

This Report will be made public on 21 September 2021



Report Number **A/21/16**

To: Council
Date: 29 September 2021
Status: Key Decision
Responsible Officer: Charlotte Spendley, Director Corporate Services

SUBJECT: **ACCELERATING DELIVERY OF THE COUNCIL'S CORPORATE PLAN - USE OF RESERVES**

SUMMARY: Subject to consideration and the views of cabinet, this report recommends the use of Reserves in to the current budget framework to accelerate delivery of the council's corporate plan specifically relating to: (1) regeneration and housing activities and; (2) those relating to the council's climate change activities.

RECOMMENDATIONS:

- 1. To receive and note report A/21/16.**
- 2. To note the recommendations to Cabinet in report C/21/32 (included as appendix 1).**
- 3. To agree the use of Reserves & Capacity Fund for the purposes outlined in report C/21/32, for inclusion within the current budget framework.**

1. BACKGROUND

- 1.1 Report C/21/32 (appended to this report as appendix 1) sets out the background to the matter before Council, due for consideration by Cabinet on the 22nd September 2021.
- 1.2 Additional resource is considered necessary to deliver key place-making projects at pace, and as outlined in the Corporate Plan (Report A/20/10).
- 1.3 Council is therefore asked to make an in-year adjustment to the budget framework so that additional resources drawn from Reserves are made available and can be deployed over the period 2021/22, 2022/23 and 2023/24.
- 1.4 Regular monitoring on the use of these funds will be provided in line with the council's monitoring framework.

2. PROPOSAL

- 2.1 The proposal is in two parts, as detailed in para 2.1(a) and 2.1(b) of report C/21/32 (appendix 1).
- 2.2 To support the council's housing and regeneration projects, £610,000 has been identified from the General Fund and £286,000 from the Housing Revenue Account, based on the anticipated allocation of work necessary to accelerate delivery of a range of key projects. In addition to using available grant allocated from the Levelling Up Fund (estimated at £50,000 of the available £125,000 to the council), it is proposed to earmark:
 - a. £196,000 from the Economic Development Reserve;
 - b. £250,000 from the High Streets Regeneration Reserve; and
 - c. £114,000 from the General Reserve.
- 2.3 These funds will be drawn from the reserves in the financial year in which they fall over the next two year period (so could potentially span financial years 2021/22, 2022/23 and 2023/24). Beyond this period, it is anticipated that any on-going provision of resources will be incorporated in the Medium Term Capital Programme.
- 2.4 To support the delivery of the Council's climate change activities, £250,000 has been identified from the Climate Change Reserve to create a budget that can enhance relevant projects contained in the Corporate Plan, specifically the Council's Carbon Action Plan. Cabinet have previously agreed key principles that sets the criteria for the use of the reserve and this framework will still apply to the use of the £250,000 allocated from the reserve. The agreement to release funds from the reserve will enable the acceleration of smaller projects as they will not need to individually be considered by Full Council. Larger scale investments that need to draw more heavily on the £4.6m Climate Change Reserve will be bought forward separately for decisions as proposals are developed.
- 2.5 The decision to use these funds, if approved and contained within the budget framework, will be made by the Chief Executive in consultation with

the Leader of the Council, and with the portfolio holders for Housing, Estates & Assets Management, the Local Economy, and the Environment, advised as decisions are contemplated.

3. RISK MANAGEMENT ISSUES

3.1 The following risk relates to this matter:

| Perceived risk | Seriousness | Likelihood | Preventative action |
|--|-------------|------------|---|
| Lack of resources means that delivery of key council projects does not progress at pace. | High | High | Proposals outlined to secure necessary financial resources for immediate inclusion in the budget framework. |
| Insufficient resource is made available. | High | Low | Proposals outlined contain adequate resource which will be deployed carefully to ensure impact. |

7. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

7.1 Legal Officer's Comments (AK)

No direct legal implications to consider. Additional resources will only be secured and deployed if included in the budget framework.

7.2 Finance Officer's Comments (CS)

The short term use of reserves is considered to be appropriate and prudent. The level of reserve remaining after these, and existing commitments, leave £3.7m of General Reserves and £11.6m of Earmarked Reserves.

7.3 Diversities and Equalities Implications (AS)

There are no direct implications to consider. Any use of funds included within the budget will be in line with relevant policies on Diversities and Equalities.

8. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting

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The following background documents have been relied upon in the preparation of this report:

Appendix 1 - Cabinet report C/21/32.