

DOCUMENT:	FSC IMPLICATIONS OF COVID-19 FOR FUNDING
DATE:	23 NOVEMBER 2020

Introduction:

The Covid-19 coronavirus pandemic has had an enormous impact on the economy and the finances for local government. Officers in Watford have prepared helpful and informative documentation for Financial Scrutiny Committee, Cabinet and Council regarding the impact of Covid-19 on the council's finances.

The latest report, considered by the committee at today's meeting, poses some questions that are worth consideration and this brief paper proposes to the committee that officers report back on them at the next FSC on 12 January 2021.

<u>Area</u>	<u>Query</u>
Financial resilience	<p>Loss of income and the need to partially meet expenditure impacted by or related to Covid-19 from reserves can only be a short term measure.</p> <p>What is the plan for replenishing reserves, if national government grants do not meet all the costs of Covid-19 at WBC or finances are further complicated by the operation of the collection fund?</p>
Impact on our residents	Do we understand the impact on our residents and what costs have been incurred by WBC in supporting those residents, as a result of the Covid-19 pandemic?
Population response	Do we understand the financial implications of how people and volunteers have responded to Covid-19 in the community and what that may mean for our finances?
Assurance and risk	What levels of assurance are there in terms of the impact of Covid-19 on the council's finances and what it means if grants are insufficient or ring-fenced in such a way that prevents the money from being used where it is needed?
Impact on income streams	<p>Covid-19 must be having an impact on many of WBC's direct income streams; from parking income receipts and filming to risks from future income streams owing to collection rates or the economic security of business rates and rents.</p> <p>What does the modelling tell us about the future projections and the implications for council expenditure?</p>