

CABINET**27 JULY 2020****FINANCIAL MONITORING OUTTURN 2019-20**

Councillor Janette Williamson, Cabinet Member for Finance and Resources, said:

“Local authorities are continuing to see their financial support from central government reduced while having to manage increased demand for – and greater scrutiny of – services. The need for excellent financial planning and oversight therefore becomes ever more important. This report provides Cabinet with details of how the Council has managed its resources to provide value for money services during 2019-20.”

REPORT SUMMARY

This report outlines how the Council has managed its resources to provide value for money services during 2019-20. The report provides a Revenue Outturn summary and service area performance against budget. It summaries the key headlines for Revenue, Capital and Collections and concludes the reporting to Cabinet for the 2019-20 financial year. Further details to support the content of this report are provided in the accompanying appendices, for Revenue (including details of 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.

RECOMMENDATIONS**1 Revenue**

- a) Note that the gross expenditure has been balanced to gross income with the appropriate allocation of reserves.
- b) Note the General Fund Balance at 31 March 2020 of £10.668 million.
- c) Note the Earmarked Reserves totalling £66.768 million.

2 Capital

- a) The additional re-profiling of £19.4 million from 2019/20 to 2020/21 be noted.
- b) The financing of the Programme for 2019/20 be noted.

- c) The Programme for 2020/21 and beyond be kept under review to ensure it is realistic, deliverable and affordable.

3 Collection Summary

- a) Note the in-year collection rate for Council Tax was 94.8%, the same as the previous year.
- b) Note the increase in cash collected for Council Tax 2019/20 of £11.7 million.
- c) Note the in-year collection rate for Business Rates was 97.53%. In 2018/19 the collection rate was 97.9%.
- d) £86.557 million of Sundry Debtors collected in the year be noted.
- e) Approve the sundry debts for Adults Social Services and Other Directorates detailed in the report to be written-off against the Provision for Bad Debts of £2.271 million.

SUPPORTING INFORMATION

1.0 REASONS FOR RECOMMENDATIONS

- 1.1 The Council monitors in-year performance through the reporting cycle, which includes outturn reporting at year-end. Reports during the year reflect financial and operational performance and provide an opportunity for members to note, approve or recommend changes in line with the Council's Financial Procedure Rules.
- 1.2 To ensure the Council remains a well-managed authority, recognising and responding to emerging cost pressures and complying with current accounting requirements, and that the Council focuses on value for money and good governance and stewardship.
- 1.3 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 of Accounts is to be approved by Audit & Risk Management Committee on behalf of the Council within the new timeframe as set out following the change in Regulations due to Covid-19, no later than 30 November 2020.
- 1.2 The Collection Summary provides details on income collection performance and any sums which are deemed irrecoverable and which need to be written off in accordance with the authorisation processes set out in the Council's Constitution.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 No other options were considered.

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 outturn position for 2019-20.
- 3.2 The last monitoring reports were for Quarter 3 and were considered by Cabinet on 17 February 2020. Since the end of March work has been on-going and continues 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 2019-20. The Statement has to be issued on 31 August 2020. 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 16 November 2020 (draft date to be confirmed). The Statement has to be published no later than 30 November 2020.

REVENUE OUTTURN

- 3.4 See Appendix 1 for details.

CAPITAL OUTTURN

- 3.5 See Appendix 2 for details.

COLLECTION SUMMARY

- 3.6 See Appendix 3 for details.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The financial implications are 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 no risks associated with this summary of the financial position for 2019-20. 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 presented to Cabinet.

8.0 ENGAGEMENT/CONSULTATION

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

9.0 EQUALITIES IMPLICATIONS

- 9.1 There are no implications arising directly from this report, which provides information on the overall financial position for the financial year just completed.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 There are no implications arising directly from this report.

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APPENDICES

Appendix 1 Revenue Outturn 2019-20.
Appendix 2 Capital Outturn 2019-20.
Appendix 3 Collection Summary 2019-20.

BACKGROUND PAPERS

CIPFA Code of Practice On Local Authority Accounting In The UK 2019-20
Local Government Act 2003 and subsequent amendments.
Local Government (Capital Finance and Accounting) Regulations 2008.
Accounts and Audit (England) Regulations 2015.
Accounts and Audit (Coronavirus) (Amendment) Regulations 2020.

SUBJECT HISTORY

Council Meeting	Date
Cabinet - Outturn 2016/17	16 July 2017
Cabinet - Outturn 2017/18	16 July 2018
Cabinet – Outturn 2018/19	22 July 2019
Cabinet – Budget 2017/18	20 February 2017
Council – Budget 2017/18	6 March 2017
Cabinet – Budget 2018/19	19 February 2018
Council – Budget 2018/19	5 March 2018
Council – Budget 2019/20	4 March 2019
Cabinet – Revenue Monitoring 2018/19	Quarterly reports
Cabinet – Revenue Monitoring 2019/20	Quarterly reports