



Report of:	To:	Date
Councillor Lesley McKay, Resources Portfolio Holder	Council	18 April 2024

Executive Report: Resources Portfolio Holder

1. Purpose of report

- 1.1** To inform Council of progress on key objectives and the current position on issues within the Resources Portfolio, as set out below.

2. Finance

- 2.1** Members should now have received their council tax bills for the 2024/25 financial year reflecting this Council's decision to increase its element of the bill by just £6.57 (2.99%) on a Band D equivalent property to £226.31 or just 62p per day.
- 2.2** Whilst the total band D council tax (excluding parish precepts) is now £2,227.73, I wish to remind members that the Wyre element is just over 10% of the charge with the costs of Lancashire County Council (74%), the Police and Crime Commissioner (12%) and the Fire Authority (4%) all contributing to the final bill that drops through our residents' letterboxes.
- 2.3** 2024/25 sees a one-year settlement deal for the sixth year running and our forecasts contain a high level of uncertainty as a result. Our most recent financial projections in the Medium Term Financial Plan (MTFP) indicate a gap between expenditure and income of £4m in 2028/29. Given that a General Election is due before the end of January 2025, it is unlikely that any significant local government finance reforms will take place in advance of this.
- 2.4** As of January 2024, fewer than 10% of audits of local authorities' financial statements had been submitted for the financial year 2022/23 by December, according to the latest figures from Public Sector Audit Appointments. Only 45 out of 467 had been filed. This compares to a pre-pandemic position in 2018 where 87% of audits were completed by the then publishing deadline of 31 July. Wyre's 2020/21 accounts are the last to have been fully audited and expected to be signed off by Deloitte leaving 2021/22 and 2022/23 to be captured under any 'backstop' arrangements imposed.

- 2.5** In order to address the delays, a consultation on proposals to clear the backlog of local government audits closed on 7 March. It focused on a phased approach to restoring confidence in the local audit process.
- 2.6** The main elements are:
- **Phase 1: Reset** involving clearing the backlog of historical audit opinions up to and including financial year 2022/23 by 30 September 2024.
 - **Phase 2: Recovery** from Phase 1 in a way that does not cause a recurrence of the backlog by using backstop dates to allow assurance to be rebuilt over multiple audit cycles.
 - **Phase 3: Reform** involving addressing systemic challenges in the local audit system and embedding timely financial reporting and audit.
- 2.7** The outcome of the consultation and its impact on Wyre is expected to be reported to Audit Committee in June.

3. Revenues and Benefits

- 3.1** £143,286.93 of the balance of the 2023/24 council tax support fund has been allocated to 1,362 Localised Council Tax Support (LCTS) recipients to clear or contribute to their outstanding council tax liability for 2023/24. In accordance with the guidance, a further £4,259.19 has been allocated to economically vulnerable households who are not in receipt of LCTS to help with council tax bills.
- 3.2** The remainder of the fourth round of Household Support Funding has been spent with a £10,000 payment being made to the Fylde Coast Women's Refuge, plus payments of £300 being made to 109 households in receipt of contributions based job seekers allowance or employment support allowance. These households have not received the low income benefits cost of living payments made by the DWP. We have also awarded 10x £200 vouchers to LCTS claimants under 25 who are living alone and 7x £200 vouchers to people with Disabled Band reductions who have become entitled since the last vouchers were issued in November 2023.
- 3.3** In his budget speech on 6 March 2024, the Chancellor confirmed that there would be a further round of Household Support Funding for a six month period in 2024/25. As yet there are no details of the amounts being allocated, or guidance on the qualifying criteria for receiving a payment.
- 3.4** Ongoing issues with the availability of the courts following the closure of the Blackpool Courts are likely to cause problems for the Corporate Debt Recovery Team in trying to collect unpaid council tax and business rate debt. While a reduced number of court dates for 2024/25 have provisionally been agreed, these will take place at Lancaster Magistrates Court and may be restricted to online hearings. We will continue to monitor the impact on collection rates as part of the Council Plan performance measures process.

4. 2024 Pay Claim

- 4.1** The Unions have submitted a pay claim for 2024 which seeks an increase of £3,000 or 10% to pay scales whichever is greater. In addition, they are asking for a review of gender, ethnicity and disability pay gaps in local government, a two-hour reduction in the working week with no detriment, an additional day of annual leave and a phased approach to reaching a minimum pay rate of £15 an hour by 2026.
- 4.2** Regional Briefings are currently taking place with employers, the feedback from which will be considered by the National Employers before they respond with a Pay Offer. This is expected to be communicated sometime in May, after the elections.

5. Governance and Legal

- 5.1** Preparations for the forthcoming Police and Crime Commissioner Elections on the 2 May 2024 are well underway. All polling stations and count venues are now booked, and the Elections Team are currently in the process of appointing Presiding Officers and Poll Clerks to each station. The Returning Officer is meeting with the Elections Team on a weekly basis, which will be followed by daily updates when the postal voting opening sessions start on 23 April 2024. Detailed project/action plans are in place and are being monitored and updated regularly. Whilst at the time of publishing this update, a date for the General Election was not yet known, but a snap election will not take place on 2 May.

6. Comments and questions

- 6.1** In accordance with procedure rule 11.3 any member of Council will be able to ask me a question or make a comment on the contents of my report or on any issue, which falls within my area of responsibility. I will respond to any such questions or comments in accordance with Procedure Rule 11.5.