

Finance Sub Committee

Tuesday, 29 March 2022

Present: Councillor D Cox (Chair)
Councillors P Richardson and J Wallace

Apologies: Councillors C Davis, B Pickard and W Samuel

F28/21 Appointment of Substitute Members

There was no substitute members appointed.

F29/21 Declarations of Interest and Notification of any Dispensations Granted

There were no Declarations of Interest reported.

F30/21 Minutes

Resolved that the minutes of the meeting 8 February 2022 be confirmed.

F31/21 Dedicated Schools Grant High Needs Recovery

Following its request at its last meeting the committee received a presentation on the Dedicated Schools Grant High Needs Recovery.

The committee were provided an understanding of the current financial position and pressures on the Dedicated Schools Grant.

The main pressure on spaces in specialist provision had seen an increase in pupils in special schools rising from 554.2 in 2018 to 720.8 in 2021.

Additionally, there was an increase in Pupil Referral Unit places from 87 in 2019 to 165 in 2021.

There were also increased need for out of borough places with 78 children and young people accessing services.

Information was provided to the purpose of the governance of the Strategic Education and Inclusion Board in delivering all workstreams, projects and actions taken.

The committee was provided information to the areas of Dedicated Schools Grant that were to be targeted to reduce the projected impact.

It was **Agreed** that the presentation on the Dedicated Schools Grant High Needs Recovery be noted.

F32/21 Welfare Reform - Financial update

Discretionary Housing Payment Fund

Funding in 2021/22 had been funded in two parts with an initial £309,105 be received and then a further £123,428 in September, totalling £432,533. It was noted that this was a reduction of 23% to the funding received in 2020/21.

Notification had been given that the funding in two-parts would continue into 2022/23 and the initial grant would be £300,337. It was uncertain of the level of second grant payment that would be received as the national grant for DHP had been cut by £40m.

Local Council Tax Support Scheme

As at the end of 3rd quarter the caseload stood at 16,855, this was a reduction of 390 claims from November 2021.

Hardship Fund

It was noted that the Council agreed as part of its budget to continue to support working age claimants again with a £150 hardship payment.

Local Welfare Provision

There had been 3,699 applications for Local Welfare Support, with all offered a full screening. There were 2,329 crisis applications who were eligible for further practical support.

In addition to the £40,500 annual grant to the Food Bank, a further £43,593 was spent in respect of immediate practical support.

Funding through reasonably priced loans were available for people with poor credit history through the North East First Credit Union. A Member requested further information to the number of people who use the Credit Union and have gained loans.

Universal Credit

The number of people claiming Universal Credit was reducing but still considered high. With data showing 18,548 claimants which was a reduction of 299 since November 2021.

Housing Department Update

There were 5,075 housing tenants in receipt of Universal Credit and of these 3,545 (70.37%) were in arrears, with the average arrears for all tenants had seen an increase. The average arrears for all tenants was £574.63, with those on Universal Credit being £805.00 and those not of Universal Credit being £421.15. This picture was in line with other housing providers.

Agreed that (1) the Welfare Reform – Financial update be noted; and (2) information requested be provided to the matters discussed.

F33/21 2021/22 Financial Management Report to 31 January 2022

The Principal Accountant (Business Partner) presented the 2021/22 Financial Management report to 31 January 2022.

The report was the fifth monitoring report of the 2021/22 financial position and provided the second indication of the potential revenue and capital position of the Authority on 31 March 2022.

The Authority continued to feel the ongoing impact of the Covid-19 pandemic that continued to have an impact during the 2021/22 financial year.

The projected outturn position as at 31 January 2022, estimated at £2.902m against the approved budget, which included forecasted pressure of £0.675m on normal activities and £2.227m relating to the impact of Covid-19.

Agreed that the 2021/22 Financial Management report to 31 January 2022 be noted.

F34/21 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 2 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.

F35/21 Business and Technical Partnerships Risks

The Sub-committee considered a report that detailed the monitoring on the risks rated high (red) within the Strategic and Operational Risk Registers of the Business and Technical Partnerships with Equans and Capita.

Agreed that the Strategic and Operational Risk Registers of each partnership be noted.