

Audit Committee
29th July 2020

Statement of Accounts 2019/20

Recommendations / key decisions required:

- 1) To receive the Carmarthenshire County Council Statement of Accounts 2019/20
- 2) To retrospectively approve the movements to and from the Earmarked Reserves. In particular the transfers to:
 - Corporate Retirement Fund
 - Major Development Fund
 - MEP Capital Funding
 - City Deal
 - Resetting Services (Post COVID-19)
- 3) To retrospectively approve the creation of the Resetting Services (Post COVID-19) Reserve

Reasons:

To comply with the Accounts and Audit (Wales) Regulations 2014 (as amended 2018).

Relevant scrutiny committee to be consulted NA

Exec. Board Decision Required NO

Council Decision Required NO

EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:-

Cllr. David Jenkins

Directorate: Corporate Services

Designations:

Tel: 01267 224886

Name of Head of Service:
Randal Hemingway

Head of Financial Services

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Report Author:
Randal Hemingway

EXECUTIVE SUMMARY
Audit Committee
29th July 2020

Statement of Accounts 2019/20

The Statement of Accounts for 2019/20 brings together all the financial transactions of the Authority for the year, and also details the Authority's assets and liabilities as at the 31st March 2020.

The Authority has maintained the overall Council Fund net expenditure within budget during 2019/20, and you will note the following results are reported in the Movement in Reserves Statement:

Council Fund (Generally available for new expenditure), transfer to balances £844k.
Balances held by schools under local management schemes, transfer from balances £1.608m.
Housing Revenue Account, increase in balance £6.938m.

Whilst a number of service areas across the authority experienced demand led pressures during the year, these have been offset by under-spends in other service areas; specifically on capital financing costs and a higher than estimated collection level on Council Tax.

The resultant outturn has meant that the Authority transferred £844k to its general reserves.

In the preparation of these accounts there have been movements to and from earmarked reserves. In particular transfers to:

The Corporate Retirement Fund: £665k to support the Authority's redundancy and early retirement policy, enabling the Authority to provide for the actuarial strain on the pension Fund which arises from any early retirement or redundancy.

Major Development Fund: Transfer of £2.964m to support major developments in the future.

MEP Capital Funding: £2.728m set aside in the 2019/20 budget to meet the cost of prudential borrowing to finance the Modernising Education Provision programme. This will now be utilised in 2020/21.

The City Deal Reserve: Transfer £1.5m to meet potential future expenditure/liabilities in respect of the development of Carmarthenshire County Council City deal projects.

Resetting Services (Post COVID-19): £2m to deal with any one-off costs of resetting or realigning services during the recovery phase of the COVID-19 pandemic.

Members are therefore asked to retrospectively approve these movements and approve the creation of the Resetting Services (Post COVID-19) Reserve.

DETAILED REPORT ATTACHED?

YES

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report:

Signed: **Randal Hemingway**

Head of Financial Services

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
NONE	YES	YES	NONE	NONE	NONE	YNONE

1. Legal

Compliance with the Accounts and Audit Regulations 2014 (as amended 2018).

2. Finance

Overall the Authority's Council Fund net expenditure for the year was below the original budget, resulting in a transfer of £844k to balances on the Council Fund and a transfer of £6.938m to the Housing Revenue Account balance.

At the balance sheet date the Council Fund General Balances stood at £11.221m, the Housing Revenue Account £21.252m and the balances held by schools under LMS (£2.001m).

The reserves created and included within the Statement of Accounts have been set up to meet future liabilities.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: Randal Hemingway

Head of Financial Services

1. Scrutiny Committee – Not applicable

2. Local Member(s) - Not applicable

3. Community / Town Council – Not applicable

4. Relevant Partners – Not applicable

5. Staff Side Representatives and other Organisations – Not applicable

EXECUTIVE BOARD PORTFOLIO
HOLDER(S) AWARE/CONSULTED

YES

Include any observations here

Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:

THESE ARE DETAILED BELOW

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Accounts and Audit (Wales) Regulations 2014 (as amended 2018)		Corporate Services Department, County Hall, Carmarthen
Code of Practice on Local Authority Accounting 2019/20		Corporate Services Department, County Hall, Carmarthen