

CABINET MEMBERS REPORT TO COUNCIL

22 September 2021

COUNCILLOR E SEWARD - CABINET MEMBER FOR FINANCE & ASSETS

For the period July to September 2021

1 Progress on Portfolio Matters.

Finance

Zero Based Budgeting (ZBB) - The Finance team have been supporting the delivery of Zero Based Budgeting across the Council for the 2022/23 budget round. Operational Managers have been asked to submit a return containing Gold and Silver budget options for their service area by 15th October.

Cabinet will then provisionally allocate a Gold or Silver option for each service, based on Corporate priorities. All Operational Managers have now been trained and are working on the completion of their returns with assistance and advice from the Finance team. The Council's Fees and Charges, Support Service Charges and Capital Bids are being reviewed alongside these budget options.

2020/21 Final Accounts and outturn report – the finance team have completed the production of the draft 2020/21 final accounts and there were made available [here](#) on the Council's website by the deadline of the end of 31 August 2021. The draft statements are due to be considered by the Governance, Risk and Audit Committee (GRAC) in September.

The 2020/21 outturn report, treasury management annual report and debt management annual report were all been presented to Cabinet and Overview and Scrutiny during September in line with last year's timetable.

Fair Funding Review (FRR)/Business Rates Retention Scheme (BRRs) - It now looks likely that the Fair Funding Review and review of the Business Rates Retention Scheme will not be complete for a start on 1st April 2022. While this has not been officially confirmed by the Ministry of Housing, Communities and Local Government (MHCLG), the timelines for the required consultation are now so tight that officers believe it is no longer feasible to be completed in this financial year. This means that many of the funding pressures that had been forecast for 2022/23 could happen in 2023/24 instead and officers will be analysing any potential impacts of this as part of the work on the 2022/23 budget process and the Medium Term Financial Plan.

We have however recently had confirmation that work on the Spending Review, which sets Departmental Expenditure Limits (DELs) for each Government department, is going ahead. The expectation is that this will be a multi-year spending review covering the years 2022-23 to 2024-25, and it will conclude on 27 October 2021, alongside the Autumn Budget 2021. This should make forecasting the overall amount of money that MHCLG are likely to have to distribute a little more

straightforward in terms of future financial planning but this will be dependent on a timely announcement so that the figures can be included within the future forecasts.

CIPFA Financial Management Code (FM Code) – Strong financial management is an essential part of ensuring public sector finances are sustainable. The Financial Management Code (FM Code) has been launched by the Chartered Institute of Public Finance and Accountancy (CIPFA) and provides guidance for good sustainable financial management in local authorities and will provide assurance that authorities are managing resources effectively.

It requires authorities to demonstrate that the processes they have in place satisfy the principles of good financial management. The FM Code identifies risks to financial sustainability and introduces a framework of assurance. This framework is built on existing successful practices and sets explicit standards of financial management. Complying with the standards set out in the FM Code is the collective responsibility of elected Members, the Chief Finance Officer (s151) and their professional colleagues in the Corporate Leadership Team. Complying with the FM Code will help strengthen the framework that surrounds and supports financial decision making.

The deadline for implementing the improvements contained within the Code is April 2022 and the finance team are confident that they will be able to deliver to those timescales.

Property Services

Melbourne slope (former public convenience) concession opportunity – following approval to progress with the letting of this unit by Cabinet in July the terms are being finalised with the tenant prior to completion by eastlaw. The venue will provide a health food and sustainable product café and the intention is to try and have the refurbished site open and operational for next summer.

North Lodge Park concession opportunity – following the expiry of the Expressions of Interest for the concession opportunity on North Lodge Park the Council has received 3 proposals, these will now be considered by the Estates team prior to recommendations being put forward for consideration by the Corporate Leadership Team (CLT)/Cabinet.

Beach hut/chalet new pricing proposal for weekly lets – pricing for weekly lets is being considered along with some possible new locations to optimise income from these assets in the future. Reports are due to be considered by the Corporate Leadership Team (CLT)/Cabinet with an annual report to O&S due in October.

Climate change – the teams are working with the Climate Change Officers to review baseline data and to provide additional information to Net Zero East so they can consider potential opportunities to reduce the emissions from the Council's asset portfolio.

2 Forthcoming Activities and Developments.

Preparations are continuing ahead of the 2022/23 budget process and the audit of the statement of accounts.

3 Meetings attended

Nothing further to report.
