

RECOMMENDATIONS FROM CABINET – 14 SEPTEMBER 2020

1. BUDGET MANAGEMENT 2020/21 – PROGRESS REPORT APRIL TO JULY 2020

Cabinet considered the progress on the Revenue Budget, Capital Programme and Revenue Projects and Treasury Management for 2020/21.

Summary

1. The forecast revenue outturn position for 2020/21 at the end of July is showing a projected net overspend of £4,241,000 against the original budget, after the use of Covid-19 Emergency Funding totalling £1,708,000, as outlined in paragraph 26 of The Cabinet report.
2. As previously reported, this level of overspend is unprecedented for Mid Sussex, but is not uncommon for shire districts this year as a direct result of the Covid pandemic adversely affecting all sources of income. However, since the last Budget Management Report to Cabinet in July, the Government has announced the Local government income compensation scheme for lost sales, fees and charges to help fund these losses. Based on our latest forecast we estimate to receive £2,176,000 (to the nearest £'000) in Government funding in 2020/21, which will partly mitigate the net overspend highlighted above, reducing the net overspend for the year to £2,065,000. Further detail is set out in paragraph 30 of the Cabinet report.
3. Lastly, following a review of the planned use of Specific Reserves it is proposed that a further £1,851,000 (to the nearest £'000) is transferred back to General Reserve to help mitigate the forecast overspend. Officers will continue to look at ways to mitigate the remaining forecast net overspend as the year progresses.

Recommendations

4. That Council approval:

- (i) that £504 grant income relating to New Burdens funding to meet costs of implementing Local Allowance changes be transferred to General Reserve as detailed in paragraphs 33 of the Cabinet report;
- (ii) that £11,630 grant income relating to Rough Sleepers Initiative be transferred to Specific Reserve as detailed in paragraph 34 of the Cabinet report;
- (iii) that. £40,000 grant income relating to Neighbourhood Planning be transferred to Specific Reserve as detailed in paragraph 35 of the Cabinet report;
- (iv) that. £45,000 grant income from the Business Rates Pool received in respect of Journey to Work funding be transferred to Specific Reserve as detailed in paragraph 36 of the Cabinet report;
- (v) that £10,870 grant income relating to the costs of the move to Individual Electoral Registration be transferred to Specific Reserve as detailed in paragraph 37 of the Cabinet report;
- (vi) that £46,230 grant income relating to the Planning Performance Agreement be transferred to Specific Reserve as detailed in paragraph 38 of the Cabinet report;

- (vii) that Specific Reserves be re-designated as detailed in paragraphs 39 to 44 of the Cabinet report;**
- (viii) that Specific Reserves totalling £1,850,959 be transferred to General Reserve as detailed in paragraph 29 and Appendix B of the Cabinet report;**
- (ix) the variations to the Capital Programme contained in paragraph 52 of the Cabinet report in accordance with the Council's Financial Procedure rule B3.**

2. DEMOLITION OF BURGESS HILL LIBRARY

Cabinet considered the case and arrangements for the demolition of the redundant and empty building that housed Burgess Hill Library.

Background

1. Burgess Hill Library relocated to a new unit within the town centre and opened in December 2019. Whilst closed due to Covid restrictions, it has quickly established itself as a popular and well used facility that makes the most of its town centre location.
2. The building remains and is clearly now redundant. The construction and demolition industry is now back at work post lockdown and the demolition of this building can proceed as previously agreed in principle at a previous meeting of Cabinet.
3. Officers have worked with specialist advisors, Gardiner and Theobald (G&T), to develop a project plan, tender for contractors and advise on all aspects of this demolition.
4. We have worked on the basis of de-risking the project as much as possible through pre-contract intrusive surveys and transferring as much remaining risk as possible to the contractor, with a view to obtaining a fixed price for the works and minimising the possibility of cost over-runs.
5. The specification for the works also covers the reinstatement of a hard surface to the entirety of the site where the Martlets Hall stood and the footprint of the library building. This base course layer will mean the site is left safe, clean and tidy and will enable other uses such as informal car parking, pedestrian traffic etc to take place.
6. Longer term, the whole area will form part of the town centre regeneration project and will be subsumed into those works.

Recommendation

That Council approve:

- (i) the Capital Programme be amended in the sum set out within the Cabinet report, to be financed from the Capital Receipts Reserve.**