

CHIEF EXECUTIVE USING URGENCY POWERS

31 JULY 2020

ADDITIONS TO THE REVENUE BUDGET

Portfolio Holder: Councillor Alan Jarrett, Leader
Report from: Phil Watts, Chief Finance Officer
Author: Katey Durkin, Head of Finance Strategy

Summary

This report seeks the Chief Executive's approval, using urgency powers, to approve the addition of further Covid-19 government grant funding to the Council's revenue budget and capital programme.

1. Budget and policy framework

- 1.1. It is the responsibility of Cabinet to ensure that expenditure remains within the budgets approved by the Council, but it remains the responsibility of Council to approve additions to the Capital Programme and Revenue Budget. Therefore, it is proposed that the Chief Executive uses the urgency provisions as set out in paragraph 4.1 of the Employee Delegation Scheme (including consultation with the Leader of the Council and the Leader of the Labour and Co-operative Group) to agree the additions to the revenue budget and capital programme funded from grant provided by Central Government as set out in Section 3 of this report. The use of these urgency provisions will be reported to Full Council on 8 October 2020 for information.

2. Background

- 2.1. On 1 April 2020 the Chief Executive used the urgency provisions as set out in paragraph 4.1 of the Employee Delegation Scheme to add the £6.628 million of Covid-19 emergency funding from the government to the Council's budget for 2019/20. On 13 May 2020 the Chief Executive again used the urgency provisions as set out in paragraph 4.1 of the Employee Delegation Scheme to add the second allocation of Covid-19 emergency funding from the government of £7.648 million to the Council's budget for 2020/21.

3. Additional funding allocations

- 3.1. On 2 July 2020 the Communities Secretary announced a third tranche of Covid-19 emergency funding for local authorities. Medway's allocation is £2,506,451.
- 3.2. On 10 July the government confirmed the allocation of the Local Authority Emergency Assistance Grant for Food and Essential Supplies, aimed at helping local authorities to help those who are struggling to afford food and other essentials due to coronavirus. Medway's allocation is £336,715.
- 3.3. The Chief Executive is requested to approve the addition of the funding set out in this section using urgency powers as follows:
 - 3.3.1. £2,506,451 added to the Council's revenue budget in respect of the third tranche of emergency funding for local authorities; and
 - 3.3.2. £336,715 added to the Council's revenue budget in respect of the Local Authority Emergency Assistance Grant for Food and Essential Supplies.

4. Risk management

Risk	Description	Action to avoid or mitigate risk	Risk rating
That grant funding is insufficient to cover the additional costs arising from COVID19.	Whilst significant, the grant funding provided may still not be sufficient to cover the costs of delivering the schemes required.	Systems and processes have been put in place to capture and monitor expenditure directly incurred in response to COVID-19.	CII

5. Financial implications

- 5.1. The financial implications of the additions and reduction of the revenue budget are set out in the body of the report.

6. Legal implications

- 6.1. The Covid-19 pandemic is an unprecedented national and global event requiring urgent intervention by State and Local Authorities. The use of urgency powers will enable a fast and effective response by the Council and is in entirely line with the Constitutional provisions for urgent decision making.

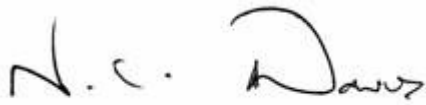
7. Decision by the Chief Executive

7.1. That the Chief Executive (using urgency powers (in place of referring this matter to Full Council)) agrees to add the following sums:

7.1.1. £2,506,451 added to the Council's revenue budget in respect of the third tranche of emergency funding for local authorities; and

7.1.2. £336,715 added to the Council's revenue budget in respect of the Local Authority Emergency Assistance Grant for Food and Essential Supplies.

7.2. That the use of these urgency provisions be reported to Full Council on 8 October 2020 for information.



(signed)

31 July 2020
(date)

Neil Davies, Chief Executive

Lead officer contact

Phil Watts, Chief Finance Officer, 01634 332220, phil.watts@medway.gov.uk