BLACKPOOL COUNCIL

REPORT

of the

DIRECTOR OF RESOURCES

to the

EXECUTIVE

13TH SEPTEMBER 2021

FINANCIAL PERFORMANCE MONITORING AS AT MONTH 3 2021/22

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1. Introduction

1.1 This report is the standard monthly financial performance monitoring report, which sets out the summary revenue budget position for the Council and its individual directorates for the first 3 months of 2021/22, ie. the period to 30th June 2021, together with an outlook for the remainder of the year. The report is complemented with an assessment of performance to date of balances and reserves, income collection, the Council's latest Capital Programme and statements relating to Cash Flow Summary and Balance Sheet Summary. It also incorporates the impact of the Council's wholly-owned companies for which the Council is parent company and underwriter.

1.2 However, 2021/22 has continued to be unprecedented in the operational and consequential financial demands being placed upon the Council with continuing Government lockdown and restriction measures resulting from the Covid-19 pandemic. This has impacted in a variety of ways from increasing service demand and cost to curtailing income sources and not just for Council services but also its private sector providers, its wholly-owned companies and its partners, necessitating continuing budgetary overspends, supplier reliefs and subsidies, cashflow loans and other support measures.

2. Report Format

2.1 Separate reports have been prepared for each of the Council's core areas of responsibility:

- Appendix 3a - Chief Executive
- Appendix 3b - Governance and Partnership Services
- Appendix 3b/c - Ward Budgets
- Appendix 3d - Resources
- Appendix 3e - Communications and Regeneration
- Appendix 3f - Strategic Leisure Assets
- Appendix 3g - Growth and Prosperity
- Appendix 3h - Community and Environmental Services
- Appendix 3i - Adult Services
- Appendix 3j - Children's Services
- Appendix 3k - Public Health
- Appendix 3l - Budgets Outside the Cash Limit

- Appendix 3m - Wholly-owned companies (this is a brief summary for the Executive's information. The financial performance of the companies in detail is a matter that will be considered by the Shareholder Committee).

These incorporate summary financial statements which continue to be prepared on a full accruals basis and focus on the forecast revenue outturns for 2021/22. There is an accompanying narrative to explain any areas of significant variance from budget and to highlight any areas of potential pressure along with action plans agreed with service managers to address them.

2.2 The combined effect of the directorates' financial performances is aggregated in a summary financial statement at Appendix 1 which mirrors the Council's Revenue Budget Book. This summary allows proactive month-on-month monitoring of the Council's forecast working balances to be undertaken to ensure appropriate and prudent levels are maintained. The Covid monitoring return for July 2021 (round 15), required by the Ministry of Housing, Communities and Local Government (MHCLG), has been reconciled to these figures. Appendix 2 highlights on a 12-month rolling basis those services which trip the designated overspending reporting threshold.

3. Directorates' Budget Performance

3.1 The Provisional Outturn Report 2020/21 was reported to the Executive on 14th June 2021. To allow services to enter the new financial year in a balanced position and give directorates a realistic chance of meeting their budget savings for what will be the 11th consecutive year of material budget cuts, the Executive agreed to write-off all 2020/21 service variances but carry forward the 2020/21 underspend of £63k on Ward Budgets.

3.2 The full-year forecast position at this stage of 2021/22 shows a deterioration in the Council's financial standing when compared with the draft 2020/21 unaudited statement of accounts which show the working balances as at the close of £6,293k. These balances are expected to fall by £6,554k (of which £3,480k is Covid-related) to a deficit of £261k by the end of 2021/22. However, this is still very early in the financial year and plans are being developed to address the in-year pressures identified in this report besides progressing any outstanding budget savings that had been planned.

3.3 In line with the Chancellor of the Exchequer's Spending Review of November 2020 the Council's Budget for 2021/22 assumed a pay freeze for all staff other than those earning £24,000 or less for which a pay rise of £250 was factored in. Negotiations are still underway between local authority employers and the unions and it is anticipated, though as yet indeterminable, that there will be some pay award pressure as the outcome.

