

MINUTES OF BUDGET WORKING GROUP MEETING

HELD 18 MAY 2022

Present: Cllrs: S Atkinson (Chair), A Brown, S Fletcher, S Hore, D Peat, J Rogerson, Chief Executive, Director of Resources, Director of Economic Development and Planning, Director of Community Services, Head of Financial Services.

1 Apologies

1.1 Cllr S Hirst

2 Minutes of meeting held on 10 February 2022

2.1 Members approved the minutes of the last meeting of the Budget Working Group.

3 Inflation and the Revenue Budget 2022/23

3.1 Members were taken through a summary report on the impacts that have been seen so far in respect of inflationary increases.

3.2 The report provided a backward look at CPI and also considered the current forecasts. A breakdown of the latest CPI increase was provided and the elements that mainly impacted on this council were highlighted. The latest CPI figures that had been released the day before the meeting (April 2022 CPI) were discussed, being a 40 year high at 9%.

3.3 Reference was made to the Rural Services Network campaign for fair funding, with rising vehicle fuel costs being identified as a key area of concern for rural authorities.

3.4 Areas of concern were summarised as vehicle fuel and utility costs, CCTV monitoring contract, software costs and any likely pay award based on latest information.

3.5 Increases to base rate were mentioned and the additional returns that may be seen going forward as a result of investment activities. However, conversely the increasing inflation and interest rates that residents and businesses were seeing may mean further difficulties in paying council tax and business rates and an impact on services.

3.6 Members queried the increased costs on contracts such as CCTV and Sweeper Hire and what the financial contributions to these contracts were, from LCC.

3.7 Enquiries were also made around what the underlying level of inflation was for this council based on the nature of its costs.

3.8 It was agreed that further reports would continue to be brought to the Budget Working Group on inflation.

4 Covid 19 Business Grants Paid

4.1 An update report was provided to members on the various Covid-19 business grants paid by this council following the closure of the final grant scheme.

4.2 Background to all the different grant types was provided together with details of the total amounts of grant distributed. In total, almost £35m of Covid business support grants had been paid to Ribble Valley businesses since the start of the pandemic.

5 Council Tax Energy Rebate

- 5.1 An update report on the Council Tax Energy Rebate was provided to members. Background to the scheme and the eligibility criteria were provided. The total funding received from the Government for distribution was £2,822,850 for the Core Scheme and £88,500 for the Discretionary Scheme.
- 5.2 Initial payments had been to those residents that pay their council tax by direct debit, however not all of these were able to be included in initial payments for a variety of reasons.
- 5.3 At this stage, a remaining 6,300 residents were to be written to, asking them to apply for payment, which would include the submission of their bank details, via a purpose built online portal.
- 5.4 Options around the Discretionary Scheme were given, highlighting the Governments preferred option of topping up payments to those on Local Council Tax Support.
- 5.5 The latest Household Support Fund was also mentioned to members.

6 Revenue and Capital Bids

- 6.1 The Revenue and Capital bids that had been set aside by Members at the time of setting the budget for 2022/23 were discussed. It was acknowledged that the further clarity that the Government had promised would come this summer around Local Government Finance had not yet materialised.
- 6.2 This left the Revenue and Capital bids in a state of uncertainty.
- 6.3 There was discussion around the different bid types that had been received:
- Bids where there was not enough in the budget
 - Bids where the service is working well but improvements could be made
 - Bids where something completely different from that already in place is being requested
- 6.4 It was agreed that there was an argument that the first category should not really be proposed as growth bids and instead the budget should be updated going forward.
- 6.5 Regarding the second category of bids, it was discussed whether perhaps this could be something that could be looked at under previous policies of finding savings to support new growth.
- 6.6 Further discussions examined funding and existing spend on capital and revenue that is funded from New Homes Bonus and Business Rates Growth.
- 6.7 It was agreed to initially explore whether any bids could be supported via services finding savings.

7 Any Other Business

- 7.1 There were no items of other business

8 Date and Time of Next Meeting

- 8.1 It was agreed that a meeting would be called in the month before next Policy and Finance Committee to help inform any budget forecast and budget setting criteria.