
Performance and Finance Scrutiny Committee

3 December 2020

Budget Update

Report by Director of Law and Assurance

Summary

The attached report has been requested by the committee's Business Planning Group to provide an update on the budget position for 2021/22 ahead of scrutiny of the draft budget by the committee in January 2021. The report is provided by the Director of Finance and Support Services and outlines the current situation in relation to the estimated budget position and options to meet the budget gap. The report was presented to Cabinet on 24 November 2020 to seek approval to progress the savings proposed in the report.

Focus for scrutiny

The Committee is asked to scrutinise the content of the report setting out the budget position of the County Council. Key areas for scrutiny include:

- The updated budget position, including the financial implications of COVID-19 and recognition of the service areas impacted;
- The actions being considered to address the budget pressures in order to set a balanced budget for 2021/22 and beyond, i.e.
 - a) the savings as presented in Table 3 of the report and
 - b) how to resolve the remaining £23.4m gap;
- Consider how the budget will meet the priorities to be agreed in the West Sussex Reset Plan.

If appropriate the committee to make any relevant recommendations for action to the Cabinet.

The Chairman will summarise the output of the debate for consideration by the Committee.

Details

The attached report provides a summary of the estimated budget position for 2021/22 and future years. It reflects the information presented to all Members at the budget session in October. The report shows that there is currently an estimated budget gap of £23.4m for 2021/22.

The report is written ahead of the Comprehensive Spending Review announcement which is expected on 25 November. It is important for Members to recognise the particularly challenging circumstances for setting the budget this year with a number of uncertainties around funding.

The Council is also in the process of agreeing a Reset Plan which will determine the future priorities of the Council. Use of resources is one of the priorities in the Plan and addresses the importance of ensuring the available resources, including finances, are structured to enable the delivery of the council's priorities. The principles for agreeing the budget are set out in paragraph 1.4 of the attached Annex.

The timeline for agreeing the savings proposals and draft budget is set out in paragraph 2.11 of the attached report.

The background and context to this item for scrutiny are set out in the attached Annex. As it is a report dealing with internal financial matters only the Equality, Human Rights, Social Value, Sustainability, and Crime and Disorder Reduction Assessments are not required.

Tony Kershaw

Director of Law and Assurance

Contact Officer

Susanne Sanger, Senior Advisor (Democratic Services), 033 022 22550

Contact for financial implications

Katharine Eberhart, Director of Finance and Support Services, 033 022 22087

Appendices

Annex 1 Update on the Medium Term Financial Strategy as presented to
 Cabinet on 24 November 2020
 Appendix A - Strategic Decisions supporting information
 Appendix B - List of Business as usual savings

Background papers

None