3.4 The impacts of directorates' revenue budget performance and progress in achieving planned savings fall upon the Council's working balances. The main areas accounting for the month 3 forecast overspend of **£6,554k** for 2021/22 are summarised below:-

Directorate	Service	Forecast Variance £000
Children's Services	An overspend of £3,575k is forecast including £762k net Covid costs. The Children's Social Care budget was increased by £8.173m in August 2020 following the approval of the refreshed Children's Services Medium	3,575

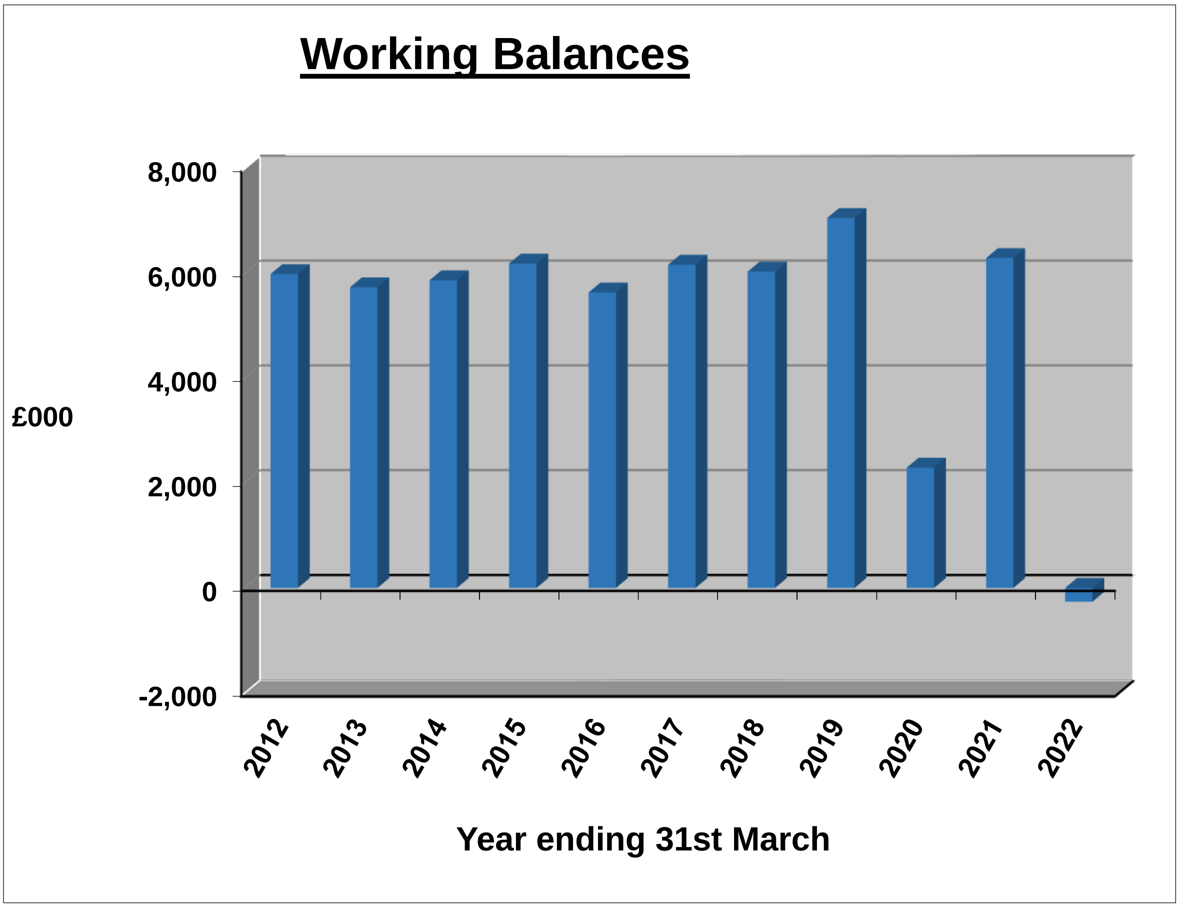
	Term Financial Strategy (CSMTFS). The additional investment was required to cover the increase in numbers and unit costs of Looked After Children (LAC) between 2020/21 budget setting and 31st May 2020 and also to develop the placements market and increase the capacity within internal fostering. The CSMTFS aims to reverse the current trend and this investment alongside other service improvements should ensure the service can live within the current budget by 2022/23. However, the Children's Social Care division had a worsening position since May 2020 of £2,644k, mainly due to the additional support required following the breakdown of high cost placements. An additional workstream has been set up to review, understand the issues and mitigate the additional costs wherever possible. £459k of this pressure relates to breakdowns due to Covid. By June 2021 LAC numbers stand at **596** which is a reduction of 13 on March 2021. There is expected to be a gross overspend in Education of £1,086k. This relates in the main to a gross overspend of £945k against the Children's Transport Service although a Covid grant of £85k reduces this overspend to £860k. £664k is due to demand pressures and a historical savings target that was not achieved and £196k relates to the net additional Covid Transport Costs. There is also expected to be a gross £136k Covid pressure due to the requirement for school baseline assessments and an additional post in the Special Educational Needs Team. Early Help for Children is expected to underspend by £70k due to vacant posts across the service.	
Strategic Leisure Assets	Strategic Leisure Assets is forecasting a pressure of £4,124k including £3,382k net Covid costs. This overspend consists of a Leisure Assets medium-term financial plan gap (excluding Covid costs) of £301k, a £350k income target, £91k shortfall on expected income from VAT cultural exemption and £3,382k net loss relating to Covid restrictions after assuming modest income from the Sales, Fees & Charges compensation scheme of £139k. In accordance with the original decision for this programme by the Executive on 7th February 2011 the projected overspend on Strategic Leisure Assets of £742k (excluding Covid costs) will be carried forward and transferred to Earmarked Reserves. The forecast cumulative deficit as at 31st March 2022 is £15,677k. The Leisure Assets medium-term financial plan now forecasts the service to break-even, in-year, during 2025/26. This has increased from 2024/25 due to a delay in the Conference Centre income generation.	3,382
Adult Services	An overspend of £2,498k is forecast including £2,181k net Covid costs. Adult Commissioning Placements is forecasting a £2,543k overspend. The total Covid cost of £5,105k is partially offset by the Infection Prevention	2,498

