



## **CHIEF EXECUTIVE USING URGENCY POWERS**

**23 NOVEMBER 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.

#### **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 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 2 of this report. The use of these urgency provisions will be reported to Full Council on 21 January 2021 for information.

#### **2. Additional funding allocations**

2.1. On 31 October 2020 the Prime Minister announced grants for business premises forced to close under the Local Restrictions Support Grant. The scheme has two elements local authorities are currently required to implement:

- A mandatory scheme providing grants to businesses based on their Business Rates Rateable Value; the Local Restrictions Support Grant (Closed) Scheme. Medway's initial allocation for this scheme is £3,526,020 for the remainder of the 2020/21 year, and any expenditure in excess of that allocation will also be met by the Government.
- A discretionary scheme to support businesses in the local economy and to provide additional support to grant funding under the Local Restrictions

Support Grant. Medway's allocation for this scheme is £5,571,120 for the period ending 31 March 2022; this allocation is cash limited and no further funding will be provided.

- 2.2. On 2 November the Ministry of Housing, Communities and Local Government (MHCLG) confirmed funding for local authorities for support to Clinically Extremely Vulnerable Individuals and to deliver the outcomes in the Shielding Framework. Councils are receiving £14.60 per individual on the Shielded Patient List for the 28 day period the national restrictions are in force, and Medway's allocation is £145,000.
- 2.3. On 6 November the Department for Health and Social Care confirmed that the national restrictions would mean local authorities would be eligible for a payment equivalent to £8 per resident from the Contain Outbreak Management Fund. Medway's allocation is £2,228,448.
- 2.4. On 8 November the Department for Work and Pensions announced the Winter Grant Scheme to enable local authorities to provide support to families with children, other vulnerable households and individuals from early December 2020 and to the end of March 2021. Medway's allocation is £908,596.
- 2.5. The Chief Executive is requested to approve the addition of the funding set out in this section using urgency powers as follows:
  - 2.5.1. £3,562,020 added to the Council's revenue budget in respect of the Local Restrictions Support Grant mandatory scheme;
  - 2.5.2. £5,571,120 added to the Council's revenue budget in respect of the Additional Restrictions Grant scheme;
  - 2.5.3. £145,000 added to the Council's revenue budget in respect of the Support for Clinically Extremely Vulnerable Individuals;
  - 2.5.4. £2,228,448 added to the Council's revenue budget in respect of the Contain Outbreak Management Fund; and
  - 2.5.5. £908,596 added to the Council's revenue budget in respect of the Winter Grant scheme.

### 3. 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	Systems and processes have been put in place to capture and monitor expenditure	CII

Risk	Description	Action to avoid or mitigate risk	Risk rating
	delivering the schemes required.	directly incurred in response to COVID-19.	

#### 4. Financial implications

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

#### 5. Legal implications

- 5.1. 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.

#### 6. Decision by the Chief Executive

- 6.1. The Chief Executive is asked to agree, using urgency powers, to add the following sums:

6.1.1. £3,562,020 be added to the Council's revenue budget in respect of the Local Restrictions Support Grant mandatory scheme, as set out in paragraph 2.1 of the report;

6.1.2. £5,571,120 be added to the Council's revenue budget in respect of the Additional Restrictions Grant discretionary scheme, as set out in paragraph 2.1 of the report;

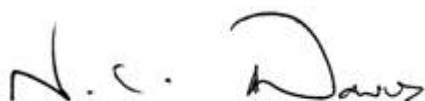
6.1.3. £145,000 be added to the Council's revenue budget in respect of Supporting Clinically Extremely Vulnerable Individuals, as set out in paragraph 2.2 of the report;

6.1.4. £2,228,448 be added to the Council's revenue budget in respect of the Contain Outbreak Management Fund, as set out in paragraph 2.3 of the report; and

6.1.5. £908,596 be added to the Council's revenue budget in respect of the Winter Grant Scheme, as set out in paragraph 2.4 of the report;

23 November 2020

(signed)



(date)

Neil Davies, Chief Executive

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