

# Corporate Policy & Resources Committee

Addendum

3 June 2024



<b>Title</b>	<b>Q4 Revenue Outturn Report as at 31 March 2024</b>
<b>Purpose of the report</b>	To make a decision
<b>Report Author</b>	<i>Paul Taylor Chief Accountant</i>
<b>Ward(s) Affected</b>	All Wards
<b>Exempt</b>	No
<b>Corporate Priority</b>	Community Addressing Housing Need Resilience Environment Service Delivery
<b>Recommendations</b>	<p><b>The Committee is asked to:</b></p> <ol style="list-style-type: none"> <li><b>Note a reduction in the surplus at Outturn from (£10,875k) to (£10,604k) a difference of £271k for the year to 31 March 2024,</b></li> <li><b>Approve a reduction of £271k in the transfer to the Sinking Fund Reserves.</b></li> </ol>
<b>Reason for Recommendation</b>	<p><b>As mentioned in the original report to the Committee, the work to finalise the unaudited draft accounts has been ongoing since the original report was prepared.</b></p> <p><b>During the review stage, officers identified an issue with the breakdown of the vehicle maintenance (£175k) and lease interest costs (£96k) for the refuse vehicles, amounting to £271k that was incorrectly coded to the balance sheet.</b></p>

## 1. Summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> <li>After the original report to this committee was prepared and during the final review stage of the Statement of Accounts, officers identified that following the implementation of International Financial Reporting Standard 16 –</li> </ul>	<ul style="list-style-type: none"> <li>By agreeing to the addendum report, Council is aligning the revised Outturn to the Statement of Accounts.</li> </ul>

<p>accounting for lease rental payments, the maintenance and lease interest charges on the lease agreement for the refuse vehicles, totalling £271k, had been coded to the Balance Sheet, rather than the Comprehensive Income and Expenditure Account.</p> <ul style="list-style-type: none"> <li>The Committee is required to agree the addendum 2023-24 Revenue Outturn report and approved the reduction in the transfer to the Sinking fund Reserve.</li> </ul>	
<b>This is what we want to do about it</b>	<b>These are the next steps</b>
<ul style="list-style-type: none"> <li>Review the report and appendices attached.</li> <li>Question Budget Managers, Chief Accountant and Chair about any issues you may have.</li> </ul>	<ul style="list-style-type: none"> <li>Approve the recommendations made in the Report.</li> </ul>

## 2. Overview

- 2.1 The original underspend at the yearend 31 March 2024 was (£10,875k) and after adjusting for the £271k of additional lease interest charges and maintenance on the refuse vehicles, the revised underspend is not (£10,604k)
- 2.2 the Committee is asked to approve the reduced transfer to the Sinking Fund Reserves from £6,875k to £6,604k, a reduction of £271k.
- 2.3 The changes to the original variances reported are summarised below:

	<b>Original Report</b>	<b>Revised Report</b>	<b>Difference</b>
<b>Refuse Vehicles</b>	(£4k)	£171k	£175k
<b>Debt Interest</b>	£117k	£213k	£96k
<b>Sinking Fund Contribution</b>	£7,579k	£7,308k	(£271k)

The revised Sinking Fund Balance at 31 March 2024 is now £35,088k a reduction of £271k.

## 3. Financial implications

- 3.1 Financial implications are as set out within the report

**4. Procurement**

4.1 None

**5. Risk considerations.**

5.1 There are no risk implications arising from this addendum.

**6. Legal considerations**

6.1 There are no significant legal implications arising from the report.

**7. Other considerations**

7.1 There are no further considerations.

**8. Equality, Diversity, and Inclusion**

8.1 There are no specific areas to highlight. However, equality, diversity, and inclusion (EDI) are central to everything that Council does and are woven throughout Council's Corporate Plans.

**9. Sustainability/Climate Change Implications**

9.1 There are no significant implications arising from the report.

**10. Timetable for implementation.**

10.1 The above recommendations have been incorporated into the draft unaudited accounts, which will be published on our website by 31 May, in accordance with the Government deadline, any amendments to this report will be reflected in the final audited set of accounts.

**Background papers:** 2023-24 Revenue Outturn Report, which was discussed earlier in tonight's Committee meeting.

**Appendices:** There are none