



Extract from the Joint Strategic Committee - 7 July 2020

JSC/028/20-21 Financial Performance 2019/20 - Revenue Outturn

Summary of discussion

The report outlined the revenue financial monitoring position for the end of the 2019/20 financial year for Joint Strategic Committee, Adur District and Worthing Borough Councils. At the time of publication, the Statements of Accounts were completed, with the audit scheduled to commence on 4 August 2020. Any adjustments that emerged as the audit proceeded will be reported to members later in the year.

The final position for the operational services was an underspend in Adur District Council of £154k and an overspend in Worthing Borough Council of £548k. This was a variation to the projections reported at quarter 3 when operational outturns were predicted to be an underspend of £96k in Adur and an overspend in Worthing of £94k (including the revenue contribution to capital). In the last quarter of the year increasing operational budget pressures had been identified in part related to the Covid 19 emergency, particularly in Worthing, and the Corporate Leadership Team were updated.

Overall outturn positions were underspends of £1,259,099 in Adur District Council and £1,144,334 in Worthing Borough Council. After allowance for proposed carry forward of budgets in 2019/20, this represented a 13.6% underspend against the budget for Adur and 7.2% for Worthing.

The table at 4.5 below set out the components contributing to the underspend in 2019/20, with the most significant being lower capital borrowing costs, additional income from commercial property investments and contingency budgets which were not required.

The outturn figures included proposed carry forward requests, detailed in appendix 6, that would need to be met from those underspends which related to committed spend that was now planned for 2020/21: Adur District Council £80,700 and Worthing Borough Council £157,500.

The outcome was higher overall than what was forecast in the quarter 3 monitoring

report when net underspends of £887,000 and £1,106,000 were being projected in Adur and Worthing respectively. However, in light of the Covid 19 budget pressures identified elsewhere on the agenda, this was welcome as it would assist the Councils in managing a difficult financial position in 2020/21. The areas that had contributed to the net movement were highlighted in the report and appendix 5(b).

The recommendations in the report were proposed by Councillor Daniel Humphreys, seconded by Councillor Carson Albury and unanimously approved.

Decision,

The Joint Strategic Committee **recommended** that Adur District Council, at its meeting on 16th July 2020 and **Worthing Borough Council at its meeting on 14th July 2020:-**

- (a) noted the overall final outturn for 2019/20;
- (b) approved the net appropriations to General Fund Reserves in the year as detailed in paragraph 6.2 totalling: Adur District Council £1,072,315, **Worthing Borough Council £905,486**;
- (c) agreed the net carry over of revenue budget to 2020/21 funded from reserves as detailed in appendix 6: Adur District Council £80,700, **Worthing Borough Council £157,500**.

The JSC report can be viewed on the Councils' website at <https://democracy.adur-worthing.gov.uk/documents/s3158/Item%208%20-%20Combined.pdf>



Extract from the Joint Strategic Committee - 7 July 2020

**JSC/029/20-21 Financial Performance 2019/20 - Capital and Projects
Outturn**

Summary of discussion

The report outlined the financial monitoring position for the end of the 2019/20 financial year for capital schemes included in the capital programmes of the Joint Strategic Committee, Adur District Council and Worthing Borough Council.

Information was also provided in respect of capital receipts for the 2 constituent authorities.

The recommendations in the report were proposed by Councillor Daniel Humphreys, seconded by Councillor Carson Albury and unanimously supported.

Decision,

That the Joint Strategic Committee

- i) noted the outturn position for 2019/20
- ii) recommended that Adur District Council at its Council meeting on 16th July 2020:
 - (a) note the overall capital final outturn for 2019/20;
 - (b) Agree the net carry over of General Fund Capital underspends for Adur District Council as detailed in paragraphs 5.3;
 - (c) Approve the financing of the Adur District Council 2019/20 Capital Investment Programme, including the use of capital receipts as set out in paragraphs 5.1 and 5.2;

- (d) Approve the carry forward of Council resources underspends to fund budget pressures and a contingency budget as detailed in paragraph 4.2.2. and summarised in paragraph 5.6.
- iii) **recommended that Worthing Borough Council at its Council meeting on 14th July 2020:**
- (a) **Note the overall capital final outturn for 2019/20.**
 - (b) **Agree the net carry over of General Fund Capital underspends for Worthing Borough Council as detailed in paragraph 5.10;**
 - (c) **Approve the financing of the Worthing Borough Council 2019/20 Capital Investment Programme, including the use of capital receipts as set out in paragraphs 5.7 and 5.8;**
 - (d) **Approve the carry forward of Council resources underspends to fund budget pressures as detailed in paragraph 4.2.2. And to fund a contingency budget as detailed in paragraph 5.13 and summarised in paragraph 5.14;**
 - (e) **Approve the use of capital receipts to fund redundancy costs associated with the Environmental Services restructure and the resulting Capital Flexibilities Strategy as detailed in paragraph 5.9.**

The JSC report can be viewed on the Councils' website at

<https://democracy.adur-worthing.gov.uk/documents/s3159/Item%209%20-%20Combined.pdf>



Extract from the Joint Strategic Committee - 7 July 2020

JSC/030/20-21 Impact of Covid 19 on the Council's finances - Update on current financial performance and developing a revenue budget for 2021/22

Summary of discussion

The report updated members on the impact of the pandemic on the Council's budgets in the current financial year; and briefed members on the possible impact on future years of the issues identified and to propose a budget strategy for the development of the 2021/22 budgets.

The Committee welcomed the report and reaffirmed the importance of the Councils supporting their local economies.

The recommendations in the report were proposed by Councillor Daniel Humphreys, seconded by Councillor Emma Evans and were unanimously agreed.

Decision,

The Joint Strategic Committee

- (a) noted the impact of the current emergency on the 2020/21 budget and the actions taken to mitigate the pressures identified;
- (b) noted the report and the outline 5-year forecasts in Appendix 3;
- (c) approved the proposed budget process as set out in section 6 of the report;
- (d) approved a budget of £125,000 to deliver a disposal programme for the two Councils funded from the capital receipts generated utilising the capital flexibility regulations;
- (e) **recommended that the Councils approve the Budget Strategy for 2021/22 outlined in Section 9 of the report.**

The JSC report can be viewed on the Councils' website at

https://democracy.adur-worthing.gov.uk/documents/s3160/Item%2010%20-%20JSC%20-%20Budget%20Strategy%202020_21.pdf



WORTHING BOROUGH
COUNCIL

Council
14 July 2020
Agenda Item 8C(iv)

Extract from the Joint Strategic Committee - 7 July 2020

JSC/031/20-21 Becoming financially sustainable - Capital Strategy 2021/24

Summary of discussion

The report sought the approval of the Council's Capital Strategy for 2021/24.

The Strategy outlined the Council's approach to capital investment and how the Councils ensured that capital investment was directed to the Council's Priorities. It also set out the basis for prioritisation of capital bids included in the 3 Year Capital Investment Programme and the monitoring of the programme.

The recommendation in the report was proposed by Councillor Daniel Humphreys, seconded by Councillor Elizabeth Sparkes and unanimously approved.

Decision,

The Joint Strategic Committee recommended to Adur and Worthing Councils that the Capital Strategy 2021/24 be approved.

The JSC report can be viewed on the Councils' website at
<https://democracy.adur-worthing.gov.uk/documents/s3161/Item%2011%20-%20Combined.pdf>