

### REVENUE BUDGET MONITORING REPORT 2020/21 - QUARTER 1 TO 30 JUNE 2020

#### COMMENTS FROM THE OVERVIEW AND SCRUTINY MANAGEMENT BOARD

At a virtual meeting on 27 August 2020, the Overview and Scrutiny Management Board considered the report and unanimously agreed to support the recommendation to the Executive.

Members of the Board asked a number of questions, when the following points were confirmed:

- Potential savings arising from Covid-19, such as from reductions in travel costs, utility bills for buildings, training costs, and room hire costs, should be available to report in Quarter 2. It was reported by officers that service areas were being asked to forecast these potential savings and keep the savings available to cover any budget pressures.
- A number of bodies, such as the County Councils Network and Local Government Association, have been putting forward the budgetary pressures facing councils as a result of the Covid-19 pandemic across the country to the Government. In response the Government had delivered three tranches of additional funding to councils. The first tranche was calculated predominantly based on the adult social care needs assessment which focussed on adult social care figures as this was seen as an area requiring additional funding. The second tranche was calculated based on population which was more supportive of district council funding. The third tranche was around population and deprivation.
- Councils have to complete monthly returns to the Ministry of Housing, Communities and Local Government (MHCLG) which has helped the Government respond to funding pressures facing councils. The Council would also inform the Government what it had lost in terms of sales, fees and charges, such as from the registrars and heritage services, and the Government would reimburse the Council for only some of those losses through the reimbursement scheme.
- Budgetary pressures in relation to home to school transport were already coming through before Covid-19 due to higher cost per day transport delivery costs. Due to Covid-19, the Government announced additional funding of £720,000 for home to school transport for Lincolnshire. The funding would be used to help pupils get to school safely from the start of September to the October half term. Any underspend would have to be returned to the Government. High capacity routes were being looked at where there were a high number of pupils trying to access school transport. Designated school

transport would be provided for these pupils to enable them to travel to school safely. The costs were being worked through but it was considered that the funding would be sufficient. Children with medical needs might incur additional costs. An update on the school transport budget would be provided in Quarter 2.

- The overspend of £0.787m on social care legal costs for Children's Services was due to a number of factors such as court decisions being delayed in response to Covid-19, an increase in disbursement fees, and an increase in the number and length of proceedings. Children's Services was working with Legal Services to look at how to reduce and manage the social care legal costs.
- Whilst a service budget overspend was currently forecasted, it was hoped that this could be managed so there would be no requirement to use the Volatility Reserve to support the budgetary position. It was hoped that the emergency Covid-19 grant of £40.299m from the Government should cover the additional costs arising from Covid-19. Savings were also being identified to balance service delivery costs and any deficits should be managed within this year's budget.
- The overspend of £1.690m on waste services was due to a significant increase in volume of Mixed Dry Recycling (MDR) and a change in provider for the MDR contract. The MDR related to business premises would usually go through a commercial route, but changes in people's working arrangements due to Covid-19 has displaced this waste to coming through the household route and being processed by Lincolnshire County Council. The costs were also higher due to an increase in cost per tonne.