

Overview and Scrutiny Committee

9 July 2019



Title	2018/19 Provisional Revenue Outturn Report		
Purpose of the report	To note		
Report Author	Laurence Woolven, Chief Accountant		
Cabinet Member	Councillor Tony Harman	Confidential	No
Corporate Priority	Financial Sustainability		
Recommendations	Overview and Scrutiny Committee is asked to: a) Note the provisional revenue outturn for 2018/19 b) Note the revenue carry forwards for 2018/19 totalling £1,626,061		
Reason for Recommendation	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 Overview and Scrutiny Committee is asked to note the provisional revenue outturn position and list of carry forwards approved by Cabinet.

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