

## **Finance Sub Committee**

**Tuesday, 15 September 2020**

Present: Councillor A McMullen (Chair)  
Councillors D Cox, J O'Shea, J Wallace and  
P Richardson

Apologies: Councillors N Craven

### **F35/20 Appointment of Substitute Members**

There were no substitute members appointed.

### **F36/20 Declarations of Interest and Notification of any Dispensations Granted**

There were no declarations of interest reported.

### **F37/20 Minutes**

**Resolved** that the minutes of the meeting held on 14 July 2020 be confirmed.

### **F38/20 2020/21 Financial Management Report to 31 May 2020**

The Head of Resources presented the 2020/21 Financial Management report to 31 May 2020 that had been considered by Cabinet at its meeting 3 August 2020.

The presentation highlighted the impact of the ongoing Covid-19 pandemic was having on North Tyneside Council and provided potential financial impact that the authority needed to consider.

Two payments of grant funding totalling £0.733m from Government had been allocated to covid-19 pressure arising in March 2020 and the impact of pressure arising from Covid-19 was forecasted to be significant as the May position contained Covid-19 pressures over and above the level of grant funding received to date.

The sub-committee was informed that discussions were ongoing at both local and national level around financing the residual pressures expected as a result of the Covid-19 pandemic.

Financial pressures continued across areas of Social Care and demand led services and work was being undertaken to how to mitigate pressures in 2020/21.

The report provided known service pressures that required management and were expected to change as a response and recovery to Covid -19 pandemic.

The net General fund budget was set at £161.361m for 2020/21 and this included £3.244m of savings to be achieved (of which £0.805m related to 2020/21).

The forecast overall pressure was estimated at £12.968m, which £12.060m was in relation to the impact of Covid-19.

A member requested an up to date position to any further support had been received from Central Government. The Head of Resources indicated that additional funding had been received and that this information would be circulated to members.

A member raised questions in relation to grant receipts, possible delays in the delivery of the Investment Plan and Treasury Management impact. The Head of Resources informed that grants receipts would continue where delivery could be made, there was a possibility that aspects of the investment plan could be delayed due to covid restrictions, however, reprogramming of plans may enable non restricted works to brought forward. In relation to treasury management it was stated that there had been minimal impact on cash flow as central government grants had been received in a timely manner.

A member asked in relation to the variation to projects DV086 in the Investment Plan and asked what the additional £0.100m would be used for. Officers stated that the information would be circulated to members to the use of the additional grant.

**AGREED** that the 2020/21 Financial Management Report to 31 May 2020 be noted.

### **F39/20            Section 106 Report**

The sub-committee received a report that provided information of the position summary of the Planning Section 106 (S106) Agreement monies. Appended to the report were the schedules that provided details to both the unspent S106 monies as at the end of 4 September 2020 and anticipated S106 grant receipts as at the end of August 2020.

A member questioned the reasons to the delay on using some of the receipts received. In response it was explained that the conditions on some of the developments were tightly specified to what the monies could be contributed to. It was informed that the monitoring officer of S106 monies was investigating into ways to accelerate the use of the receipts.

A sub-group had been established to look at how S106 receipts could be utilised more effectively.

A member raised their concerns to the delay of the use of S106 monies and made reference to amounts associated to Health and Parks. It was requested that a further report be received at the next meeting of the sub-committee with further details in relation to the issues raised.

**AGREED** that (1) the Section 106 report be Noted and (2) a further report be presented at the next meeting 17 November 2020.

### **F40/20            Exclusion Resolution**

**Resolved** that under Section 100A (4) of the Local Government Act 1972 (as amended) and having applied a public interest test as defined in Part 3 of Schedule 12A of the Act, the press and public be excluded from the meeting for the following items of business on the

grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act.

**F41/20 Business and Technical Partnerships Risks**

The Sub-committee considered the report that set out the latest monitoring update on risks which were rated high within the Strategic and Operational Risk Registers of the Business and Technical Partnerships with Engie and Capita.

**AGREED** that Business and Technical Partnership Risks report noted