



## SCRUTINY COMMISSION – 22 JUNE 2020

### 2019/20 PROVISIONAL REVENUE AND CAPITAL OUTTURN

#### MINUTE EXTRACT

The Committee considered a report of the Director of Corporate Resources which provided information on the provisional revenue and capital outturn for 2019/20. A copy of the report marked 'Agenda Item 9', is filed with these minutes.

Arising from discussion, the following points were made:

- (i) Pressures in areas such as SEND, Children's Social Care and Adult Social Care, which existed pre Covid 19, continued to be an issue despite actions taken. The position was also being further exacerbated by the current pandemic. The Council would continue to lobby Government which had so far not responded to correspondence from the Lead Member for Resources on the issue of SEND funding.
- (ii) A member raised concern at the 18% increase in Adult Social Care legal costs, which it was noted had been driven by the type and number of cases that had recently gone to court.
- (iii) Whilst a member expressed disappointment at the increased costs regarding the use of the energy from waste plant, it was noted that there had been a larger reduction in landfill costs which had underspent by £556,000. The Coventry facility in which the Council had shares, had been used more and this had reduced costs in that area.
- (iv) A review of the Council's commercial services would be undertaken as part of the Council's recovery work, especially as it considered longer term impacts. The Council had already experienced significant losses in income (£500,000 alone, in the last two weeks at last financial year as the pandemic hit) and the future was uncertain in areas such as the provision of school meals which depended on plans for the re-opening of schools in September. Members noted that further reports would be brought to scrutiny on the outcome of this review as appropriate.
- (v) It was unclear what longer term adult social care reablement needs might be required as a result of Covid 19 and this would be looked at as part of the Council's recovery plans. The use of its new target operating model to monitor this going forward would be considered as part of that process.
- (vi) Whilst elements of the Lutterworth East SDA project had been put on hold, the Council would proceed with its planning application, integral to which was the proposed new spine road. Members noted that the application was due to be considered by the local planning authority in July. The unsuccessful outcome of the Council's HIF bid had been disappointing, and members agreed that consideration would need to be given to future delivery and finance options. Members further noted that the Council's

consultants had advised that the procurement of a joint venture partner should be delayed as the current pandemic would negatively affect this process.

- (vii) The Corporate Asset Investment Fund portfolio was performing well and generating a good capital return in respect of its industrial and office assets (6.4% and 7.8% respectively), but this was weighted against other rural and development assets which generated, as expected, a much lower rate of income and so reduced the overall capital return of the portfolio to 2.7%.
- (viii) Members were pleased to note that the Council had not been notified of any change to government funding for the A511 Major Road Network scheme which was an advanced project.

RESOLVED:

That the provisional Revenue and Capital Outturn for 2019/20 be noted.