

This report may be of interest to: All Members

GENERAL FUND REVENUE OUTTURN 1998/99

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1. Purpose

1.1 To report provisional General Fund revenue outturn figures for 1998/99.

2. Summary

2.1 Provisional General Fund revenue outturn figures are now available and show that the overall position is £0.613m underspent against the adjusted budget for 1998/99. The figures are subject to finalisation and audit and therefore could change.

2.2 The detailed reasons for the variances within each are being reported to the relevant Committees during this cycle.

3. Recommendations

3.1 The Committee is recommended to note the provisional revenue outturn compared to budgets for 1998/99 and their effect on the level of reserves. (Paragraph 5.1 and the **Annex**).

4. **Background**

- 4.1 The preparation of the Statement of Accounts for 1998/99 is currently progressing to timetable and the accounts will be presented for external audit during August. There is a legal requirement for these accounts to be approved by a Committee of the Council by 30 September and this will be sought from this Committee at the meeting on 15 September.
- 4.2 At its meeting on 21 January 1999 (Minute PR130/99 refers), this Committee resolved to incorporate changes to the 1998/99 Budget which reflected the projected outturn position for each Strategic Committee at that time. The Council meeting on 2 March 1999 (Minute CL81/99 refers) resolved that the Treasurer be authorised to make technical presentational changes to the Budget to meet external reporting requirements. The Latest Approved Budget annexed to the report reflects this, in particular by reflecting central and departmental support charges, and is as shown in the published Budget Book for 1999/2000.
- 4.3 This Committee at its meeting on 8 July 1998 (Minute PR13/99 refers) resolved that the Treasurer be authorised to capitalise items of expenditure in 1998/99 in order to utilise the resources arising from the sale of the Food Centre during 1997/98.

5. **Issues and Choices**

5.1 **Provisional General Fund Revenue Outturn 1998/99**

- (a) The **Annex** sets out the provisional outturn for 1998/99 before any budget commitments are taken into account. Details in respect of the variances within each Strategic Committee are being reported to those Committees, those for Policy and Resources Committee being set out elsewhere in this agenda.
- (b) The Adjusted Budget shown in the **Annex** reflects amounts capitalised, totalling £0.903m [Line 20, £1,071k-£168k], and late capital charges of £0.281m [part of Line 9] for which no budgets were included but which are necessary to reflect the latest asset register. The budgets have been adjusted in order to avoid distorting the variances within each Committee.
- (c) In respect of the corporate items in the **Annex** the reasons for variances are set out below:
- (i) The budget of £0.142m for LGR represents the element of projected expenditure in 1998/99 which was not covered by a Supplementary Credit Approval. The provisional outturn position is that only £7,000 cannot be capitalised and therefore falls on the revenue account.
- (ii) The underspend on the Debt Financing and Interest account is primarily a result of net interest costs being lower than anticipated.

- (iii) The underspend on Asset Rentals / Depreciation is a result of a technical adjustment concerning the 1997/98 accounts required by the external auditors, and charges made to DSO's which were not included in the original budget.
- (iv) The Unallocated Savings Target arose from the recalculation of central and departmental support charges undertaken during the budget process and has been "achieved" through underspends elsewhere.
- (v) Revenue expenditure totalling £0.903m has been capitalised against the target of £1.071m. The remaining £0.168m will be achieved through a transfer from capital reserves, set up in previous years through revenue contributions, to the unallocated General Fund balances.

6. **Implications**

6.1 Environmental/Equalities

The Council's Budget and spending is a key mechanism in delivering the Council's Environmental and Equality policies.

6.2 Financial

The report concerns itself with the Council's overall financial position.

6.3 Legal

The Committee is required to approve the Statement of Accounts for 1998/99 by 30 September 1999.

6.4 Staff and Accommodation

None.

7. **Conclusions**

7.1 The provisional General Fund outturn 1998/99 shows a net underspend of £0.613m against budget.

7.2 The reserves position at 31 March 1999 will be improved by the amount of any underspend and could be used to relieve some of the budget pressures which have become evident for 1999/2000 and which are detailed elsewhere on this agenda.

Background Papers: None