	Control grant (£1,219k), Lateral Flow Testing grant (£922k) and a contribution from the Blackpool Clinical Commissioning Group (£783k). It is anticipated that the net Covid pressure of £2,181k will be mitigated when the Government grants relating to 2021/22 are allocated. The non-Covid overspend of £362k relates to nursing placements and staff vacancies. Care and Support is forecasting an underspend of £39k due to staff vacancies.	
Community and Environmental Services	An overspend of £526k is forecast of which £750k is attributable to net Covid costs. The Leisure Service is forecasting a saving of £236k, mainly due to staffing vacancies and there is a non-Covid related pressure of £12k within Parks.	526
Communications and Regeneration	An overspend of £453k is forecast including £218k net Covid costs. The Illuminations service is currently forecasting a pressure of £116k. This is made up of a £99k additional cost of extending the Illuminations period till the end of December, £13k of additional staff costs due to Covid and an £8k loss of income from business collections (£3k after the Sales, Fees and Charges compensation scheme). Visit Blackpool is expecting a pressure of £299k. Of this pressure, £164k relates to Covid of which £87k is lost advertising income on shelters and £77k relates to lost resort pass income. These figures are after £23k of Sales, Fees & Charges compensation scheme income has been applied. There is a non-Covid pressure of £135k forecast which is mainly additional costs for Switch-on (£116k) and increased rates costs on shelters.	453
Governance and Partnership Services	An overspend of £275k is forecast of which £2k is attributable to net Covid costs. Corporate Legal Services is expecting a £250k overspend relating to the large number of complex cases. Life Events is forecasting a pressure of £25k. £2k of this relates to Covid costs whilst the balance relates to income pressures. Ward budgets are expected to break-even.	275
Resources	As at month 3 the Resources Directorate is forecasting a net pressure of £25k, of this £53k relates to budget savings targets yet to be achieved as at period 3 and a net Covid pressure of £100k assuming Sales, Fees & Charges compensation scheme income of £33k. A backdated rent increase for Bond Street Car Park generates £90k and £38k staffing savings due to vacancy slippage and restructures have helped to improve the position.	25
Growth & Prosperity	The pace of delivery of the G&P work programme has been significantly and adversely impacted by the consequences of Covid in relation to due diligence work, planning permissions/objections/appeals, private sector risk appetite, central government decision-making, office and retail rental levels, sourcing of building labour and	Nil

