

Public Document Pack

SOLIHULL METROPOLITAN BOROUGH COUNCIL

CPH Climate Change, Planning & Housing Decision Session

Monday, 1 March 2021 at 6.00 pm

PLEASE NOTE that any member of the press and public may view the proceedings at this virtual meeting via this weblink:

<https://www.youtube.com/channel/UC7DDSVoAlgTnwgp0Ku8iFLQ>

Disclosing Pecuniary Interests - What Must You Do?

(a) You must complete a declaration of your disclosable pecuniary interests, including those of your spouse/civil partner (or someone with whom you are living as such) and send it to the Monitoring Officer within 28 days of your election or appointment to the Council.

(b) When you attend a meeting of the Council, Cabinet, Scrutiny Board, Committee, Sub-Committee or Joint Committee etc, and a matter arises in which you have a disclosable pecuniary interest, unless you have been granted a dispensation, **you must:**

- Declare the interest if you have not already registered it
- Not participate in any discussion or vote
- Leave the meeting room until the matter has been dealt with
- Give written notice of any unregistered interest to the Monitoring Officer within 28 days of the meeting

(c) If you are the Leader or a Cabinet Portfolio Holder you may not exercise any of your delegated powers as a single member in relation to a matter in which you have a disclosable pecuniary interest or take any other step except to give written notice of any unregistered interest to the Monitoring Officer within 28 days of your becoming aware of the interest, or arrange for another person or body to deal with the matter.

Disclosable Interest	Description
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain by you or your partner.
Sponsorship	Any payment or provision of any other financial benefit (other than from the Council) made or provided within 12 months of your declaration of interests in respect of any expenses incurred by you in carrying out duties as a member, or towards your election expenses.
Contracts	Any contract between you or your partner (or a firm or body corporate in which you or your partner is a partner or a director, or in the securities of which you or your partner has a beneficial interest) and the Council (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.
Land	Any beneficial interest in land which is within the area of the Council and which gives you or your partner a right to occupy the land or receive income.
Licences	Any licence held by you or your partner (alone or jointly with others) to occupy land in the area of the Council for a month or longer.
Corporate tenancies	Any tenancy where (to your knowledge)— (a) the landlord is the Council; and (b) the tenant is a body in which you or your partner has a beneficial interest i.e. a firm or body corporate in which you or your partner is a partner or a director, or in the securities of which you or your partner has a beneficial interest.
Securities	Any beneficial interest held by you or your partner in securities of a body where— (a) that body (to your knowledge) has a place of business or land in the area of the Council; and (b) either— (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you or your partner has a beneficial interest exceeds one hundredth of the total issued share capital of that class. “securities” means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

SOLIHULL METROPOLITAN
BOROUGH COUNCIL

To:
Councillors A Mackiewicz, M McLoughlin
and J Fairburn

NICK PAGE
CHIEF EXECUTIVE

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Date: Thursday, 18 February 2021

CPH CLIMATE CHANGE, PLANNING & HOUSING DECISION SESSION

Monday, 1 March 2021

AGENDA

1. **APOLOGIES FOR ABSENCE**
2. **DECLARATIONS OF PECUNIARY OR CONFLICTS OF INTEREST**
3. **QUESTIONS AND DEPUTATIONS**
4. **REVENUE AND CAPITAL MONITORING 2020/21 AS AT 31ST DECEMBER 2020** (Pages 5 - 12)

To inform the Cabinet Member of the Portfolio's latest forecast financial position as at 31st December 2020 against Revenue and Capital budgets. To inform the Cabinet Member of the Portfolio's progress against the latest 3 year savings targets in the Medium Term Financial Strategy (MTFS).

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Meeting date: 1st March 2021
Report to: Cabinet Member Climate Change,
Planning and Housing



Subject/report title: **REVENUE AND CAPITAL MONITORING 2020/21 AS AT 31st DECEMBER 2020**

Report from: Director of Economy and Infrastructure and Director of Resources
and Deputy Chief Executive

Report author/lead contact officer: Ian Riley– Senior Accountant
ian.riley@solihull.gov.uk

Wards affected:

All Wards | Bickenhill | Blythe | Castle Bromwich | Chelmsley Wood |
 Dorridge/Hockley Heath | Elmdon | Kingshurst/Fordbridge | Knowle |
 Lyndon | Meriden | Olton | Shirley East | Shirley South |
 Shirley West | Silhill | Smith's Wood | St Alphege

Public/private report: Public

Exempt by virtue of paragraph: N/A

1. Purpose of Report

- 1.1 To inform the Cabinet Member of the Portfolio's latest forecast financial position as at the 31st December 2020 against Revenue and Capital budgets as summarised below and detailed in the attached Appendix A.
- 1.2 To inform the Cabinet Member of the Portfolio's progress against the latest 3 year savings targets in the Medium Term Financial Strategy (MTFS) summarised below and detailed in Appendix A.

