

CABINET**Monday, 22 July 2019****FINANCIAL MONITORING OUT-TURN 2018-19**

Councillor Janette Williamson Cabinet Member Finance and Resources, said:

“Robust financial management is vital. As austerity continues, and local councils throughout our Region continue to have their budgets slashed and are forced to deal with ever increasing demand, the need for excellent financial planning and oversight only gets more important. This report provides Cabinet with the final budget position for the past financial year.”

REPORT SUMMARY

This report details the out-turn for 2018/19 and concludes the reporting to Cabinet for the 2018/19 financial year. There are separate Appendices for Revenue (including details of the reserves), Capital (including resources used to fund the Programme) and the Collection Summary (including Council Tax, Business Rates and Sundry Debts).

This is a key decision which affects all Wards within the Borough.

RECOMMENDATION/S**1) Revenue**

- a) The revenue out-turn indicates a variance of £0.6 million of expenditure less than budget in 2018/19;
- b) The General Fund Balances at 31 March 2019 of £10.7 million, be noted; and
- c) The Earmarked Reserves totalling £59.5 million (£85.5 million subject to External Audit) be confirmed.

2) Capital

- a) The additional re-profiling of £5.0 million from 2018/19 to 2019/20 be noted;
- b) The financing of the Programme for 2018/19 be noted; and
- c) The Programme for 2019/20 and beyond be kept under review to ensure it is realistic and deliverable.

3) **Collection Summary**

- a) The decrease in Council Tax in-year collection rate from 95.5% in 2017/18 to 94.8% in 2018/19 be noted;
- b) Increase in cash collected for Council Tax 2018/19 of £9.4m;
- c) The Business Rates collection rate for 2018/19 of 97.9%; the same collection rate of 97.9% as attained in 2017/18;
- d) The Sundry Debt arrears figure as at 31 March 2019 decreased by £3 million to £26 million; and
- e) That the sundry debts for Adults Social Services and Other Directorates detailed in the report be written-off against the Provision for Bad Debts.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 Local authorities have to produce an Annual Statement of Accounts which demonstrates the financial performance of the Council for the year and the financial position at the end of the period. The full Statement is approved by Audit & Risk Management Committee on behalf of the Council. This report informs Cabinet of the key elements.
- 1.2 The Collection Summary provides details on income collection performance and any sums which are deemed irrecoverable need to be written off in accord with the authorisation processes set out in the Council Constitution.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 No other options were considered. There is a legal requirement to publish the Statement of Accounts and agree the capital spend and financing at the end of the financial year.

3.0 BACKGROUND INFORMATION

- 3.1 Throughout the financial year Cabinet received Monitoring Reports in respect of Revenue (including income and debt collection) and Capital. This report is a summary of the actual out-turn for 2018/19.
- 3.2 The last monitoring reports were for Quarter 3 and were considered by Cabinet on 18 February 2019. Since the end of March work has been on-going in order to conclude the accounts for the financial year.
- 3.3 The detail contained within the Appendices informs part of the Annual Statement of Accounts for 2018/19. The Statement has to be issued on 31 May 2019. It is then subject to review by the appointed External Auditor (Grant Thornton UK LLP) and will be considered by Audit & Risk Management Committee on 22 July 2019. The Statement has to be published by 31 July 2019.

REVENUE OUT-TURN

- 3.4 See Appendix 1 for details.

CAPITAL OUT-TURN

- 3.5 See Appendix 2 for details.

COLLECTION (INCOME)

- 3.6 See Appendix 3 for details.

4.0 FINANCIAL IMPLICATIONS

4.1 The financial implications detailed within the Appendices.

5.0 LEGAL IMPLICATIONS

5.1 Local authorities have to produce an Annual Statement of Accounts which demonstrates the financial performance of the Council for the year and the financial position at the end of the period. The Accounts must comply with the Code Of Practice on Local Authority Accounting. There is a legal requirement to publish the Statement of Accounts each year.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 There are no staffing, IT or asset implications arising directly from this report.

7.0 RELEVANT RISKS

7.1 There are none associated with the summary of the financial position for 2018/19. The position has been monitored throughout the year and has been the subject of monthly reports to Cabinet.

7.2 In respect of the collection of income this has been the subject of reports to Cabinet and the inclusion of items which are irrecoverable overstates the potential income which could be collected by the Council.

8.0 ENGAGEMENT/CONSULTATION

8.1 This is an end of year report. Consultation takes places as part of the planning and implementation of specific schemes or projects within the Council Budget and Capital Programme.

9.0 EQUALITY IMPLICATIONS

9.1 (b) No because there is no relevance to equality.

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APPENDICES

Appendix 1	Revenue Out-turn 2018/19.
Appendix 2	Capital Out-turn 2018/19.
Appendix 3	Collection Summary 2018/19.

BACKGROUND DOCUMENTS

CIPFA Code Of Practice On Local Authority Accounting In The UK 201819.

Local Government Act 2003 and subsequent amendments.

Local Government (Capital Finance and Accounting) Regulations 2008.

Accounts and Audit (England) Regulations 2015.