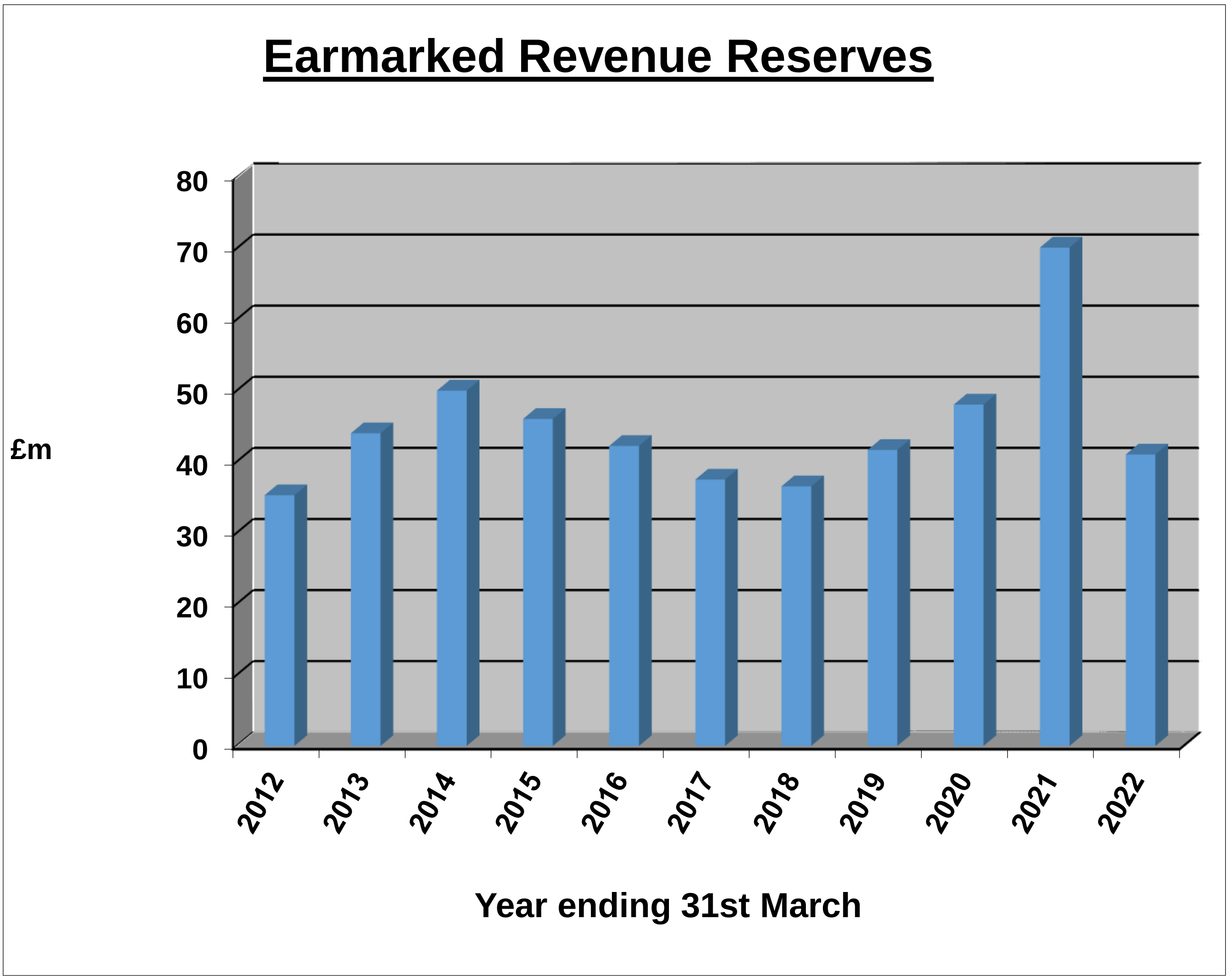
	materials and project costs. Rather than incorporate subjective and volatile monthly assessments of the magnitude and likelihood of such schemes being realised, a thorough half-year review will be undertaken for the month 06 report.	
Public Health	A break-even position is forecast. Since March 2020 Public Health has been responding to the outbreak of Covid to protect the population of Blackpool. A single point of contact has been established to respond to calls/emails actioned by appropriately qualified and informed Public Health staff. A Public Health Duty Desk has been set up to respond to incident and outbreaks offering specialist guidance, advice and support. During the pandemic, the team have developed Community Hubs, including supporting the homeless population, to ensure that those left vulnerable from Covid receive the support they need, for example food, welfare checks, medication, accommodation, etc. The Public Health team opted to support the Government's NHS Test and Trace service by contact tracing and providing support for all positive cases in Blackpool. More recently the Public Health team have been supporting with the vaccination programme delivery, aiming to get the most vulnerable people in Blackpool fully vaccinated. The spend relating to this work is estimated to be £4,081k in 2021/22 and is being funded through a ringfenced Test and Trace service support grant and Contain Outbreak Management Fund from the Department of Health and Social Care, and therefore has no financial impact on the budgetary position for the directorate. There has been reduced activity against some Payment By Results contracts as a result of Covid impacting our providers' ability to offer routine treatments and these savings have offset a shortfall in income generation for the directorate.	Nil
Chief Executive	A breakeven position is forecast. Additional costs of £70k relating to the temporary accommodation of rough sleepers in line with the Government guidelines have been met by grant funding.	Nil
Budgets Outside the Cash Limit	An underspend of £17k is forecast including £1,630k net Covid costs. Parking Services is forecasting a shortfall on income of £500k for 2021/22 due to reduced parking income relating to Covid after assuming that £231k of income from the Sales, Fees & Charges compensation scheme is allocated to the service. There is a pressure of £1,376k in subsidiary companies relating to Covid. It has been assumed that this is fully recovered from the Sales, Fees & Charges compensation scheme (£246k) and the additional funding provided in 2021/22 from the Medium Term Financial Plan (£1,130k). Treasury Management is forecasting a favourable variance of £517k. The Council is	(17)

