

# Cabinet

19 June 2019



<b>Title</b>	2018/19 Provisional Revenue Outturn Report		
<b>Purpose of the report</b>	To note		
<b>Report Author</b>	Laurence Woolven, Chief Accountant		
<b>Cabinet Member</b>	Councillor Tony Harman	<b>Confidential</b>	No
<b>Corporate Priority</b>	Financial Sustainability		
<b>Recommendations</b>	The Cabinet is asked to: a) Note the provisional revenue outturn for 2018/19 b) Approve the revenue carry forwards for 2018/19 totalling £1,626,061		
<b>Reason for Recommendation</b>	Not applicable		

## 1. Key issues

- 1.1 The summary on Appendix A shows a surplus for the year of £2.97m, £1.63m of this figure relates to proposed carry forward items with £1.34m being able to be set aside for future planned projects. This results in a net balanced budget.
- 1.2 During the year an additional £10.2m was achieved due to rental income generated from new property purchases, this was offset by additional debt costs of £6m and additional sinking fund transfers of £4m.
- 1.3 The collection rates for Council Tax and Business Rates were 98.4% and 99.7% respectively.
- 1.4 There were a number of salary underspends throughout the year and these ensured that the vacancy monitoring saving requirement was met.
- 1.5 The Council opted to make additional Minimum Revenue Provision payments of £500k in year, in order to reduce the burden on future years by setting aside additional funds for future debt repayments.
- 1.6 Appendix B summarises spend across portfolios by service areas broken down in employees, other expenditure and income.
- 1.7 Appendices C1 to C9 give a breakdown by service of spend against the revised budget plus comments on various variances.

## Investment Income

- 1.8 Interest earned on our investments amounted to £301k above the original budget. The main reason for this extra income is due to the income from acquisitions.
- 1.9 The average interest rate on long term investments was 4.22% compared to a base rate of 0.75%.

### **Transfers to and from Funds**

- 1.10 In year, £5.8m has been transferred to the various property sinking fund reserves and £1.3m has been transferred to planned project funds for projects including Surrey infrastructure work (partly match funded by SCC), Fordbridge Community Centre extension and a range of other Environmental works such as Photovoltaic Cells on Council buildings, electric vehicle charging points, new trade refuse vehicle and tree planting.
- 1.11 Carry forwards totalling £1,626k have been put forward for approval. The largest of these relates to the ring fenced Economic Development schemes (£886k) funded from specific Business Rates Pilot income. These have been taken into account on appendix A and can be accommodated within the overall budget position. It is proposed to transfer to these carry forwards to specific planned project funds.
- 1.12 These Schemes are identified in appendix D.

## **2. Options analysis and proposal**

- 2.1 The Cabinet are asked to note the provisional revenue outturn position and list of carry forwards provisionally approved by corporate management team.

## **3. Financial implications**

- 3.1 There are no on-going financial implications in the report but variances which have occurred will be investigated to see if they are on-going and should be incorporated into future year budget deficit/surplus projection calculations.

## **4. Other considerations**

- 4.1 There are none.

## **5. Timetable for implementation**

- 5.1 Quarterly reports with officer comments are provided to Cabinet and Overview and Scrutiny committee for investigation and comments.
- 5.2 Monthly system generated summary reports with drill down facilities are sent to corporate management team, group heads of service and cabinet members.

**Background papers: None**

## **Appendices: A, B, C & D**