

Extract from the minutes of the Joint Strategic Committee - 13 July 2021

JSC/015/21-22 Developing a revenue budget for 2022/23 at the time of a pandemic

The report proposed a budget strategy for the development of the 2022/23 budgets against the background of the pandemic.

It had been a long time since the Council had any certainty during budget setting and 2021/22 looked set to continue this tradition. At present the Councils had no clear idea of how long the pandemic would continue to affect its communities and its economy. The impact of any fairer funding review was likely to be deferred for a further year, but the councils did not know what would replace it for 2022/23; homelessness was on the rise, but forecasting this trend forward remained difficult; and inevitably the difficult economic climate would continue to influence a number of budget lines, from Council Tax revenues to income for services such as car parks.

The Council had had a clear strategy for facing the challenges of rapidly changing local government finance. It was now important to build on that strategy to meet the new and emerging challenges but within the context of supporting its local communities and economies.

Now more than ever, careful financial management was required to ensure that the Council managed both the emerging in-year pressures and the implications for the future, whilst driving forward with Platforms for Our Places to help regenerate and renew its places. The Councils' strategy would need to include managed and prudent increases in council tax, and a clear focus on driving efficiency and productivity.

The report set out how the Councils would address the challenges of the next few years, outlining the revenue forecast and setting out its strategic response to the challenges ahead. With the detailed budget proposals for 2022/23 coming forward to the Joint Strategic Committee in December, the report set out the broader context for the detailed work that would be undertaken over the intervening months.

The Councils would be increasingly reliant on council tax income, business rate income, and its own income generating services. The Councils had a good track

record in innovation, working creatively in partnership, transforming their digital capabilities and putting the customer at the heart of their services, in order to continue to deliver their aspirations for their Places.

Work had been underway for some time to address the financial challenge for 2022/23 and beyond. This would continue over the summer and autumn, and the Organisational Leadership Team would be working to produce new financial plans designed to deliver a balanced budget over the next 3 years. The outcome of the service planning process would be presented to the Joint Strategic Committee for approval in December 2021 as part of the development of the 2022/23 budget.

The recommendations set out in the report were proposed by Councillor Daniel Humphreys seconded by Councillor Carson Albury and unanimously supported.

Decision

The Joint Strategic Committee

- (a) Noted the report and the outline 5-year forecasts in Appendix 3;
- (b) Approved the proposed budget process as set out in section 6 of the report;
- (c) **Recommended that Adur and Worthing Councils approve the Budget Strategy for 2021/22 outlined in Section 9 of the report;**
- (d) asked that the Joint Overview and Scrutiny Committee note the content of the report