	currently using temporary and long-term borrowing to finance Prudentially-funded capital expenditure. While temporary investment rates and temporary borrowing rates are low, the Treasury team will continue to use a mix of both temporary and long-term borrowing to fund planned capital expenditure. The Business Loans Fund now has a savings target of £3,309k and there is some slippage in the loans being made to date. Following a review of the Minimum Revenue Provision (MRP) which was approved by the Executive on 8th February 2021 a total of £6.7m of saving has been forecast to be achieved in 2021/22.	
Contingencies and Reserves	There are also savings from prior years that have not yet been met recurrently and these are currently showing a pressure of £1,382k, primarily corporate procurement savings (£632k) & non-essential spending (£750k). Funding of £5,545k has so far been received from MHCLG and a contribution of £783k is anticipated from Blackpool CCG for Enhanced Hospital Discharges. A MHCLG compensation scheme for non-commercial income lost due to Covid is estimated to provide an additional £990k in the full year. The impact of reallocating the Covid funding relating to sales, fees and charges compensation claims and the contribution from the CCG amounting to £1,773k has been shown in the services above. The residual funding of £5,545k is yet to be allocated.	(4,163)
Total		**6,554**

3.5 The graph below shows the stark impact on the level of Council working balances in-year together with the last 10 years' year-end balances for comparison:



3.6 Whilst the Council maintains working balances to address any in-year volatilities, it also maintains a number of Earmarked Revenue Reserves for such longer-term commitments as future Private Finance Initiative payments and uncertainties within the Localised Business Rate system. In order to present a complete picture of the Council's financial standing an equivalent graph to that of working balances, including a projection to 31st March 2022, is shown on the next page:



3.7 Earmarked Revenue Reserves (ERR)

	£m
Provisional Earmarked Revenue Reserves as at 1st April 2021	70.124
Less s31 Grants used to offset NNDR deficit	(14.599)
Less Covid grant funding	(2.061)
Less Strategic Leisure Assets non-Covid element of overspend	(0.742)
Less Recurrent Gap funding underwritten by ERR	(2.987)
Less Ward Budget underspend 2020/21	(0.063)
Less Transfers from ERR month 1, 2 & 3	(2.148)
Forecast Earmarked Revenue Reserves as at 30th June 2021	(47.524)
Forecast Earmarked Revenue Reserves as at 31st March 2022	(41.024)

4. Covid-19

4.1 The current forecast effect on the Council's 2021/22 outturn due to the effects of Covid stands at £17,238k gross **(£3,480k net)** of which funding of £7,430k has been assumed from MHCLG Covid support funding (£6,440k) and the Sales, Fees & Charges compensation scheme (£990k). It is anticipated that a recharge of £783k of these costs will be made to Blackpool CCG for Enhanced Hospital Discharges. This leaves a residual pressure to the Council of £9,025k. A further £5,545k of Covid Grants relating to 2021/22 is yet to be allocated. The Council's July Covid financial monitoring return to MHCLG has been reconciled to the above figures.

