

NORTH DEVON COUNCIL

COUNCIL: 25 NOVEMBER 2020

PERFORMANCE AND FINANCIAL MANAGEMENT QUARTER 2 OF 2020/21

**REPORT OF THE POLICY DEVELOPMENT COMMITTEE HELD ON 19
NOVEMBER 2020**

**69. PERFORMANCE AND FINANCIAL MANAGEMENT REPORT: QUARTER 2
OF 2020/21**

The Committee considered a report to the Strategy and Resources Committee on 2nd November 2020 by the Head of Resources together with a minute extract (circulated previously) regarding the Performance and Financial Management Report: Quarter 2 of 2020-21.

The Head of Resources advised that the report had already been subject to consideration by the Strategy and Resources Committee on 2nd November 2020.

He highlighted the following points to the Committee:

- The Authority had received three tranches of additional funding which totalled £1.189m for North Devon.
- A further £0.160m in respect of the Job Retention Scheme and £0.170m New Burdens Grants.
- A further £0.385m Government funding had just been announced. This would be incorporated into the figures on the quarter three report.
- Central Government had announced they would provide further support to Authorities for lost income. Authorities were expected to incur the first 5% variance on budget; income losses would then be reimbursed at 75% level with Councils incurring the remaining budgetary impact.
- This funding to assist with reimbursement of losses had only been confirmed for this financial year at present. Local Government had been lobbying for Central Government to confirm if this was expected to extend past March 2021.
- There had been lower than expected reductions in the Council Tax and Business Rates collection but this could be more prominent later on the year once the Furlough scheme ends.
- There was a general fund balance and reserves which could be used in the short term but this was clearly not a longer term budgetary solution.
- The Strategic Contingency Reserve was shown on appendix. A projected spend of £117,240 was expected.
- The Capital Programme in the report covered the three financial years up to 2022-23.
- Capital Funding bids were received for the replacement of the roof at the Queen's Theatre, and ICT software for the Works and Recycling unit.
- Half of the £30m capital programme for the next three financial years would be met by capital receipts and external borrowing.

In response to questions, the Head of Resources confirmed;

- The cost of repairs to Fremington Quay would be provided from Section 106 fund allocation. Any shortfall would be provided by the Authority and was not the responsibility of the Fremington Parish Council.
- The provision of free parking from 4-6pm had been welcomed by traders who had found it assisted those using click and collect services. The scheme had not been devised to increase footfall into the town centre.

RESOLVED, that the decisions and recommendations of the Strategy and Resources Committee be endorsed.