

## **EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 5 JUNE 2017**

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### **2016/17 PROVISIONAL OUTTURN REPORTS**

#### **EX.41/17      PROVISIONAL GENERAL FUND REVENUE OUTTURN 2016/17 (Key Decision – KD.06/17)**

**Portfolio**      Finance, Governance and Resources

**Relevant Overview and Scrutiny Panel**      Resources

#### **Subject Matter**

The Deputy Leader, and Finance, Governance and Resources Portfolio Holder presented report RD.03/17 summarising the provisional outturn for the 2016/17 General Fund Revenue Budget. Members were advised that the outturn position showed that the net underspend for Council services as at 31 March 2017, once items to be carried forward / transferred to reserves totalling £800,300 and accounting treatment changes of £1,202,906 were taken into account, was £441,832; and that the information contained within the report was provisional and subject to the formal audit process.

The Deputy Leader outlined recommendations (i), (ii), (iii) and (iv) for the benefit of the Executive, also commenting upon:

- the headline figures shown at Section 2, further details for each Directorate being included in Appendices B1 – B6;
- the Council's revised budget for 2016/17 which totalled £14,365,700;
- the net Council budget (Section 2.2); and
- the Council's original gross budget for 2016/17 was £59.06m and, although there were many individual variances as detailed by directorates, the net underspend equated to 0.76% of this gross budget.

The Deputy Leader further highlighted some of the significant service expenditure and income variances set out at Section 3.2. The reallocation of central departments' balances to service areas still had to be carried out, which explained many of the small balances held on some management and support service centres. That reallocation would be completed before the Statement of Accounts was prepared and had no impact on the overall out-turn position.

Members' attention was then drawn to the carry forward requests submitted by Directorates, details of which were set out at Appendix C1 to the report; and that details of the transfers into new/existing reserves and provisions requested as part of the outturn process were contained within Appendix C2 and summarised at Section 5. The level of Council reserves had been approved by Council in February 2017. Due to the

level of underspend identified within the report after all carry forward requests were approved and transfers to/from earmarked reserves, approximately £1,029,000 would be returned to the General Fund Reserve.

Information on the Council's bad debt provision and balance sheet issues was also provided at Sections 6 and 7 of the report.

In conclusion the Deputy Leader, and Finance, Governance and Resources Portfolio Holder formally moved the recommendations, which were seconded by the Leader.

**Summary of options rejected**    None

## **DECISION**

That the Executive:

- (i)     Noted the net underspend as at 31 March 2017 of £441,832 after carry forwards as set out in (ii) below and net transfers to/from earmarked reserves as noted in (iii) below;
- (ii)    Noted the committed expenditure totalling £393,000 to be met in 2017/18 which had been approved by the Chief Finance Officer under delegated powers, and the release of £393,000 in 2017/18 from the General Fund Reserve, for recommendation to Council;
- (iii)   Approved for recommendation to Council, the creation of new reserves and transfers into the new and existing reserves of £407,300 as detailed in paragraph 4.3 and 5.1 and Appendix C2 of Report RD.03/17;
- (iv)    Approved for recommendation to Council, the creation of new reserves and transfers into the new reserves of £1,202,906 in relation to accounting treatment amendments as set out at paragraph 5.2.

## **Reasons for Decision**

To receive the Report on the Provisional General Fund Revenue Outturn and make recommendations to the City Council

**EX.42/17     PROVISIONAL CAPITAL OUTTURN 2016/17 AND REVISED CAPITAL PROGRAMME 2017/18**  
(Key Decision – KD.06/17)

**Portfolio**     Finance, Governance and Resources

**Relevant Overview and Scrutiny Panel**     Resources

## **Subject Matter**

The Deputy Leader, and Finance, Governance and Resources Portfolio Holder presented report RD.04/17 summarising the Provisional Outturn for the Council's Capital Budget, together with details of the revised Capital Programme for 2017/18.

The outturn showed that the net underspend for Council services as at 31 March 2017 once committed expenditure totalling £4,406,000 was taken into account was £2,475.

The Deputy Leader set out the position with regard to carry forward requests on the Capital Programme commenting that, of the committed capital funds shown at paragraph 2.2, it was estimated that the full £4,406,000 would be spent in 2017/18. He also identified for Members the resources which had been used to fund the 2016/17 Capital Programme and detailed the 5 year Capital Programme for the period 2017/18 to 2021/22.

The programme for 2017/18 totalling £9,010,700 was based upon the programme as agreed by Council in February 2017 of £3,182,100, the commitments brought forward from 2016/17 as identified of £4,406,000, the commitments brought forward from 2016/17 already approved of £1,164,300 and an increase of £258,300 for additional external contributions / grants received for projects as detailed at paragraph 5.2.

The 2017/18 programme would be continually reviewed to ensure that the Council had the capacity to deliver that level of programme. The proposed funding arrangements for the revised 2017/18 programme were also outlined within the report.

The Deputy Leader, and Finance, Governance and Resources Portfolio Holder pointed out that the information contained within the report was provisional and subject to the formal audit process. He then formally moved the recommendations, which were duly seconded by the Leader.

