

Report to the Council

Committee: Cabinet
Date: 4th April 2023
Subject: Finance Portfolio Holder
Portfolio Holder: Councillor J Philip

Recommending:

That the report of the Finance, Qualis and Economic Development Portfolio Holder be noted.

Finance

Budget for 2023/24 and 2024/25

With the Budget for 2023/24 approved and Council Tax Bills having been dispatched there is now a small lull in the Finance calendar in which to undertake some tidying up and to commence some preparation for Year End and the new Financial Year.

The Budget was definitely one of the most difficult to balance in recent years and it required some tough choices in order to protect core and highly valued services. As costs increased rapidly and income didn't keep pace the squeeze was inevitably going to be concentrated on those costs we could control. This year, for the first time in a while, it was necessary to make redundancies. I said that we would do all in our power to minimise the number of compulsory redundancies and we achieved this by working with and supporting our officers through this difficult time. The final number of compulsory redundancies was 6 posts, and even then, most of the postholders affected supported their redundancy. With another savings target to achieve for 2024/25 we will immediately commence the search, looking to income generation and efficiency with the aim of avoiding any further compulsory redundancies next year. I will keep you updated as work progresses in this area.

Audit

The long, drawn-out, Audit of the Accounts for 2020/21 is hopefully now approaching close, still with no significant concerns having been raised by our Auditors. The national technical issue which I reported in December as delaying final sign-off has been temporarily resolved and so we are now waiting on the Auditors to complete their final review work. The Government has recently written to all councils and Audit firms asking for a concerted effort to move the long delayed sign-offs forward. In response, I shall be working with the Finance Team and our Auditors to bring additional focus to completing 2020/21 and 2021/22. It is hoped that the sign-off of 2020/21 will be swiftly followed by sign-off of 2021/22 and that we will be back on track for the closure and sign-off of 2022/23 by the end of 2023 or early 2024.

Together with the Chair of Audit and Governance Committee, (Cllr Bolton), I will continue to keep members updated on close of Accounts progress.

Qualis

The financial performance of Qualis continues to be regularly reported to the Cabinet and Stronger Council. The first quarter's results from their fourth year of trading were reported to Cabinet in March using a new Board report format presented by Qualis which is designed to show a clearer consolidated position.

Unfortunately, the same financial conditions that are so heavily impacting on the Council are also still enormously impacting Qualis. These were drawn out in the single year Qualis Business Plan that was presented to Overview and Scrutiny and to Cabinet last year. Qualis continues to report a loss in the 1st Quarter's trading due to a number of factors in their development and commercial activities businesses.

I continue to meet with Qualis regularly to consider their actions to address this and their trading performance in the current economic circumstances and I will update all members on progress.

Revenues and Benefits

Following the 2023/24 Budget Setting the Revenues and Benefits Team were immediately in action to send the Council Tax and Business Rates bills and Benefit notification letters for the new financial year. In total around 64,000 documents were sent to residents and businesses and the exercise was completed on time to meet the notice period required for April payments. This was a particularly impressive achievement as this year's budget meeting was the latest it has been for many years which greatly constricted the timetable for the production deadline of the bills and letters. My thanks to the Revenues and Benefits team for their hard work.

I would like to update Members on the Energy Bill Reliefs provided by Government which the Revenues and Benefits team are administering on their behalf. In both instances below the resident applies via a government portal. The application is then passed to the Council for verification and payment.

Energy Bills Support Scheme – Alternative Funding (EBSS AF) – this scheme is for those households who were not eligible for the £400 automatic reductions from their energy bills as they pay for their electricity by other methods such as alternative commercial intermediaries or supplies such as park homes. The scheme went live on 6th March 2023 and applications are being received by the Council for processing. Payments for this scheme are a one-off payment of £400. The Council has been given just under £1.1 million to fund this scheme. In the first week the council received 160 applications from the Government.