2. Decision(s) recommended

The Cabinet Member is asked to:

- 2.1 Consider and endorse the 2020/21 revenue and capital financial monitoring forecast as at 31st December 2020.
- 2.2 Consider the Portfolio's progress against the latest 3 year savings targets in the Medium Term Financial Strategy (MTFS) as at 31st December 2020.
- 2.3 In accordance with Financial Regulations approve a budget virement of £103,500 from the Climate Change, Planning and Housing portfolio to the Stronger and Safer Communities portfolio in respect of the Housing Policy team (paragraphs 5.1 – 5.2).

3. Matters for Consideration

- 3.1 Throughout the financial year, information will be provided on a quarterly basis to the Cabinet Portfolio Holder and Full Cabinet.
- 3.2 The cash limited discipline at Solihull means that Directorates need to balance their budget forecast position first and the Portfolio's position flows from that. As a result, this cabinet is specifically taken into account across the Economy and Infrastructure Directorate.
- 3.3 The revenue and capital financial position and the savings position for 2020/21 to 2022/23 are outlined in Appendix A.
- 3.4 The overall Council position is reported to Full Cabinet together with any planned actions; any variances are then considered in line with Council priorities and Financial Regulations.

Revenue Budget 2020/21

- 3.5 The latest approved revenue budget for the portfolio is £644,000. The forecast outturn expenditure for this year is giving an overall adverse variance of £141,000 which includes an adverse variance in respect of Covid-19 of £339,000 after funding from the Government's income recovery scheme has been applied. The position excluding the Covid-19 impact is a (£198,000) favourable variance. Explanations can be found in Appendix A.
- 3.6 As Members will be aware a report went to Full Cabinet on the 18th June outlining the initial financial impact of Covid-19 for the 2020/21 financial year. The Period 3 and Period 6 positions have subsequently been reported to Full Cabinet on the 10th September and 5th November respectively. The position is continually moving and evolving and the latest Covid-19 forecast across the Council, as at 31st December (Period 9), for the 2020/21 financial year is net nil – meaning that there is no adverse impact on our finances expected this financial year.
- 3.7 For Period 9 the individual portfolios' Covid-19 financial position should therefore be reviewed within the context of the overall Council Covid-19 financial position. It should be noted therefore that the estimates of the financial impact of Covid-19 included within this report are indicative, based on latest assumptions, and are still subject to change over the remainder of the financial year.
- 3.8 The general Covid-19 emergency funding that we have received to date from the government is still being shown corporately, and at this point in the financial year it would be premature to allocate any of this funding to portfolios (beyond the decisions already made) until we have a clearer picture of what each individual portfolio's financial position is likely to be as we get nearer to the end of the financial year.
- 3.9 The forecast variance arising from Covid-19 for this portfolio should be considered in the context of the position for the Economy and Infrastructure Directorate relating to Covid-19. The Economy and Infrastructure Directorate is forecasting an adverse variance of £1.713million relating to Covid-19. This includes the estimated impact of the Government's income recovery scheme where local authorities can reclaim 75% of lost income attributable to Covid-19 where this is in excess of 5% of total planned income for the year.

- 3.10 Excluding the impact of Covid-19 the directorate is currently forecasting a £919,000 adverse variance for the year which will be offset through use of reserves to give a nil variance. The main reasons for this variance sit within the Environment and Highways portfolio where it has become clear that a number of budgets are now unrealistic and will need to be realigned as part of the MTFS process. Significant additional investment has been made in adults' and children's services in previous years but this has not been the case for the Economy and Infrastructure Directorate.
- 3.11 In previous years the directorate has used reserves to balance its forecast position. The majority of the remaining reserves are earmarked for specific purposes. The forecast assumes that some of these reserves will be applied to offset the in-year position, although they would subsequently need to be replenished as part of the budget process.

Capital Budget 2020/21

- 3.12 The latest approved capital programme for this portfolio is £101,000. The forecast outturn expenditure for the year is nil variance.

