

MINUTES OF CABINET

Tuesday, 14 July 2020
(5:03 - 5:39 pm)

Present: Cllr Darren Rodwell (Chair), Cllr Saima Ashraf (Deputy Chair), Cllr Dominic Twomey (Deputy Chair), Cllr Sade Bright, Cllr Evelyn Carpenter, Cllr Cameron Geddes, Cllr Syed Ghani, Cllr Margaret Mullane, Cllr Lynda Rice and Cllr Maureen Worby

16. Declaration of Members' Interests

There were no declarations of interest.

17. Minutes (16 June 2020)

The minutes of the meeting held on 16 June 2020 were confirmed as correct.

18. Medium Term Financial Strategy and Reserves Policy 2020/21 to 2024/25

Further to Minute 55(ii) of the Assembly meeting on 26 February 2020, the Cabinet Member for Finance, Performance and Core Services presented a report on updates to the Council's Medium Term Financial Strategy (MTFS) and Reserves Policy for 2020/21 to 2024/25 which reflected the latest financial issues relating to the COVID-19 pandemic and other factors impacting on the Council's budgets.

The Cabinet Member explained that the Council had developed very robust financial and investment strategies over the past few years aimed at holding the Council in good stead for the years ahead. However, the unprecedented situation presented by COVID-19 and the failures of the Government to properly address public sector funding after years of austerity meant that the Council found itself in an extremely challenging financial position. The Cabinet Member also criticised the Secretary of State for Housing, Communities and Local Government for seemingly back-tracking on the initial promise by the Government to fully fund any necessary expenditure incurred by local authorities in responding to COVID-19, as well as delaying the implementation of the Fair Funding Policy and Business Rates retention reforms until 2022/23 at the earliest.

The current cost to the Council of its response to COVID-19 was estimated at £41.3m, which covered additional costs, income loss and agreed savings at risk. So far, the Council had been allocated only £12.1m of emergency grant funding from the Government. Further funding of approximately £2m was expected to be received from the latest emergency grant support allocation but the Cabinet Member pointed out that even after other measures announced by Government to allow local authorities to spread the burden were taken into account, the projected budget gap for the Council up to 2024/25 had increased from £12.431m to £39.653m.

The Cabinet Member alluded to the key assumptions and risks set out in the report that underpinned to updated MTFS projections, such as the impact of Brexit, the capacity to deliver approved savings and the impact of COVID-19 on local

residents and businesses. It was noted that in order to bridge that gap, a range of new savings proposals would be presented to the Cabinet later in the year while the Council continued to lobby the Government for a full reimbursement of COVID-19 expenditure.

With regard to the Council's usable reserves, it was proposed to utilise £2m of General Fund reserves in the current financial year, reducing that reserve from £17m to £15m while still keeping it above the target minimum level of £12m. The Cabinet Member also referred to the potential use of other reserves that had been set aside for specific purposes, although he stressed that any funding taken from those reserves would need to be replenished in the future.

Cabinet colleagues conveyed their appreciation to the Cabinet Member for Finance, Performance and Core Services and Council officers for their role in helping the Council to continue to deliver much needed services and support to the local community during the current pandemic, despite the Government's apparent failure to properly fund that response. Reference was also made to other emerging Government policies such as restrictions on under-18 travel passes which would add further pressures on families' daily lives and budgets at a time when many were already being impacted by the pandemic.

Cabinet **resolved** to approve the Medium Term Financial Strategy and Reserves Policy 2020/21 to 2024/25 as set out in Appendices A and C to the report and the approach proposed to ensure the financial health of the Council over the medium term.

19. Contract for the Provision of Personal Protective Equipment (PPE), Corporate Uniform and Equipment

The Cabinet Member for Public Realm presented a report on the proposal to procure a new term contract for the provision of Personal Protective Equipment (PPE), Corporate Uniform and Equipment for a three-year term commencing 1 April 2021, with an option to extend for a further year subject to satisfactory performance.

The Cabinet Member advised that the proposed procurement would enable the Council to continue to fulfil its statutory responsibilities under the Health and Safety at Work Act 1974, as well as its own commitments to staff safety and wellbeing. The Cabinet Member referred to the options that had been considered and advised that the intention was to procure via an open tender split into six lots.

The Cabinet Member also confirmed that the procurement would not cover COVID-19 related preventative products and these had been, and would continue to be, procured under separate, specific arrangements.

Cabinet **resolved** to:

- (i) Agree that the Council proceeds with the procurement of contracts for Personal Protective Equipment (PPE), Corporate Uniform and Equipment in accordance with the strategy set out in the report; and
- (ii) Delegate authority to the Director of My Place, in consultation with the

Cabinet Member for Public Realm, the Finance Director and the Director of Law and Governance, to conduct the procurement and enter into the contracts and all other necessary or ancillary agreements and periods of extension with the successful supplier(s) in accordance with the strategy set out in the report.