



Extract from Joint Strategic Committee - 9 July 2019

JSC/013/19-20 FINANCIAL PERFORMANCE 2018/19 - REVENUE OUTTURN

Purpose

This report outlines the revenue financial monitoring position for the end of the 2018/19 financial year for Joint Strategic Committee, Adur District and Worthing Borough Councils. At the time of publication of this report, the Statements of Accounts are in the process of being audited. Any adjustments that emerge as the audit proceeds will be reported to members later in the year.

The outturn positions for operational spend were moderate overspends at both Adur (£158k) and Worthing Councils (£76k), which represents some improvement on the positions reported at Q3.

Overall outturn positions are underspends of £511,979 in Adur District Council, and £1,147,435 in Worthing Borough Council. After allowance for proposed carry forward of budgets in 2018/19, this represents a 4% underspend against budget for Adur and 5% for Worthing.

The table at 4.5 in the report sets out the components contributing to the underspend, with the most significant being business rate relief grant (received early, to be spent in the current year), lower capital borrowing costs in 2018/19, and project funding carry forwards.

The outturn figures include proposed carry forward requests, detailed in appendix 6, that will need to be met from these underspends which relate to committed spend that is now planned for 2019/20: Adur District Council £151,720 and Worthing Borough Council £407,900 (including the Joint Services proposals).

In addition there are some variances that relate specifically to 2018/19, some of which occurred in the last quarter of the year. Worthing Borough Council received additional income from planning fees and both Adur District and Worthing Borough Councils were allocated additional housing grant.

This is an improved outcome to what was projected in the quarter 3 monitoring report when net underspends of £291,000 and £1,105,000 were being forecast in Adur and Worthing respectively. The areas that have contributed to the net movement are highlighted in the report and appendix 5(b).

Decision,

The Joint Strategic Committee recommended that Adur District Council, at its meeting on 18 July 2019 and **Worthing Borough Council at its meeting on 23 July 2019:-**

- (a) **NOTE the overall final outturn for 2018/19;**
- (b) **APPROVE the net appropriations to General Fund Reserves in the year as detailed in paragraph 6.2 totalling:**

Adur District Council	£563,683
Worthing Borough Council	£1,450,685

- (c) **AGREE the net carry over of revenue budget to 2019/20 funded from reserves as detailed in appendix 6:**

Adur District Council	£151,720
Worthing Borough Council	£425,900

- (d) **APPROVE the transfer of additional business rates income to the Business Rates Smoothing Reserves to earmark funds to address the timing difference between the Business Rates income received in the General Fund in year (net of relief), and the grant income paid from Central Government to reimburse lost revenue as a consequence of Government policy decisions on reliefs.**

Adur District Council	£328,161
Worthing Borough Council	£480,174