Budget Strategy Savings 2020/21 to 2022/23

- 3.13 For 2020/21 the total savings target is £31,000 which is all rated green.
- 3.14 For 2021/22 there are no savings within this portfolio.
- 3.15 For 2022/23 the total savings target is £14,000 which is all rated red

4. What options have been considered and what is the evidence telling us about them?

- 4.1 N/A

5. Reasons for recommending preferred option

Housing Policy team Virement

- 5.1 Following the reshaping of the Communities function at the beginning of 2020/21 one of the key areas of focus for the newly formed Stronger Communities service is to develop, oversee and deliver a new Solihull Housing Strategy. To support this a new Housing Policy and Strategy Team is to be created with two new roles of Housing Strategy Manager and Housing Strategy Officer. The new roles within the team will also support and manage new monitoring oversight and arrangements concerning the SCH client function, support and manage relevant housing partnerships and governance, as well as the deliver statutory and other essential housing functions.
- 5.2 Two posts within Planning, Design and Engagement Service have been focused on Housing Strategy throughout the development of the Local Plan and have been identified to transfer to the new Housing Policy and Strategy team once their roles in the Local Plan have come to a conclusion. To reflect this, approval is sought for a budget virement of £103,500 from the Climate Change, Planning and Housing portfolio to the Stronger and Safer Communities portfolio in respect of Housing Policy staff.

6. Implications and Considerations

6.1 State how the proposals in this report contribute to the priorities in the [Council Plan](#):

Priority:	Contribution:
<p>Economy:</p> <ol style="list-style-type: none"> 1. Revitalising our towns and local centres. 2. UK Central (UKC) and maximising the opportunities of HS2. 3. Increase the supply of housing, especially affordable and social housing. 	<p>The economy is a key area of consideration for the services within this portfolio with increasing the supply of housing especially affordable and social housing being one of the key objectives. There are no new implications from this report.</p>
<p>Environment:</p> <ol style="list-style-type: none"> 4. Enhance Solihull's natural environment. 5. Improve Solihull's air quality. 6. Reduce Solihull's net carbon emissions. 	<p>The environment is a key area of consideration for the services within this portfolio with enhancing the natural environment, improving air quality and reducing carbon emissions all being key objectives. There are no new implications from this report.</p>
<p>People and Communities:</p> <ol style="list-style-type: none"> 7. Take action to improve life chances in our most disadvantaged communities. 8. Enable communities to thrive. 9. Sustainable, quality, affordable provision for adults & children with complex needs. 	<p>People and communities are an important area of consideration for the services within this portfolio, with all possible efforts being made to ensure that services are delivered and policies are determined in a manner that is equitable to all, allowing communities to thrive and enhancing the life chances of disadvantaged communities. There are no new implications from this report.</p>

6.2 Consultation and Scrutiny:

6.2.1 None

6.3 Financial implications:

Financial monitoring is undertaken throughout the year by individual budget managers. Key income and expenditure risk areas are also monitored monthly by the Finance Team. Any significant risks identified are reported to both DLT (Directorate Leadership Team) and CLT (Corporate Leadership Team) to ensure that net expenditure is managed within approved budgets. ARTOP (Aligning Resources To Our Priorities Board) meet monthly to oversee the financial impact from Covid-19.

6.4 Legal implications:

None

6.5 Risk implications:

The budget monitoring report takes account of forecast variances. In addition there may be pressures which are currently being monitored and managed by budget managers which could affect the final outturn position for 2020/21.

