

MINUTE EXTRACT CABINET (18 JULY, 2016)

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FINANCIAL MONITORING OUT-TURN REPORTS FOR 2015/16



Robust financial management throughout the year has ensured the Council has delivered an overall under-spend of £1.3 million in 2015/16 against the revised budget. Pro-active treasury management has enabled us to invest to meet the rising demand for social care, and we have continued to improve our income collection.

'Good performance in supporting businesses to succeed – and encouraging businesses to relocate to Wirral – has resulted in further increases in the Business Rates we collect.

'Continuing this performance – increasing the number of businesses based in Wirral and the number of people living here – will be vital in the future, as our finances will be entirely dependent on the income we can generate locally. By 2020 the Government will have removed the Local Government Settlement entirely and the Council will retain all Business Rates it collects with no additional support

Councillor Phil Davies

Purpose:

Councillor Phil Davies introduced the report of the Acting Section 151 Officer, detailing the Out-turn for 2015/16 against the revised budget, concluding the reporting to Cabinet for the 2015/16 financial year. There were 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).

Councillor McLachlan commented upon the good position the Council's finances were in because of prudential financial management by officers and the administration. However, financial challenges still lay ahead with a further £126m of savings to be achieved in forthcoming years and no sign that the new Conservative Government were going to relax the austerity agenda.

Councillor Tony Smith thanked officers for all their work in obtaining government grants for school improvement works, including major works at four schools.

Councillor Whittingham highlighted the major schemes benefitting from the Council's investment in the road network as proof of the Council's commitment to investment in infrastructure.

Reason for decision:

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 was approved by Audit and Risk Management Committee on behalf of the Council.

The Collection Summary provided details on income collection performance and any sums which were deemed irrecoverable needed to be written off in accordance with the authorisation processes set out in the Council Constitution.

RESOLVED:

1. Revenue

- a) That the Revenue Out-turn for 2015/16 which showed an underspend of £1.3 million against the revised budget, be noted.
- b) That the transfer of the underspend to General Fund Balances be confirmed.
- c) That the General Fund Balances at 31 March 2016 of £22.2 million, with £9.7 million agreed to be used in the Budget 2016/17, be noted.
- d) That the Earmarked Reserves totalling £73.9 million as detailed in the Annex be confirmed.

2. Capital

- a) That the additional re-profiling of £8.8 million from 2015/16 to 2016/17 be noted.
- b) That the financing of the Programme for 2015/16 be noted.
- c) That the Programme for 2016/17 and beyond be kept under review to ensure it is realistic and deliverable.

3. Collection Strategy

- a) That the Council Tax in-year collection of 95.2% be noted.
- b) That the Business Rates collection of 97.2% be noted.
- c) That the reduction in Sundry Debtors arrears from £30.9 million at 31 March 2015 to £22.6 million at 31 March 2016 be noted.
- d) That the sundry debts for Adult Social Services and Other Directorates detailed in the report be written-off against the Provision for Bad Debts.