

**MINUTES OF THE BUDGET CABINET MEETING
HELD AT 10:00AM, ON
MONDAY 18 JANUARY 2021
VIRTUAL MEETING VIA ZOOM**

Cabinet Members Present: Councillor Holdich (Chair), Councillor Allen, Councillor Ayres, Councillor Cereste, Councillor Farooq, Councillor Fitzgerald, Councillor Hiller, Councillor Walsh

Cabinet Advisor Present: None.

A minute's silence was held in honour of the late Councillor Janet Goodwin.

44. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Seaton and Councillor Bashir.

45. DECLARATIONS OF INTEREST

There were no declarations of interests received.

46. MINUTES OF CABINET MEETINGS HELD ON:

a) 16 November 2020

The minutes of the Cabinet meeting held on 16 November 2020 were agreed as a true and accurate record.

b) 30 November 2020 - Budget Meeting

The minutes of the Budget Cabinet meeting held on 30 November 2020 were agreed as a true and accurate record.

47. PETITIONS PRESENTED TO CABINET

There were no petitions presented to Cabinet.

STRATEGIC DECISIONS

48. COUNCIL TAXBASE 2021/22 AND COLLECTION FUND DECLARATION 2020/21

The Cabinet received a report in relation to the Council tax base for 2021/22 and the Collection Fund declaration for 2020/21.

The purpose of this report was to consider the tax base and the Collection Fund balances to be used in setting the council's overall budget and Council Tax and would be notified to other affected authorities within the statutory deadlines for the same purpose.

The Corporate Director for Resources introduced the report and advised that the Council taxbase had increased by 0.9% since the previous year. The support scheme had also increased from 32% and 33%. The collection fund was shared between the Council and other preceptors.

It was noted that the COVID-19 regulations spread the deficit, in relation to COVID-19 expenditure, over the next three years, which was being calculated within the second phase of the budget.

Cabinet Members debated the report and in summary responses to questions raised included:

- The support from the Government in relation to the non-collection of Council Tax and Business Rates had been a great help, and officers were working with Government in order to finalise the necessary figures.
- It was anticipated that further guidance would come from Government in December.
- Concerns were raised as to what arrangements would be for the following year's non-collection, as COVID-19 funding implications would roll into that year.
- Officers were as confident as they could be in relation to the £59,000 Band E Council Tax figure.

Cabinet considered the report and **RESOLVED**:

1. To propose the calculation of the Council Tax Base for 2021/22 set at a level of 59,714.72 Band D equivalent properties based on the existing council tax support scheme uprated to 33%;
2. To note the estimated position on the Collection Fund in respect of Council Tax as at 31 March 2021 being:

£1.413m Deficit
3. To note these estimated positions with the Corporate Director Resources reserving the right to amend the final estimated position on the Collection Fund balance as at 31 March 2021 in accordance with the statutory Determination legislation and timescales.
4. To note the estimated position on the Collection Fund in respect of Business Rates as at 31 March 2021 being £45,501,560.

REASONS FOR THE DECISION

The Council Tax Base could be set at a higher or lower level. However, this could have the effect of either inflating unnecessarily the amount of Council Tax to be set or setting the tax at a level insufficient to meet the Council's budget requirements. A similar position could arise if the surplus or deficit were set at a higher or lower level.

The calculation and return of the information included in the NNDR1 was a statutory requirement which could be formally delegated to an officer. As with council tax if the amount of business rates estimated to be collected was increased or reduced or the surplus or deficit was set at a higher or lower level then the amount of income available to the council would change with the consequent effect on service provision or council tax levels.

ALTERNATIVE OPTIONS CONSIDERED

This report covered calculations that were all prescribed by regulations with the effect that no other options needed to be considered.

MONITORING ITEMS

49. BUDGET CONTROL REPORT NOVEMBER 2020

The Cabinet received a report in relation to the Peterborough City Council Budget Control Report for November 2020.

The purpose of this report was to provide Cabinet with the forecast for 2020/21 as at November 2020 budgetary control position.

The Corporate Director for Resources introduced the report and advised that the implications of COVID-19 on the Council's budget continued to be monitored on a weekly basis. As at the end of November 2020, the COVID-19 pressures of the Council had been 92% funded. The projected net budget overspend was 4.8 million, which was a 0.8 million improvement from the October position. This was as a result of a reduced pressure in education and safeguarding.

It was further advised that grants in relation to individuals and business for COVID-19 relief continued following recent Government announcements.

Cabinet Members debated the report and in summary responses to questions raised included:

- It was considered that the closed business grants were more effective than the open business grants, which had now been revised to make applications more straightforward.
- Members congratulated officers on the manner in which they had dealt with the grants. It was noted that feedback from those involved in the Business Improvement District Board was all positive.
- Concerns were raised in relation to the collection of business rates, and it was emphasized that a fair funding scheme was anticipated in the next few years. However, there was little intelligence available to officers as to what arrangements would be for the next year. As such, the situation would be closely monitored.
- In total there had been around £120 million worth of grant provided to local government, including direct COVID-19 support, rate relief and business grants.
- It was anticipated that the budget gap would continue to reduce for the remainder of the year.
- It was further noted that funding had just been announced from Government for local authorities with outsourced providers of leisure facilities, for which an application had been made.

Cabinet considered the report and **RESOLVED** to note:

1. The Budgetary Control position for 2020/21 as at 30 November 2020 was a forecast overspend of £4.8m against budget. This included the current estimated impact of C-19 and the additional C-19 response funding.

2. Included in this report was a forecast £39.3m of additional pressure due to C-19, as reported to the Ministry of Housing Communities and Local Government, within the November return, as outlined in section 4.
3. The reduction in collection rates in respect of Council Tax and National Non-Domestic Rates, in comparison to the levels achieved in 2019/20, as outlined in section 4;
4. The additional funding that had been made available and allocated to the business community due to C-19, as outlined in section 4;
5. The key variance analysis and explanations were contained in Appendix A;
6. The Council's reserves position, as outlined within Appendix A.

REASONS FOR THE DECISION

To provide Cabinet with the forecast for 2020/21 as at November 2020 budgetary control position.

ALTERNATIVE OPTIONS CONSIDERED

None provided.

50. OUTCOME OF PETITIONS

The Cabinet received a report in relation to the outcome of the submission of petitions, the presentation of petitions to Council officers, and the presentation of petitions at Council meetings.

The purpose of this report was to update the Cabinet on the progress being made in response to petitions submitted to the Council.

Cabinet considered the report and **RESOLVED** to note the actions taken in respect of petitions.

REASONS FOR THE DECISION

As the petitions presented in the report had been dealt with by Cabinet Members or officers, it was appropriate that the action was reported to Cabinet.

ALTERNATIVE OPTIONS CONSIDERED

There had been no alternative options considered.

Chairman
10.00am to 10.27am
18 January 2021