

ARUN DISTRICT COUNCIL

REPORT TO CABINET ON 22 MARCH 2021

SUBJECT: The Council's Future Financial Issues

REPORT AUTHOR: Nigel Lynn, Chief Executive

DATE: 28 January 2021

EXTN: 37600

PORTFOLIO AREA: Corporate Support

EXECUTIVE SUMMARY:

The Council's Section 151 Officer has provided regular reports over recent months highlighting the Council's current financial position and the scale of our possible financial position for 2022/23. Whilst acknowledging various uncertainties, this report provides an update on possible financial measures to help future deficits.

Officers request that Cabinet considers the items identified and advise on the way forward.

RECOMMENDATIONS:

Cabinet is requested to resolve to:

- i) Note the financial actions achieved and instruct Officers how to proceed with each proposal.

1. BACKGROUND:

The following budget reports have been presented to Cabinet in recent months:

- 29 April 2020 - Update on the Financial Consequences of the Coronavirus pandemic (Group Head of Corporate Support)
- 1 and 22 June 2020 – The Council's Response to the Covid-19 Pandemic (Chief Executive)
- 20 July 2020 – Revenue and Capital outturn Expenditure 2019/20 (Financial Services Manager)
- 21 September 2020 - Budget Monitoring Report to 31 July 2020 (Financial Services Manager)
- 21 September 2020 - Financial Prospects Report 2020/21 to 2025/6 (Group Head of Corporate Support)

- 21 September 2020 - Financial Support to Freedom Leisure (Group Head of Community Wellbeing)
- 19 October 2020 – The Council’s future financial issues (Chief Executive)
- 16 November 2020 – Budget Monitoring Report to 30 September 2020 (Financial Services Manager)
- 14 December 2020 – Financial support to leisure operating contract (Group Head of Community Wellbeing)
- 14 January 2021 – Members Briefing on the Budget 2021/22 (Group Head of Corporate Support)
- 8 February 2021 – Budget Monitoring Report to 31 December 2020 (Financial Services Manager)
- 8 February 2021 – Arun District Council Budget 2021/22 (Group Head of Corporate Support)

The Chief Executive has also provided Covid-19 update reports to Cabinet since 1 June 2020 and has highlighted the Council’s financial concerns regularly for 2022/23.

Corporate Management Team, working with their Group Heads of Services, have been examining possible changes to service delivery that will assist the Council’s budget. The proposals are provided as Appendix A to this report.

2. PROPOSAL(S):

In the knowledge of the Council’s financial position for 2022/23, Cabinet is asked to note actions achieved and provide support for the officer proposals within Appendix A.

Alternatively, Cabinet can suggest alternative proposals to the Appendix.

3. OPTIONS:

- a) To support the officer proposals; or
- b) To suggest alternative proposals

4. CONSULTATION:

Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council		X
Relevant District Ward Councillors		X
Other groups/persons (please specify) – Cabinet Portfolios	✓	

5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)

	YES	NO
Financial	✓	
Legal		X
Human Rights/Equality Impact Assessment		X
Community Safety including Section 17 of Crime & Disorder Act		X

Sustainability		X
Asset Management/Property/Land		X
Technology		X
Other (please explain)		

6. IMPLICATIONS:

The Council needs to ensure a stable financial position to continue to provide quality services in the future. Financially, 22/23 is anticipated to be a very difficult year for the Council, as highlighted by the Council's 151 Officer. This report requests Cabinet support and guidance on the proposals put forward by Officers, so that we can work toward achieving these issues as soon as possible, whilst acknowledging that Council Officers have little capacity due to the ongoing Coronavirus.

7. REASON FOR THE DECISION:

To enable Officers to investigate a series of measures to reduce the Council's revenue budget.

8 EFFECTIVE DATE OF THE DECISION: 31 March 2021

9. BACKGROUND PAPERS:

- 29 April 2020 - Update on the Financial Consequences of the Coronavirus pandemic (Group Head of Corporate Support)

[Report](#)

- 1 and 22 June 2020 – The Council's Response to the Covid-19 Pandemic (Chief Executive)

[1 June 2020 Report](#) and [22 June 2020 report](#)

- 20 July 2020 – Revenue and Capital outturn Expenditure 2019/20 (Financial Services Manager)

[Report](#)

- 21 September 2020 - Budget Monitoring Report to 31 July 2020 (Financial Services Manager)

[Report](#) and [Appendix](#)

- 21 September 2020 - Financial Prospects Report 2020/21 to 2025/6 (Group Head of Corporate Support)

[Report](#)

- 21 September 2020 - Financial Support to Freedom Leisure (Group Head of Community Wellbeing)

[Report](#)

- 19 October 2020 – The Council’s future financial issues (Chief Executive)

[Report](#) and [Appendix](#) and [Appendix B](#)

- 19 October 2020 – The Council’s Response to the Covid-19 Pandemic (Chief Executive)

[Report](#)

- 16 November 2020 – Budget Monitoring Report to 30 September 2020 (Financial Services Manager)

[Report](#) and [Appendix](#)

- 16 November 2020 – The Council’s Response to the Covid-19 Pandemic (Chief Executive)

[Report](#)

- 14 December 2020 – Financial support to leisure operating contract (Group Head of Community Wellbeing)

[Report](#)

- 14 December 2020 – The Council’s Response to the Covid-19 Pandemic (Chief Executive)

- 14 January 2021 – Members Briefing on the Budget 2021/22 (Group Head of Corporate Support)

- 8 February 2021 – Budget Monitoring Report to 31 December 2020 (Financial Services Manager)

[Report](#) and [Appendix](#)

- 8 February 2021 – Arun District Council Budget 2021/22 (Group Head of Corporate Support)

[Report](#) and [Appendix 1](#) and

- 8 February 2021 – The Council's Response to the Covid-19 Pandemic (Chief Executive)

[Report](#) and [Appendix](#)