Energy Bills Support Scheme – Alternative Fuel Payment (EBSS AFP) - the scheme provides a payment of £200 for households that use alternative fuels, such as heating oil, biomass or Liquefied Petroleum Gas as their main source of heating. The Council has been allocated £184,400 to fund this scheme. In the first week the Council received around 100 applications from the Government.

Councils are required to make payment within 30 days of receiving an application. These schemes close on 31st May 2023.

Economic Development Programme:

Epping Forest District Council is developing a new website aimed at businesses of all types and sizes looking to start up, expand or relocate into the district. Invest Epping Forest contains all the information businesses need to discover the benefits and opportunities of doing business in and from the district, and why this is a great place to live, work, study and do business. At the heart of the UK Innovation Corridor, Epping Forest District offers a range of business sites all with easy access to two motorways, Stansted Airport and rail and tube links directly into London. As well as listing the district's major business and industrial parks, Invest Epping Forest includes a business property search function showcasing units and sites currently available. The site also contains information on help for businesses, local skills, education and training. Find out more by visiting Invest Epping Forest at www.investeppingforest.co.uk or contact economicdevelopment@eppingforestdc.gov.uk

Officers are continuing to work at procuring packages of business support, a key focus of year one UKSPF (UK Shared Prosperity Fund) spending. It is expected that the majority of year one intended business support programmes will be initiated before the end of the financial year. Some flexibility has now been built into new UK Shared Prosperity Fund reporting frameworks to enable some year-one allocations to be rolled over into the next financial year if there are underspends. Officers are at the time of writing completing the first UKSPF quarterly report for the UK Government, which summarises spend to date on projects.

Epping Forest District Council, in common with councils across the UK, has still not received approval for its Rural England Prosperity Fund investment plan, which aims to secure a further £437,136 to invest in rural areas.

Monthly Business E-Newsletter:

The Economic Development Team has released the February edition of the 'Business Matters' e-newsletter with topics focusing on Create South East's support programme, the creation of the Prosperity Network, Rebel Business Schools' entrepreneurship courses, RideLondon 2023 and information from Essex Police on business crime prevention. If you would like to receive a copy of the monthly e-newsletter please contact Matteo Pesci at mpesci@eppingforestdc.gov.uk

General Economic Briefing:

The Economic Development team has begun work on an economic digest for the district, this will include key information from the 2021 Census and other information sources outlining the latest information on local economic indices. This will provide information on economic activity rates, changes in travel to work, skills and the main economic sectors in the district.

The latest statistics for unemployment in the district from January 2023 show unemployment continuing to decline and it now stands at 2,205.

Visitor Economy:

The newly launched Visit Epping Forest website continues to attract over 3,000 viewers a week and the 'What's On' page continues to record a high number of events occurring across the district.

The Marriott Hotel at Waltham Abbey has recently been placed within the Delta brand and rebranding and refurbishment is now underway. The new management have indicated that they are happy to continue the support previously afforded to the Tourism Board once the current upheavals are over, including sponsoring a conference.

The changing face of our visitor economy, staffing problems within hospitality and new challenges faced by a shortage of volunteers, will be central themes discussed at the next Tourism Board meeting on the 20th March.

The work of the new Essex Film Office has produced a number of filming enquiries for the district. Currently moving beyond the enquiry stage are advertising for a famous crisp brand and possible locations for a major TV action series. Additionally, being in close proximity to London gives the district an edge when a choice of locations across the county are being considered.

Essex + Herts Digital Innovation Zone (DIZ):

The Digital Innovation Zone has been invited by the Local Government Association to participate in a digital showcase event on Tuesday 21st of March, exhibiting case studies and generating discussion on local government digitalisation across 12 digitalisation outcome frameworks launched by the LGA in partnership with Solace and Socitm.

The session will focus on the role of digital innovation and data in supporting local residents and businesses. The DIZ has been invited to deliver a presentation as an interesting example of how the Digital Innovation Zone maximises digital investment to support local businesses. The presentation will then be followed by a panel discussion.