

<b>Committee:</b>	Council	<b>Date:</b>	4 December 2018
<b>Title:</b>	Report of the Portfolio Holder for Finance and Administration		
<b>Portfolio Holder:</b>	Councillor Simon Howell, Portfolio Holder for Finance and Administration		
<b>Report Author:</b>	Angela Knight, Assistant Director – Resources aknight@uttlesford.gov.uk	<b>Key decision:</b>	No

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## Summary

1. This report summarises key activity in the finance and administration portfolio.

## Recommendations

2. None, this report is to note only

## Financial Implications

3. None

## Background Papers

4. None

## Impact

- 5.

Communication/Consultation	
Community Safety	
Equalities	
Health and Safety	
Human Rights/Legal Implications	
Sustainability	
Ward-specific impacts	
Workforce/Workplace	

## **Budget Setting 2019/20**

6. The key activity for the current period is setting the council's budget for 2019/20; a consultation has been carried out asking residents and businesses to rank their priorities on the council's services and what they would like them to focus on in the medium term. This year we saw the highest response to date with nearly 2,500 responses.
7. The responses are consistent with previous years where the main priority is to empty bins and keep the district clean and tidy. The second priority was to work with the Police and other organisations to keep the district safe.
8. The consultation responses have been reviewed by the Scrutiny Committee and the Cabinet at their November meetings.
9. The final budget proposals will be reviewed by Scrutiny on 31 January, Cabinet on 12 February and finally Council, along with the Council Tax Resolution, for full member approval on the 21 February 2019.

## **Financial Position**

10. The finance settlement is due to be announced on Thursday the 6 December and this is the final year of a 4 year settlement.
11. Uttlesford is part of an Essex wide (excluding Thurrock) bid to become a pilot area for 75% Business Rates Retention in 2019/20. It is hoped that the successful bids will be announced as part of the Finance Settlement.
12. The Government is carrying out significant reviews on how Local Authorities funding will be allocated in future years, the main area of work is around the Fair Funding Review. This review will encompass all aspects of funding, Business Rates Retention, New Homes Bonus and other smaller grants, e.g. Rural Services Delivery Grant.
13. The implications of the Fair Funding Review are due to be announced sometime in 2019 and could have a significant impact on the Medium Term Financial Strategy from 2020/21; I along with the S151 Officer are monitoring this closely and will brief members as soon as we have any information.
14. The New Homes Bonus has seen some changes in the last 2 years where we have moved from a 6 year to a 4 year scheme and the introduction of a 0.4% deadweight factor, both these factors have contributed to a reduction in our funding. There is further consultation ongoing with regard to the 2019/20 allocation with a major question mark over whether the deadweight % will be increased from 0.4% any increase in this will reduce the councils allocation further.

## **Local Council Tax Support Scheme (LCTS) 2019/20**

15. The Cabinet proposals to set the LCTS scheme for the next financial year were presented to Scrutiny in November and are on tonight's agenda for full member approval.

16. The proposals are to maintain the contribution rate at 12.5%, maintaining our position as the council with lowest rate in Essex and to continue to provide protection for the vulnerable and disabled.
17. Included in these proposals is the option to increase the premium on properties that have been empty for longer than 2 years. To assist in the housing shortage and encourage home owners to bring their properties back into use, government has given Local Authorities the option to increase the council tax premium from 50% to 100%.
18. The proposals were subject to a full consultation over the summer alongside the Budget consultation and this consultation received its highest response to date and nearly doubled the amount of the last year.

### **Benefits Subsidy Audit 2017/18**

19. The Benefits Subsidy audit was completed ahead of the 30 November deadline, and only one financial error of £980 was found from a total value of £16.24 million.
20. 5 years ago the council was in the position of having to repay the DWP £192,000, this repayment has decreased year on year. The measures put in place to reduce errors have been so successful that last year the council was able to recover funding of £25,887 and this year the expected sum to be recovered is £54,162.

### **Aspire (CRP) Ltd**

21. The accounts for the financial year were audited by BDO and published on the Companies House website ahead of the September deadline. The Directors presented an annual report to the Governance, Audit and Performance Committee in September. This confirmed income levels at those forecast at the time of purchase. Later, on tonight's agenda there is a request for additional financial support for a fit out of the Newnham Building.

### **Information Technology**

22. The council successful completed its Public Sector Network (PSN) compliance review. This is an annual process and requires the council to demonstrate that the digital infrastructure is secure.