**Summary of options rejected**    None

## **DECISION**

That the Executive:

- (i)     Noted the net underspend as at 31 March 2017 of £2,475 which included committed expenditure to be met totalling £4,406,000, which had been approved under delegated powers by the Chief Finance Officer;
- (ii)    Note adjustments to the 2017/18 capital programme for Harraby Cycle Track Development, Disabled Facilities Grants, Castle Way S106 and Cracker Packer S106 to account for all external funding available towards the projects as detailed in paragraph 5 and Appendix B of Report RD.04/17;
- (iii)   Had considered the revised programme for 2017/18, together with the proposed methods of financing, as detailed at paragraph 5 and Appendix B, for recommendation to Council on 11 July 2017.

## **Reasons for Decision**

To receive the report on the Provisional Capital Outturn for 2016/17 and make recommendations to the City Council on the 2017/18 Capital Programme

**EX.43/17     TREASURY MANAGEMENT OUTTURN 2016/17**  
(Key Decision – KD.06/17)

**Portfolio** Finance, Governance and Resources

**Relevant Overview and Scrutiny Panel** Resources

**Subject Matter**

The Deputy Leader, and Finance, Governance and Resources Portfolio Holder presented report RD.05/17 providing the annual report on Treasury Management, as required under both the Financial Procedure Rules and the CIPFA Code of Practice on Treasury Management. Also submitted was the regular report on Treasury Transactions for the period 1 January 2017 to 31 March 2017. Members' attention was further drawn to developments in the Money Markets over the previous twelve months and their effect on the Council's investments, together with the various performance statistics included within the report.

The Deputy Leader, and Finance, Governance and Resources Portfolio Holder concluded by formally moving the recommendation, which was duly seconded by the Leader.

**Summary of options rejected** None

**DECISION**

That Report RD.05/17 providing the Annual Report on Treasury Management be received and recommended to the City Council for approval on 11 July 2017.

**Reasons for Decision**

To receive the annual report on Treasury Management

**EX.44/17 PROVISIONAL OUTTURN FOR COUNCIL TAX AND NATIONAL NON DOMESTIC RATES 2016/17**  
(Key Decision – KD.06/17)

**Portfolio** Finance, Governance and Resources

**Relevant Overview and Scrutiny Panel** Resources

**Subject Matter**

The Deputy Leader, and Finance, Governance and Resources Portfolio Holder presented report RD.06/17 summarising the 2016/17 provisional outturn and performance position for Council Tax and National Non Domestic Rates.

He informed Members that for 2016/17, the estimated position on the collection fund for 2015/16 was a surplus of £718,247, with the Council's share being £92,824.29.

When the actual position was calculated at the end of 2015/16 the surplus on the Council Tax Collection Fund was £1,242,496.48 of which the Council's share was £159,180.30. That increase in the surplus was then redistributed in the estimate for 2017/18 for budgeting purposes.

The actual collection fund position for 2016/17 had been calculated and the surplus had again increased, now standing at £1,708,288. The current position on the Council Tax Collection Fund was as detailed at Section 2.1.4 of the report, with the Council's Council Tax collection performance for 2016/17 being 97.5%.

The Deputy Leader also outlined the position with regard to the NNDR provisional outturn for 2016/17; bad debt write-offs and write-ons as itemised within the report.

2016/17 was the fourth year of the Business Rate Retention Scheme (BRRS) and new Collection Fund Accounting Regulations and the third year the Council had participated in the Cumbria Pooling arrangement, the performance of the Collection Fund being detailed at Section 4.

The Deputy Leader, and Finance, Governance and Resources Portfolio Holder concluded by formally moving the recommendations, which were duly seconded by the Leader.

**Summary of options rejected**    None

## **DECISION**

That the Executive noted the provisional outturn position at 31 March 2017 for Council Tax and NNDR and also the position with regard to write offs and bad debt trends, as detailed within Report RD.06/17.

## **Reasons for Decision**

To advise the Executive of Council Tax and Business Rates Collection Performance

**EX.45/17      ELECTED MEMBERS' ALLOWANCES – PROVISIONAL OUTTURN  
FOR 2016/17**  
(Key Decision – KD.06/17)

**Portfolio**      Finance, Governance and Resources

**Relevant Overview and Scrutiny Panel**      Resources

## **Subject Matter**

The Deputy Leader, and Finance, Governance and Resources Portfolio Holder presented report RD.02/17 setting out the amount of allowances paid to Members as part of the Elected Members' Allowances Scheme for 2016/17. He informed Members

that £359,577 had been paid in allowances to individual Members which represented an underspend of £4,023.

The Deputy Leader, and Finance, Governance and Resources Portfolio Holder then moved the recommendation, which was duly seconded by the Leader.

**Summary of options rejected**    None

## **DECISION**

That Report RD.02/17 be received and the overall underspend of £4,023 on Elected Members' Allowances for 2016/17 be noted.

## **Reasons for Decision**

To receive details of the 2016/17 Provisional Outturn in respect of Members' Allowances