6.6 Equality implications:

None

7. List of appendices referred to

Appendix A – Quarter 3 2020/21 Financial Position

8. Background papers used to compile this report

8.1 N/A

9. List of other relevant documents

9.1 N/A

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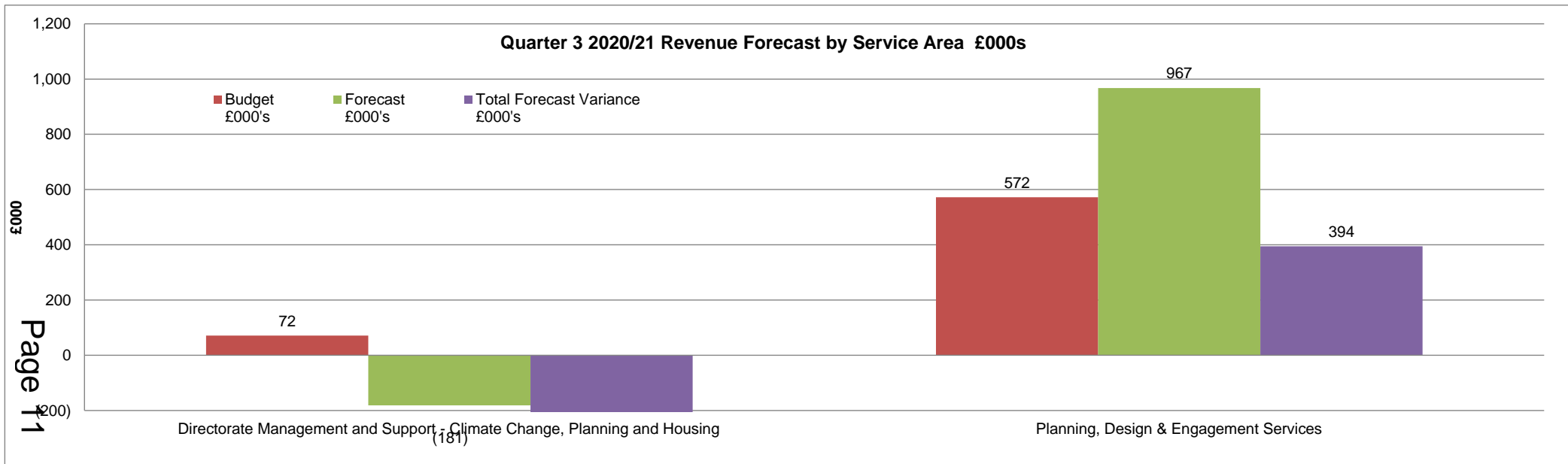
Climate Change, Planning & Housing Quarter 3 2020/21 Financial Position

Economy and Infrastructure Directorate Position

The context of this Cabinet portfolio position is taken into account with the whole of the Economy and Infrastructure Directorate which is currently forecasting an adverse variance of £1.713million due to the impact of Covid-19 and £919,000 attributable to other factors which is offset by use of reserves (£919,000).

1. 2020/21 Revenue Position

Current Forecast - £141,000 Adverse Variance



2. Explanations for significant Revenue Variances

Service Area	Budget £000's	Forecast £000's	COVID Forecast Variance £000's	Non-COVID Forecast Variance £000's	Total Forecast Variance £000's	Comments
Directorate Management and Support - Climate Change, Planning and Housing	72	(181)	0	(253)	(253)	Early delivery of savings re-invested in the Directorate as part of MTFs and use of Directorate reserve towards funding an overall variance of nil for the Economy and Infrastructure Directorate.
Planning, Design & Engagement Services	572	967	339	55	394	COVID-19 Adverse variance due to lower than expected income across service as consequence of reduced economic activity due to impact of COVID-19 and associated social distancing measures. Non COVID-19 Adverse variance due to lower than expected planning fees specifically in relation to the HS2 car park for which timescales have been revised, partially offset by savings on running costs across the service.
Total	644	786	339	(198)	141	

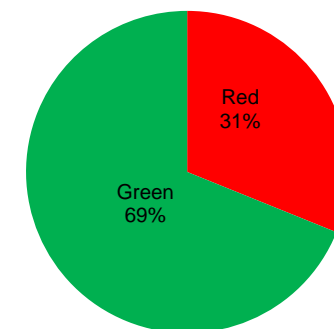
3. 2020/21 Capital Position

Schemes	Budget £000's	Forecast £000's	Variance £000's	Comments
North Solihull Partnership Works	101	101	0	Programme of landscaping works across parks and open spaces within the north of the borough.
Total	101	101	0	

4. 3 Year Savings Targets £000s

Description of Target	2020/21 £000's	2021/22 £000's	2022/23 £000's	Comments
Reduction in staff mileage expenditure	(9)			Proportion of cross cutting directorate saving attributable to Climate Change Planning & Housing Portfolio.
Review of Council budgets to remove small value budget lines	(2)			Proportion of cross cutting Council saving attributable to Climate Change Planning & Housing Portfolio.
Other Green Rated Savings	(20)			Savings delivered or expected to be delivered.
Review of back office functions across the directorate			(14)	Proportion of cross cutting directorate saving attributable to Climate Change Planning & Housing Portfolio.
Total	(31)	0	(14)	

Savings Target - RAG Rating



5. Reserves

	Balance as at 31st March 2020 £000's	Forecast (contribution) / use			Forecast Balance at the end of 2022/23 £000's	Forecast (contribution) /use beyond 2020/21 £000's	Proposed as part of 2021/22 MTFS £000's	Forecast Remaining Balance £000's
		2020/21 £000's	2021/22 £000's	2022/23 £000's				
Reserves Balance	(2,760)	983	19	291	(1,467)	1,467	0	0