

Decision Maker: EXECUTIVE, RESOURCES AND CONTRACTS PDS
COMMITTEE

Date: Wednesday 13 October 2021

Decision Type: Urgent Non-Executive Non-Key

Title: COVID-19 GRANTS

Contact Officer: Keith Lazarus, Head of Finance
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Chief Officer: Director of Finance

Ward: Borough Wide

1. Reason for report

- 1.1 This report provides Members with an overview of additional Covid-19 grant funding received by the Council since the start of the pandemic in March 2020.
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2. RECOMMENDATION(S)

- 2.1 Members are requested to note the contents of this report.

Impact on Vulnerable Adults and Children

1. Summary of Impact: None arising directly from this report
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Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Excellent Council
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Financial

1. Cost of proposal: Not Applicable
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Council wide
 4. Total current budget for this head: Total funding over 2 years of c£296m
 5. Source of funding: Government grants
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Personnel

1. Number of staff (current and additional): N/A
 2. If from existing staff resources, number of staff hours: N/A
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Legal

1. Legal Requirement: Statutory Requirement: The statutory duties relating to financial reporting are covered within the Local Government Act 1972, the Local Government Finance Act 1998, the Local Government Act 2000, the Local Government Act 2002 and the Accounts and Audit Regulations 2015.
 2. Call-in: Applicable
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Procurement

1. Summary of Procurement Implications: None arising directly from this report
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected):
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Council Wide

3. COMMENTARY

- 3.1 The Council has had the significant challenge of managing the impacts of Covid-19 since the start of the pandemic in March 2020. Those impacts have fallen into two broad categories:
- i) Direct financial impacts, such as loss of income, additional support to contractors, and planned budget savings that cannot be delivered; and
 - ii) The cost of additional services and support needed by residents and local businesses, many of which are Government mandated schemes, as well as other measures designed to mitigate the impact of Covid-19 locally.
- 3.2 In response, the Government have provided significant additional funding to local authorities over the course of the last 20 months, and this report provides details of those grants allocated to LB Bromley. A complete list is attached at Appendix 1 and commentary on each can be found in Appendix 2.
- 3.3 The following table provides a summary:

	2020/21 £'m	2021/22 £'m	Total £'m
General grant support	28.2	8.3	36.5
Service specific grants	22.5	12.6	35.1
NHS contributions	3.0	2.7	5.7
Direct support to businesses and residents	101.0	17.5	118.5
Business rates reliefs	55.0	45.5	100.5
Total Grant Funding	209.7	86.6	296.3

4. GOVERNANCE

- 4.1 At the start of the pandemic, local authorities were asked to consider their decision-making processes in light of the physical restrictions that were beginning to be imposed and the need for urgency in order to protect the Council, its members, staff, residents and businesses. Consequently, the Executive agreed a range of temporary measures at its meeting on 19th March 2020 (Report ref: CSD20059).
- 4.2 This was subsequently updated in the budget monitoring report to Executive on 1st April (Report ref: FSD20036). As a result, the Chief Executive was authorised to incur expenditure up to £100k which in his opinion is urgently required to protect the Council, its members, staff and residents during the Coronavirus outbreak.
- 4.3 An internal approval process and decision log was subsequently established by officers to ensure all authorisations under this delegation were properly recorded. Parallel to this, a further delegation was agreed authorising the Leader, in consultation with the relevant Portfolio holder and Chairman of the Policy Development and Scrutiny Committee, to approve allocation of Covid grant funding.
- 4.5 The objective of this framework was to ensure that the Council could react swiftly and with the required agility to the developing situation, incur any necessary costs and to accept and target grant funding – which the Government often made available at short notice - to protect the Borough's position, deliver resources and support as swiftly as possible to businesses and vulnerable residents, and minimise any adverse financial impacts on the Council.

4.6 Although this report focuses specifically on grant funding, members have been provided with updates on the impact of Covid-19 within the Borough and the Council's response throughout the pandemic as part of the Scrutiny of the Chief Executive report to this Committee.

5. IMPACT ON VULNERABLE ADULTS AND CHILDREN

5.1 None directly.

6. POLICY IMPLICATIONS

6.1 The "Building a Better Bromley" objective of being an Excellent Council refers to the Council's intention to ensure good strategic financial management and robust discipline to deliver within our budgets.

6.2 The "2021/22 Council Tax" report highlighted the financial pressures facing the Council. It remains imperative that strict budgetary control continues to be exercised in 2021/22 to minimise the risk of compounding financial pressures in future years.

7. FINANCIAL IMPLICATIONS

7.1 These are contained within the body of the report with additional information provided in the appendices.

7.2 The overall financial impact on the Council of the Covid grants is reflected in the various budget monitoring reports to the Executive as well as the provisional final accounts report for 2020/21.

7.3 It is also important to consider that there will be financial implications in 2022/23 and it remains uncertain whether there will be additional Government funding provided in the local government settlement for next year. In some cases, the Council will need to consider how the overall grants are utilised to reflect those cost pressures in future years. An earmarked Covid reserve has been set up to reflect this to help address the costs beyond the current year. Further details are included in the provisional final accounts report for 2020/21.

Non-Applicable Sections:	Personnel, Legal, Procurement
Background Documents: (Access via Contact Officer)	Provisional Final Accounts 2020/21 – Executive 15 th July 2021 2021/22 Council Tax – Executive 10 th February 2021; Draft 2021/22 Budget and Update on Council's Financial Strategy – Executive 13 th January 2021; Budget Monitoring – Executive 15 th July 2021 Specific reports to Executive March 2020 – September 2021 Financial Management Budget Monitoring files across all portfolios.