

## Appendix G: Pressure and Uncertainty

The table below shows a number of areas where we could potentially see pressures emerging.

	MTFP Line	Area	Commentary
1	Financing	Business Rates	<p>There are two things that may significantly affect the amount the Council may receive in relation to Business Rates:</p> <p>a) Collection Rate – The Council's collection rate has been skewed in 20/21 due to the additional reliefs given by government. As the reliefs in 21/22 are not as substantial as 20/21 which may impact on businesses ability to pay. The Finance team will continue to monitor the situation.</p> <p>b) Appeals – Business Rates has a provision for appeals of c£2.8m. As we come out of the pandemic we may see more appeals of rateable values. If appeals are less then this would release funds back into the General Fund.</p>
2	Financing	Council Tax	Council Tax has been affected by lack of growth in taxbase impacted by Covid; collection rate likely to be adversely affected (more people struggling to pay). This will continue to be monitored throughout 21/22.
3	Pay Inflation	Pay Award	The MTFP assumed no pay award, as per the Chancellor's announcement. The Council are part of the National Employers pay scale and as such have been negotiating with Unions and it is looking increasingly likely that there will be staff pay award for 21/22. The latest figure quoted is 1.5% which would cause a c£175k pressure.
4	Resources	Legal	In 2020/21 there was a number of complex Children's cases and an increase in litigation. The Council has changed its approach with more use of locums rather than external Solicitors which resulted in a drop in costs in the final quarter. However, if cases continue at the current rate there may be a pressure on the 2021/22 budget.

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5	Resources	Court Income (Revs & Bens)	Suspension of recovery of debt led to £36k pressure in 2020/21. The Council has resumed normal debt collection operations since May, however access to the courts is still inconsistent which is delaying recovery at present, this is expected to improve as we progress with the government road map and as new procedures at the courts become in bedded.
6	Resources	Communications	Resignation of Communications Manager; Communications structure going forward is yet to be agreed and may require short term agency support.
7	People	ASC Demand	<p>The services people are requiring have changed during the pandemic, moving away from Residential Care to Homecare and Direct Payments, if this continues the council will need to model the impact on both services.</p> <p>There is a growing expectation adult social care will have to provide a 7 day a week service with increased working times of 12 hours per day which will also include the weekends to facilitate hospital discharges.</p>
8	People	ASC – Transitions	There are a number of cases where the Council, subject to the outcome of legal cases, may either inherit costs from other Councils or transfer costs to other Councils. The Court will decide on the ordinary residence of care recipients. As these become determined the Council may get additional costs, including back dating to the point agreed by the court.
9	People	ASC – Residential	Low numbers of Service Users – could start to affect financial viability of Care Homes. The situation is being monitored to see if numbers continue to fall as it could lead to the Council having to place clients in homes at bed rates not covered by Council contracts.
10	People	Day Opportunities Income	Review being undertaken around charges for Day Opportunities. This includes charges for both in and out of county use for the provision.

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11	People	Norfolk Judicial Review	There has been recent court case around fairer charging which resulted in a judgement that Council's charging was unlawful. Regionally this is being looked at for implications, but initial thoughts from two barristers (Nottinghamshire and Leicestershire) are that the review is unlawful and needs to go back to court.
12	People	ASC – General	Care provider uplift still to be agreed. The MTFP builds in some inflation. Until agreed there is the potential for the cost to be greater than that included within the MTFP. The continuation of the Government Inflation Control scheme may have an impact on the final position.
13	People	Unaccompanied Asylum Seeking Children (UASC)	UASC placements present a risk as placement numbers can increase without warning. The Council has limited options where to place children and no provision within County. The Council no longer volunteer to accept UASC, however, in certain circumstances we may find that we have new UASC identified within the County that we would have responsibility for.
14	People	Fostering Service	There is fluctuation in the number of fostering placements. If a number of cases arrive at once there could be a shortage of foster placements and Independent Foster Agencies are used which is a higher cost for the Council.
15	Places	Building Control	Current arrangements ensure that the cost of running the Building Control Service amounts to 75% of the application fees creating a 25% surplus to cover admin costs. The current contract has resilience issues and may require an alternative solution  Alternative options are a Service Level Agreement or Partnership with a neighbouring authority to provide the Building Control Service.  There is a high risk that the current contract terms will not be replicated and the service could operate at a greater cost than it does now.
16	Places	Waste (Tonnages)	Increased tonnages of 5% were incorporated into the budget for 2021/22 but are

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			currently coming in at around 10%. This would cause an estimated pressure of about £30k. This position will be monitored to see if the trend continues.
17	Places	Transport	The current budget has allowed for 2 additional home to school bus services to facilitate social distancing. Whilst there may be sufficient budget for the Spring and Summer terms the Autumn and Winter numbers are not known until September. If travel restrictions continue it is uncertain what impact this will have when contracts are retendered.
18	Places	Highways	Potential pressure includes: <ul style="list-style-type: none"> <li>a) Council team re-locating and dilapidation costs at station approach may need to be paid, currently with Legal</li> <li>b) Staffing pressures within the team and the cover of Out of Hours services</li> <li>c) Uncertainty around highways income including resourcing pressure to set up a new income policy for street works</li> </ul>
19	Places	Local Plan	The Local Plan is currently on hold since the HIF grant funding was rejected at council. If a new local plan is required this will mean significant additional financial pressures to the budget, possibly between £500k - £1m.
20	Places	Property	Condition Surveys and Fire Risk Assessments under way have identified many issues within Property assets. Several of the issues identified will need to be addressed in order to continue safe occupation and use of properties. Costs are not yet available but are expected to be significant and there may not be capacity in the budgets which will meet the requirements.
21	Places	Commercial Property	As above Condition Surveys and Fire Risk Assessments under way have identified many issues within commercial property assets which may create budget pressures. In

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			addition as Government support for business relaxes it is uncertain what impact this will have on existing tenants. This will be carefully monitored through the year.
22	Places	Parking Income	Whilst the current budget assumes reduced levels there is an element of uncertainty as to whether the reduced levels can be achieved. Parking trends will be monitored throughout the year.
23	Places	Leisure (SLL Support)	Budget has been provided to support Stevenage Leisure running Catmose Sports Centre to cover losses due to Covid-19 operating restrictions. However, whether this is sufficient will be dependent upon consumer confidence and the length of time it takes for membership levels to return whilst providing a safe environment.  There is also potential for additional costs due to the condition of the leisure facilities.
24	Places	Culture Income	Although Covid lock down measures are gradually being relaxed it is unclear what impact this may have in the year ahead. There is uncertainty as to whether the income levels can be achieved as much of the income comes from venue hire for weddings (also see Registrar's income below).
25	Places	Registrars Income	Weddings have been severely impacted by the Covid restrictions. Couples may be apprehensive about still having a wedding in 2021 and may decide to postpone for another year.
26	Places	Leisure Income	Rutland Active Hub was significantly impacted by Covid. As it is mainly used by clubs the recovery as with other leisure facilities will rely on consumer confidence and length of time it takes for membership levels to return whilst providing a safe environment. There is also uncertainty about the level of contributions from schools returning to Rutland County Council for School sports provision.