additional income received by the District of c£0.6m.

**2019/20 Accounts** – despite the additional pressure brought about by the COVID pandemic the finance team were able to publish the 2019/20 **draft** accounts in line with the government target of the end of July. The audit work is scheduled for October and the accounts are due to be signed off by the Governance, Risk and Audit Committee (GRAC) in December. Members will be aware of the capacity issues that have been faced nationally by our external auditors, the 2018/19 accounts are now due to be signed off by

GRAC in September.

**Government reviews** - Due to national and global impact of COVID-19 the Fair Funding Review has been slipped until at least 2021. Consultation is ongoing in respect of the Local Government Finance Settlement and Business Rates Review, the deadline for responses is 24 September and 11 November respectively. The finance team will continue to monitor the position and will take account of any known funding changes as part of updating the 2021/22 Medium Term Financial Strategy and next year's budget.

**Redmond review** – The recommendations from the Redmond Review into local government accounts and audit were published earlier this month. The main ones relating to financial reporting by Councils are summarised below:

- *A standardised statement of service information and costs be prepared by each authority and be compared with the budget agreed to support the council tax/precept/levy and presented alongside the statutory accounts.*
- *The standardised statement should be subject to external audit.*
- *The optimum means of communicating such information to council taxpayers/service users be considered by each local authority to ensure access for all sections of the communities.*
- *CIPFA/LASAAC be required to review the statutory accounts, in the light of the new requirement to prepare the standardised statement, to determine whether there is scope to simplify the presentation of local authority accounts by removing disclosures that may no longer be considered to be necessary.*

These requirements could have implications for the way we complete our statement of accounts in the future and CIPFA/LASAAC will be consulting on this as part of their Annual Code consultation process.

## **2 Forthcoming Activities and Developments.**

**Upcoming Reports** – a number of reports are due to be considered over the following months as follows:

- 2021/22 council tax discount determinations
- Budget Monitoring Report Period 6/COVID update
- 2021/22 Fees & charges
- 2020/21 treasury management half yearly report
- Medium Term Financial Strategy 2021/2022 onwards
- 2021/22 Budget
- Budget Monitoring Report Period 10/COVID update

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| <b>3</b> <b>Meetings attended</b> |
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| Nothing further to report. |
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