4.2 For completeness the table shown in Appendix 4 shows all the Government Covid-related funding support announcements totalling £13.95m as at the end of June 2021.

5. Budget Savings

5.1 Appendix 5 comprises a summary schedule showing the progress made by directorates in achieving their revenue budget savings targets for 2021/22 which total £20.285m. As at 30th June 2021 80% of the 2021/22 savings target has already been delivered. The full-year forecast, predicts that 99% will be achieved by the year end.

6. Collection Rates

6.1 Council Tax

At the end of month 3 the amount collected for Council Tax (excluding Police and Fire precepts) was £15.7m and the collection rate was **25.1%.** This compares to £14.7m and 24.5% at the same point in 2020/21. The amount collected has risen by £1.0m which is mainly due to increases in both the Council Tax rate and base being offset by the impact of Covid, primarily deferred payments and revised instalment arrangements.

In the light of the reductions in discount and the introduction of the Local Council Tax Reduction Scheme the target collection rate is still 97.5% over a 4-year collection period as approved on 29th January 2021 as part of the setting of the Council Tax Base for 2021/22.

6.2 Council Tax Reduction Scheme (CTRS)

The Council Tax Reduction Scheme was introduced on 1st April 2013. The Scheme ensures that support to pensioners continues at existing levels. Working-age claimants are means-tested to establish entitlement and a percentage reduction (currently 27.11%) is applied at the end of the assessment to establish the level of support provided. From 1st April 2017 the scheme was amended so that certain vulnerable groups would have the 27.11% reduced to 13.56%. The scheme was also amended from 1st April 2018 to provide additional support for low income groups of claimants (in receipt of Income Support, Income-Based Jobseekers Allowance or Income Related Employment Support Allowance) by amending the percentage reduction applied to their award from 27.11% to 13.56%. From 1st April 2019 the scheme was further amended. The Executive approved the provision of additional support by amending the percentage from 27.11% to 13.56% for further low income groups of claimants or partners (in receipt of Jobseeker's Allowance Contribution Based, Main Phase Employment and Support Allowance and are in the Work Related Activity Group, Maximum Universal Credit and neither employed, self-employed or in receipt of any other income which is taken into account when calculating their Universal Credit award such as an Occupational Pension or other unearned income and Universal Credit which includes either the limited capability for work and/or work-related activity). Other claimants will continue to have a 27.11% reduction applied to their award and all applicants who were protected and paid 13.56% under the previous scheme will continue to pay 13.56% when they move to Universal Credit. At its meeting on 7th December 2020, the Executive approved that the reduction applied to working-age claimants under the 2021/22 Scheme remained the same as the 2020/21 Scheme. These have the effect of reducing the amount to be collected.

At the end of month 3 the amount collected (excluding Police and Fire precepts) in respect of the Council Tax Reduction Scheme and Council Tax for those who have to pay CTRS either for the first time or in addition to a proportion of their Council Tax was £0.88m and the collection rate was **18.9%.** This compares to £0.82m and 18.7% at the same point in 2020/21.

The likely impact for 2021/22 is that the underlying rate of collection of Council Tax Reduction Scheme will be under greater pressure than 2020/21 due to accumulated arrears, limits on the amount that can be recovered from Attachment of Benefits, the impact of Covid and the ending of furlough payments in September and the temporary £20 uplift to Universal Credit in the autumn.

6.3 Business Rates

Prior to 1st April 2013 Business Rate income was collected by billing authorities on behalf of central government and then redistributed among all local authorities and police authorities as part of Formula Grant. From 1st April 2013 to 31st March 2019 the income relating to Blackpool is shared between central government (50%), the Council (49%) and the Fire Authority (1%). Consequential adjustments were made to the Formula Grant equivalent.

