

Report to the Council

Committee: Cabinet

Date: 1 November 2018

Subject: Finance

Portfolio Holder: Councillor G Mohindra

Item:

Recommending:

That the report of the Finance Portfolio Holder be noted

Accountancy

The new Council structure has now been created in our finance system but has stalled the budget process slightly though we should be able to catch up during November. There will now be a period of budget discussions with spending officers lasting around 5 weeks but the message will be very much around finding savings to help meet the target set in the Medium Term Financial Strategy as from 2020/21 pressure on Council finances will undoubtedly increase.

We are still awaiting information on the Fair Funding Review (FFR) and what the arrangements will be for the consultation. It is intended that responses to the consultations will be considered by the Resources Select Committee as and when a response is required. The budget is expected to have been held on Monday 29th October and it is hoped some clarity can be given regarding Local Government Finance going forward generally and the planned timetable for the FFR in particular.

Benefits

With regard to welfare reform, there has not been much change since my last briefing but I will take this opportunity to again remind Members that from 5 December 2018, the Loughton Jobcentre Plus will roll out Universal Credit, which will mean that the whole of the District will be in what is known as a 'Full Service Universal Credit' area. This means that anyone of working age needing help with their rent and who is not already receiving Housing Benefit, will need to apply for Universal Credit instead of Housing Benefit. For people currently receiving a legacy benefit, which includes Housing Benefit, the Government has recently announced that the planned migration to Universal Credit will take longer than anticipated. The transition is due to start in 2019 and this will still happen but with a much lower number of people than originally planned. The Government now hopes that everyone who needs to, will have migrated from a legacy benefit to Universal Credit by 2023, and not 2022 as previously expected.

Revenues

Following on my last update to members the bid to become a one-year pilot for 75% Local Business Rates Retention for 2019/20 has been submitted. This is a joint bid amongst Essex authorities, excluding Thurrock BC, to gain around £19m of additional funding across the County in 2019/20. It is anticipated that a decision as to whether the bid has been successful or not will be made by the Secretary of State around the time of the Budget.