

COUNCILLOR QUESTIONS TO CABINET – 1 December 2020

Question 1

Councillor Nigel Shaw, Bromyard Bringsty Ward

To: leader of the council

I note that the administration is now anticipating a £4m overspend by the end of the year which I presume it will seek to cover from reserves. What confidence can the leader give that his budget will be any more accurate next year, given an anticipated fall in income and current rise in revenue expenditure?

Response

The global pandemic has challenged all of us, Herefordshire Council has intervened in a number of ways to help keep our residents safe and support the businesses in Herefordshire. As has been reported to cabinet and council these interventions have taken a number of different forms. Some of these were time limited, dealing with specific emerging issues, and others such as ensuring the provision of PPE are longer term and are likely to continue for a while longer. The Council has been working with central government, providing evidence of the costs of responding to the challenges of Covid 19. Government have provided a number of grants, and we expect to receive further grants. We expect to deliver more of a balanced out turn at the end of the year as grants are confirmed and new grants agreed. However we recognise that by its very nature of the pandemic it is difficult to forecast the financial outturn with complete accuracy.

I am confident that the process to agree next year's budget is robust and will deliver a balanced budget, we have started the consultation process and it will be presented to the council scrutiny meetings shortly. We welcome the Chancellor's announcement in the recent spending review that Government will continue to fund councils into the future as they deal with the pandemic.