On 13th December 2018 the Ministry of Housing, Communities and Local Government (MHCLG) approved the establishment of a Lancashire-wide 75% Business Rate Pilot Pool (including Blackpool) in 2019/20 to share risk and reward. As part of this, the 50% rate retention scheme increases to 75% and authorities in the pool forego Revenue Support Grant. The value of the Revenue Support Grant was taken into account when revised business rate tariffs and top-ups for the pilot authorities were set. The Government also increased the Safety Net from 92.5% to 95% for the new pilot pools. Consequently, from 1st April 2019 the income relating to Blackpool is shared between central government (25%), the Council (73.5%) and the Fire Authority (1.5%).

From 1st April 2020 the Pilot scheme ceased and the percentage shares and Safety Net reverted back to the previous original shares. Revenue Support Grant was also reinstated.

At the end of month 3 the amount collected for Business Rates was £5.1m and the collection rate was **16.5%.** This compares to £4.4m and 22.4% at the same point in 2020/21. Both years exclude the significant s31 'Extended Retail/Nurseries etc.' relief provided by central government. In 2020/21 100% relief was provided. In 2021/22 a new relief scheme has been introduced which provides 3 months' relief (April 2021 to June 2021) at 100% and 9 months' relief (July 2021 to March 2022) at 66%. This will impact on future collection rates.

From April 2014 Business Ratepayers have been entitled to elect to pay by 12 monthly instalments instead of over 10 months. This has allowed businesses more time to pay. In the current circumstances no business rate summonses were issued in the 3 months to the end of June 2021.

Subject to audit, the Business Rate cumulative deficit as at 31st March 2021 was £28,578k. The Council's share of this deficit is £13,687k (£1,293k surplus @ 73.5% + £29,871k deficit @ 49%). The 2020/21 deficit will be offset by the s31 'Extended Retail/Nurseries etc.' relief provided by central government.

In 2020/21, s31 grants for Business Rate Reliefs totalling £14.599m were received which are to be applied in 2021/22 to the Collection Fund. This causes Earmarked Revenue Reserves to be overstated at year-end.

7. Capital Monitoring Performance

7.1 All active capital schemes have been included within Appendix 6. The purpose is to present the overall position of capital spend. The schemes are shown individually where total scheme budget is greater than £500k and grouped as "other schemes" otherwise. As in previous financial years the emphasis regarding capital monitoring will be on scheme variance rather than in-year progress since many schemes cross financial years such as the major housing developments. Therefore, some degree of flexibility for the management of slippage is necessary in order to balance the overall capital programme each year to the funding allocations available.

7.2 The report includes the capital programme as approved by the Executive in February 2021. The month 3 report includes this data for comparative purposes. Future reports may show further changes in the capital programme, representing schemes that were approved after submission of the 2021/22 capital programme.

7.3 As at month 3 an overspend of £1.8m on capital schemes is anticipated. Following the announcement that Marcus Worthington and Company Limited and its subsidiary company, Hollinwood Homes Limited, have gone into administration, the Council is working with the appointed administrators, PwC, and partners to develop options for the Foxhall Village scheme. The reported overspend of £1.8m reflects the current optimistic estimate which is subject to ongoing negotiations with the administrators and partners including Homes England.

8. Summary Cash Flow Statement

8.1 As part of the reporting format for this financial year a summary cash flow statement is included at Appendix 7. This provides a comparison of the actual cash receipts and payments compared to forecast for 2021/22.

8.2 During the first 3 months of the year, the Council's net cashflow has resulted in fluctuations in short-term net investment/borrowing balances. The Council is predominantly using temporary borrowing to finance Prudentially-funded capital expenditure, though is switching to fixed Public Works Loan Board loans as and when opportune to do so.

8.3 The uptake from the Business Loans Fund is expected to continue steadily during 2021/22.

9. Summary Balance Sheet

9.1 In order to provide a complete picture of the Council's financial performance Appendix 8 provides a snapshot of the General Fund balance sheet as at the end of month 3. The key areas of focus are any significant movements in debtors, cash and cash equivalents, bank overdraft and creditors as these impact upon the Council's performance in the critical areas of debt recovery, treasury management and Public Sector Payment Policy.

9.2 Over the 3-month period there has been an increase in Property, Plant and Equipment of £10.1m due to capital expenditure which is in line with the Council's approved capital programme for 2021/22. There has been an increase in Cash and Cash Equivalents of £10.7m due to the timing of capital and revenue grants.

