

**Stronger City Economy Scrutiny Panel - 12 November 2020  
Draft Budget and Medium Term Financial Strategy  
2021-2022 to 2023-2024  
Minute Extract**

The Finance Business Partner introduced the report on the draft Budget and Medium Term Financial Strategy 2021-2022 to 2023-2024. The Panel were being asked to provide feedback on the budget relevant to the Panel and how it was aligned to the priorities of the Council. They were also being asked to provide feedback on the draft Budget and Medium Term Financial Strategy report that was appended to the main report. There was a recommendation that the Panel's comments be forwarded to the Scrutiny Board for consideration.

The Finance Business Partner summarised the main points of the report. The draft Budget and Medium Term Financial Strategy was different to previous years because it covered the Council's response to the Covid-19 pandemic. The report detailed the cost of Covid-19 for the year and the projected financial implications for the medium term. It listed the one off grants the Council had received to compensate for some of the impacts of Covid-19. The report detailed the next steps the Council would be taking to address the financial pressures faced by the Council over the medium term.

The Finance Business Partner commented that the report set out the "Relighting Our City" agenda, explaining the transition from the response to the recovery phase of the pandemic. The Council was assuming that the Government would provide a sufficient grant to cover the cost of Covid-19. If this was the case the forecast deficit, without the impact of Covid-19 for 2021-2022, was estimated to be £4.5 million, rising to £19.6 million over the medium term. Savings were being considered by directorates at the present time to meet the budget gap. If funding was not awarded from Government to meet the continued financial pressures arising from Covid-19, the impact on the Council would be significant. A fundamental review of all services would need to take place to enable them to set a balanced budget. If the Council did not receive the Covid-19 grants from Government, the deficit for 2021-2022 could rise to a minimum of £23.2 million and increasing to £40 million over the medium term.

The Director for Regeneration commented on the service budget detailed within the report. The report listed the key capital and revenue projects the service was working on in section 5.

A Member of the Panel asked for clarity as to budget for health. The Chief Accountant responded that the pie chart in the report referred to Public Health. The Pie Chart represented millions of pounds. Public Health was funded via the Public Health grant.

**Resolved:**

The panel agreed the recommendations set out in the report.