

Report of: Chair of Policy and Performance Scrutiny Committee

Meeting of:	Date	Ward(s)
Executive	11 February 2021	All

Delete as appropriate		Non-exempt
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SUBJECT: COMMENTS OF THE POLICY AND PERFORMANCE SCRUTINY COMMITTEE ON THE BUDGET PROPOSALS & MEDIUM TERM FINANCIAL STRATEGY – 2021/22

1. Synopsis

- 1.1 The Committee considered the Budget proposals at its meeting on 28 January 2021. The Executive Member for Finance and Performance, Councillor Satnam Gill, and the Corporate Director of Resources, David Hodgkinson, presented the item and responded to Member's questions.

2. Recommendations

- 2.1 That the comments of the Policy and Performance Committee be forwarded to the Executive for consideration.

The Policy and Performance Scrutiny Committee:

- Welcomed the proposed Budget for 2021/22. Despite a shortfall in government funding for COVID pandemic costs and 10 years of reduced funding due to government austerity measures, the committee congratulated and thanked the Executive Member Finance and Performance, all Councillors and officers for achieving a balanced budget and fair budget under difficult circumstances.
- Noted that there is a projected funding gap of £34m over the next 3 years, which will need to be addressed in the medium term financial strategy.

- Welcomed the Council house building programme to provide 550 new homes, the investment in targeted youth support, and the commitment to invest £17m in a 'greener/cleaner' economy and in measures to achieve zero net carbon zero by 2030.
- Noted that, although there is confidence that the Budget for the next 12 months would be balanced, there are risks to the Budget in future years particularly in relation to the Collection Fund (Council Tax and Business Rates) due to the impacts of the COVID pandemic on employment and businesses.
- Noted that, in future years, the Budget could also be adversely affected by factors such as increased costs in Adult Social Care, Children's Social Care, loss of parking income, and ongoing costs arising from the impact of COVID.
- Noted that the Council needed to plan for these future pressures, and to increase reserves, where possible, to ensure against pressures on the Budget in future years.
- Noted that Council Tax (excluding the Mayor's precept) would be increasing by 4.99%, which would increase Band D Council Tax by £1.17 per week, and for those residents on Council Tax support by 10p per week.
- Reference was made to the Resident Impact Assessment (RIA), and that consideration should be given to the digital divide between certain sections of residents in the borough and that this should be included in the RIA in future, as this impacted on inequality in the Borough. This is particularly relevant in the current COVID pandemic, especially in relation to online learning for children in the borough. Councillor Gill stated that this could be considered by the Executive.
- Concern was expressed that it is unfair that Council tenants are facing increased charges to park on Council estates, whilst owners of larger electric vehicles were not facing comparable increases in charges. Councillor Gill indicated that this issue could be considered in future, in consultation with the Executive Member for Housing and Development and the Executive Member for Environment and Transport.
- The explanations for the savings proposals in relation to sexual health and alcohol and drug abuse services were noted.

3. Implications

3.1 Financial Implications:

These are contained in the main report

3.2 Legal Implications:

These are contained in the main report

3.3 Environmental Implications:

These are contained in the main report

3.4 **Resident Impact Assessment:**

This is contained in the main report

Appendices: none

Background papers: none

Signed by:

2 February 2021

Chair of Policy and Performance Scrutiny Committee

Date

Report Author: Peter Moore
Telephone: 020 7527 3252
E mail: peter.moore@islington.gov.uk