

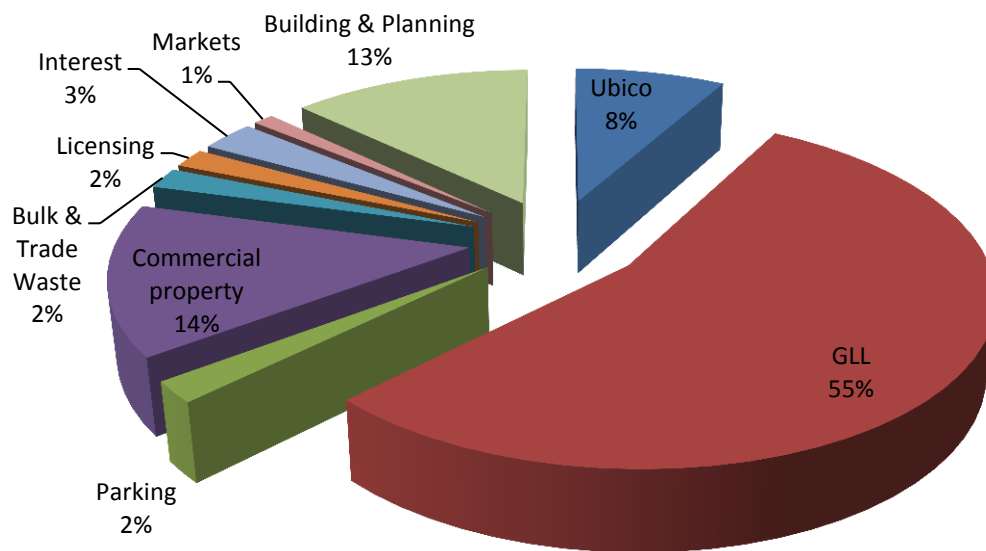
West Oxfordshire District Council
Update note on Council Finances for the
Finance and Management Overview and Scrutiny Committee
Wednesday 8 July 2020

The brief note below is intended to form the basis of a verbal update and discussion

The current Covid-19 situation has had a large impact on the Council's finances.

The most recent MHCLG return submitted forecast an expenditure increase of £1.1m alongside an income reduction of £2m. With grant funding already secured of £1.1m that results in a negative net budget impact of £2m.

The areas of pressure in our current budget are shown in the diagram below:



Budgetary impact by sector

The forecast is changing constantly as the ongoing situation means that sectors take longer to recover than previously hoped. New government support is being announced but there are also additional demands on our services, not only for short term crisis management but also for medium and longer term recovery plans.

The following actions are being taken:

- A review and reforecast of the current year's budget to reduce the shortfall where possible, introduce new recovery requirements and review the prioritisation of capital spend.
- Reforecast the MTFs to take account of the changes caused by the current situation. There was already a projected deficit of £2m next financial year before taking Covid-19 into account.
- Negotiate not only the financial impact with our key suppliers but work with them to produce the most cost effective plans to maximise the increasing opportunities to restart their services, either in part or in whole.

- Review our Treasury plans to ensure that they are still secure and take into account the current market uncertainty.
- Carry out a review of all reserves to ensure that all available funding is identified and utilised to deal with the current issues.

Elizabeth Griffiths
Section 151 Officer