

Public
Key Decision - No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Draft Statement of Accounts 2021/22

Meeting/Date: Corporate Governance Committee 13 July 2022

Executive Portfolio: Executive Councillor for Finance & Resources,
Councillor Brett Mickelburgh

Report by: Chief Finance Officer, Sharon Russell-Surtees

Ward(s) affected: All

Executive Summary:

The Council is required by statute to produce both an Annual Governance Statement and an unaudited Statement of Accounts (Appendix A). Given the current situation with the Covid 19 pandemic the normal statutory deadline has been moved to 31 July rather than 31 May. Therefore, draft statements need to be approved by 1st August or earlier.

In respect of the unaudited Statement of Accounts, members should note:

- o Achieved an underspend of £2,012k against a budget of £20,686k
- o Delivered business support grants of £13,591k
- o Continued to maintain general fund reserves at £2,175k
- o Delivered business rates growth within the enterprise zone of £0.953m
- o Decreased the pension deficit to £68,842k due to the impact of not only the tri-annual valuation, but also the impact of Covid-19 on the economic and financial landscape.

Due to the change in statutory deadline Ernst and Young (EY), our auditors will not present an audit opinion to this committee for approval by 30th September 2022, this is due to the impact of Covid-19 on resources and capacity within both Local Government and the audit sector.

However, the Council has prepared a draft unaudited Statement of Accounts and a Notice of Publication (Appendix B) for publication.

Recommendation(s):

The Committee is RECOMMENDED to

1. Consider and approve the Unaudited Statement of Accounts (Appendix A).
2. Consider and approve the Notice of Publication (Appendix B)

1. PURPOSE OF THE REPORT

- 1.1 To complete the processes for finalising and publishing the Council's Statement of Accounts for 2021/22.

2. WHY IS THIS REPORT NECESSARY

- 2.1 The Corporate Governance Committee is designated as 'those charged with governance' and consequently it is required to approve the Statement of Accounts. To do this the committee needs to follow the stages in the order shown in the report.

3. STATEMENT OF ACCOUNTS

- 3.1 2021/22 has been another challenging year for the Council as the pandemic continued to affect service provision, particularly at the beginning of the year.
- 3.2 During 2021/22 the Council has continued to deliver against its corporate objectives and budget.
- 3.3 The presentation of the information in the statement of accounts includes information on revenue fund balances and earmarked reserves, which at 31 March 2022 amounted to £2,175k and £28,342k respectively.
- 3.4 The year-end financial position is largely being driven by the recovery of operations as we come out of lockdown measures.
- 3.5 Of particular note is parking charge income from Council owned car parks which has an outturn of £648k above budget.
- 3.6 When the budget was set it was assumed that some commercial tenants would fail as a result of Covid-19, with a corresponding reduction in rental income. This did not materialise and, together with reduced business rates payable, the Commercial Estates service recognised an outturn £651k in excess of budget.
- 3.7 The outturn has also been impacted by savings in Waste Services of £715k due to a combination of reduced recycling collection costs and increased take up of the commercial waste offering.
- 3.8 These savings were credited to the budget surplus reserve on the balance sheet.

4. KEY IMPACTS

- 4.1 Paragraph 3 above outlines the control observations and the associated management comments

5. LINK TO THE CORPORATE PLAN

- 5.1 Ensuring we are a customer focused and service led Council – to become more business-like and efficient in the way we deliver services. The production of the Statement of Accounts is also a statutory requirement.

6. CONSULTATION

- 6.1 In line with the Account and Audit regulations the Statement of Accounts will be available for inspection from 18 July to 26 August 2022.

7. LEGAL IMPLICATIONS

- 7.1 There are no direct legal implications arising from this report.

8. RESOURCE IMPLICATIONS

- 8.1 There is a specific budget for the audit fees.

9. REASONS FOR THE RECOMMENDED DECISIONS

- 9.1 The process that has been followed in preparing the Statement of Accounts has been thorough and in line with statutory regulations.

10. LIST OF APPENDICES INCLUDED

Appendix A – Statement of Accounts 2021-22 Draft
Appendix B – HDC Notice of Publication

CONTACT OFFICER

Name/Job Title: Sharon Russell-Surtees, Chief Finance Officer
Tel No: 01480 388524
Email: sharon.russell-surtees@huntingdonshire.gov.uk