10. Conclusions and Recommendations

10.1 Over the 11-year period 2011/12 – 2021/22 cumulative Revenue Budget savings amounting to £186m have been required to be made by Blackpool Council. This is greater than the Council's current annual Net Requirement Budget of £149m and even more starkly the compound effect over the same period amounts to £1.2bn of resource that has been removed from the Blackpool economy. This reflects one of the highest cuts per head of population across local authorities in England and in an environment of growing demands upon services as befalling an authority with such recognised pockets of significant deprivation.

10.2 The principles of the Medium-Term Financial Sustainability Strategy 2016/17 – 2021/22 are still valid and have been used to successfully keep apace with and deliver budget savings plans year after year. However, in tandem the soaring demand for child protection services and the rising costs of providing care for looked after children are still creating a crippling burden that current levels of local taxation and Government funding struggle to meet. In addition, the financial consequences of Covid have been immense but so far the Government has been making good with its promises of financial recompense.

10.3 Over the last 11 years of Government funding cuts Blackpool Council has consistently:

- delivered its annual budget in line with statutory requirements
- maintained its reserves and balances at stable and appropriate levels that reflect the risk environment, indeed increasing them further in 2020/21 by £20.3m despite the unprecedented financial pressures faced in that year.

Most importantly and despite this backdrop it has consistently funded and delivered the ambitions of successive administrations.

10.4 The full-year forecast position at the end of month 3 of 2021/22 shows a deterioration in the Council's financial standing when compared with the draft unaudited position as at the close of 2020/21. Working balances are expected to reduce by the current forecast overspend of £6,554k including an overspend of **£3,480k** which is Covid-related.

10.5 The Council's Revenue Budget for 2021/22 set a target level of General Fund working balances of around £6m. Despite the circumstances it is still deemed appropriate to maintain this target level of £6m for working balances for the medium term and every endeavour has been made to deliver this and more. Earmarked revenue reserves at the start of the financial year stood at a record high of £70,124k, though with known in-year commitments against this the balance will fall to an estimated £41,024k by the end of the year. This should still be sufficient to underwrite the current year's financial risks with a separate financial plan in place for the Council's wholly-owned companies (ref. appendix 3m). It is planned that by the end of the calendar year there will be sufficient clarity regarding Covid and future funding policies for local government to enable a refresh of the medium-term financial sustainability strategy together with an updated medium-term financial plan of another 6 years' horizon.

10.6 If the 2021/22 forecast position became the actual outturn, then in accordance with the Council's Financial Procedure Rules within its Constitution the forecast revenue outturn 2021/22 within this report contravenes both of the two specific conditions that excess spending does not:

1. exceed 1% (= £5m) of the authority's total gross revenue expenditure; or

2. have the effect of reducing the authority's Working Balances below 50% of their normal target level (= £3m).

But these are still unprecedented times for the whole of local government and in the context of relatively healthy levels of Earmarked Revenue Reserves per CIPFA's Financial Resilience Index and with 9 months of the financial year still remaining officers are working continuously to maintain the position - revised service and financial plans are still underway, including the review of technical accounting treatments, freezing of non-essential spend, use of earmarked reserves and delays to filling non-front line vacancies.

10.7 The Executive is asked:

1. To note the report.

2. To require the respective directors and Director of Resources to continue to closely monitor and manage service financial and operational performances, specifically Growth and Prosperity, Children's Services, Strategic Leisure Assets and Adult Services.

3. To encourage the Tourism, Economy and Communities Scrutiny Committee to continue to independently review the financial and operational performances of the services listed in 2.

4. To note that detailed information on the financial performance of each of the Council's wholly-owned companies will be submitted to the next meeting of the Shareholder Committee in line with decision EX26/2021 and this will be the case from now on.

5. To continue to lobby central government (HM Treasury, Ministry of Housing, Communities and Local Government, Department for Health and Social Care, Department for Transport, Department for Digital, Culture, Media and Sport, Department for Business, Energy and Industrial Strategy and Department for Education in particular) along with local authority peers and networks and the Local Government Association for the funding necessary to cope with the demands and new burdens presenting as a result of both Covid and within Children's Services.

Steve Thompson
Director of Resources
24th August 2021