

## RECOMMENDATIONS FROM CABINET – 18 AND 29 NOVEMBER 2021

### BUDGET MANAGEMENT 2021/22 – PROGRESS REPORT APRIL TO SEPTEMBER 2021

#### Summary

1. The forecast revenue outturn position for 2021/22 at the end of September is showing a projected net overspend of £311,000 against the original budget. This is an improvement on the previously reported position and is mainly due to some income recovery in a small number of services including parking. As previously reported, this latest net overspend largely relates to the cost of the pending unbudgeted pay award, the continued impact of Covid19 that has resulted in further unbudgeted Leisure centre re-opening costs (£165,000), together with reduced Town Centre rental income. However, all Leisure costs reported to date, as detailed above and including the leisure sports consultancy costs (£17,000), will be met from the Leisure Covid Support Specific Reserve created in 2020/21 which will reduce the forecast overspend to £129,000.
2. At this point in the year, the current net forecast overspend is mitigated as a result of the final claim for lost income from the Department for Levelling Up, Housing and Communities (DLUHC) Income Compensation scheme which applied to the first quarter of the year. This claim was submitted in October and we estimate to receive £377,000, which allowed for the 5% deductible rate as in previous claims for 2020/21. However, depending upon the extent of the overspend over the remainder of the year, some draw on reserves may be necessary to balance the budget by year end.

#### Recommendations

3. **That Council approve:**
  - (i) **That £500,000 be transferred to the JE/Redundancy Specific Reserve as detailed in paragraph 29 of the Cabinet report;**
  - (ii) **the variations to the Capital Programme contained in paragraph 42 of the Cabinet report in accordance with the Council's Financial Procedure rule B3.**

## **INTRODUCTION OF FLEXIBLE SEASON TICKETS AND REVIEW OF PAY AND DISPLAY PARKING CHARGES.**

### **Summary**

1. In December 2020 the Council agreed the Parking Strategy 2020 – 2030 and a five-year action plan. The development of the Strategy was overseen by a Member cross party working group. The Strategy sets a clear ambition to invest in and modernise the car park estate. This will ensure high standards of future service delivery including modernisation and investment in new technology to improve the customer experience. Establishing new pricing strategies underpins the commitment to deliver these ambitions. Year of the Action Plan the Council committed to developing a season ticket policy and to exploring differential tariff regimes.
2. Given the significant and ongoing impact of the pandemic, and continued uncertainty over the short-term outlook for the high street, it is not proposed to take the proposals around differential tariffs forward at this stage. In addition, the pandemic has had an impact on working patterns, with more people working from home either permanently or as part of a hybrid working arrangement. These changes have continued into the recovery period. Changes are therefore proposed to the season ticket offer to provide a more flexible range of options in response to customer demand.
3. The evidence base supporting the Parking Strategy highlighted that Mid Sussex charges are at the lower end of the charges spectrum when compared to similar and neighbouring Councils. Parking charges in Mid Sussex car parks have not increased for 10 years, meaning that they have not kept pace with inflation despite the increasing costs of managing and maintaining car parks. The Parking Strategy highlights the need to invest in the parking estate to support sustainable economic growth and to improve the customer experience. The report therefore also proposes an uplift, in line with inflation, to charges for all pay and display car parks in the three towns in Mid Sussex.
4. As a result of the pandemic some income streams are still reduced and some areas of the Council's work have experienced increased demand such as the need for temporary accommodation for homeless people. This leaves the Council projected to call on reserves in 2022/23 and subsequent years which is not a sustainable position for the Councils finances.

### **Recommendations**

5. **That Council approve, subject to consultation:**
  - (i) **The introduction of flexible 3, 5 and 6 day season tickets;**
  - (ii) **The introduction of new tariffs, as outlined in Paragraph 16 of the Cabinet report.**
  - (iii) **An annual inflationary review of parking charges thereafter.**