

Date of meeting: 22 June 2020

Title of Report: **Capital & Revenue Outturn Report 2019/20**

Lead Member: Councillor Mark Lowry (Cabinet Member for Finance)

Lead Strategic Director: Andrew Hardingham (Service Director for Finance)

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Your Reference: PL20/21

Key Decision: No

Confidentiality: Part I - Official

### **Purpose of Report**

This report outlines the finance monitoring position of the Council as at the end of March 2020.

The primary purpose of this report is to detail how the Council has delivered against its financial measures using its capital and revenue resources, to approve relevant budget variations and virements, and report new schemes approved in the capital programme.

As shown in Table 1 below, the council has effectively balanced its budget reporting a small revenue overspend of £0.005m. The overall net spend equates to £185.488m against a budget of £185.483m.

Due to the need to deliver in excess of £17.000m of savings in 2019/20 on the back of balancing the 2018/19 revenue budget where £11m of net revenue reductions were successfully delivered this is a commendable outturn position. In addition to meeting the spending challenges over the past year there has been an impact upon the council's finances due to the COVID 19 pandemic.

**Table 1: End of year revenue forecast**

	Budget £m	Forecast Outturn £m	Variance £m
<b>Total General Fund Budget</b>	<b>185.483</b>	<b>185.488</b>	<b>0.005</b>

The latest capital budget as at 31 March 2020 for the five years from 2018/19 to 2022/23 was £892.911m. The capital programme expenditure for 2019/20 is £196.180m. This is shown by Directorate in Table 5.

### **Recommendations and Reasons**

1. Note the revenue outturn position;
2. Note the revenue costs to be funded under the Flexible Use of Capital Receipts Policy and that Council approves the Policy as recommended by the Service Director Finance;
3. Note the use of Working Balances to ensure a balanced position is achieved in 2019/20;
4. Note the Capital Report including the Capital Financing Requirement of £196.180m.

### **Alternative options considered and rejected**

None – our Financial Regulations require us to produce regular monitoring of our finance resources including a revenue and capital outturn position which culminates in the production of the 2019/20 annual statement of accounts.

### **Relevance to the Corporate Plan and/or the Plymouth Plan**

The financial outturn report is fundamentally linked to delivering the priorities within the Council's Corporate Plan. Allocating limited resources to key priorities will maximise the benefits to the residents of Plymouth.

### **Implications for the Medium Term Financial Plan and Resource Implications:**

Robust and accurate financial monitoring underpins the Council's Medium Term Financial Plan (MTFP). The Council's MTFP is updated regularly based on on-going monitoring information, both on a local and national context. Any adverse variations from the annual budget will place pressure on the MTFP going forward and require additional savings to be generated in future years.

### **Carbon Footprint (Environmental) Implications:**

No impacts directly arising from this report.

### **Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:**

*\* When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

The reducing revenue and capital resources across the public sector has been identified as a key risk within our Strategic Risk register. The ability to deliver spending plans is paramount to ensuring the Council can achieve its objectives to be a Pioneering, Growing, Caring and Confident City.

**Appendices**

\*Add rows as required to box below

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
I	Revenue Outturn							

**Background papers:**

\*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
	1	2	3	4	5	6	7

**Sign off:**

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Originating Senior Leadership Team member: Andrew Hardingham (Service Director for Finance)											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 22/05/2020											
Cabinet Member approval: Councillor Mark Lowry (Cabinet Member for Finance)											
Date approved: 27/05/2020											