



Revenue Budget Monitoring Report

Corporate Resources Overview and Scrutiny Committee

Revenue Budget Monitoring 2020/21

- The Budget for 2020/21 was set before the COVID Pandemic escalated nationally in mid March
- The Council has incurred significant additional costs and income losses arising from the pandemic
- Welsh Government have made various funding announcements and worked closely with local councils and the WLGA
- Two separate claim processes covering 1) additional costs incurred and 2) income losses
- Additional Costs claimed monthly and income losses quarterly

Budget Monitoring 2020/21 - Assumptions

- Projected outturn of £0.983m in month 4 report include variances occurring across portfolios that do not currently have confirmed funding streams
- The projections do not include the significant financial risks of Council Tax Income and Council Tax Reduction Scheme which are 1) difficult to predict at this stage and 2) potentially subject to further funding support
- Future successful claims for additional costs and income losses will improve the overall position
- Any unsuccessful claims will be met from the £3m ring-fenced contingency reserve

Council Tax and Council Tax Reduction Scheme (CTRS)

- Council Tax Income
 - Currently £1.4m (1.4%) below target
 - Expected to recover over time but may still be up to £0.600m (0.6%) shortfall in 2020/21
 - WG are monitoring the situation but longer term consideration
 - Need to review council tax base 2021/22
- Council Tax Reduction Scheme (£0.233m shortfall as at Qtr 1)
 - Increase appears to be beginning to plateau
 - Quarter 1 covered but beyond that still to be determined

Claims Update - Additional Costs

- Additional Costs – Claims of £6.254m submitted for the period March to August of which:
 - £4.096m has been reimbursed in full
 - £0.094m has been disallowed
 - £0.085m reimbursed at 50% for ICT costs
 - £0.394m is currently unresolved
 - £1.542m awaiting decision for August Claim (awaiting panel feedback)

Claims Update – Income Loss

- Income Loss
 - Claim for Quarter 1 (Tranche 1) – settled in full (£1.190m)
 - Claim for Quarter 1 (Tranche 2) – settled in part (£0.616m)
 - Settled in full (£0.390m)
 - Settled at 50% (£0.208m)
 - On Hold (£0.018m)

- Income loss claims settled at 50% will be subject to review later in the year (e.g. Planning fees, registrar fees and land charges)