

## FLINTSHIRE COUNTY COUNCIL

**REPORT TO:** COUNCIL

**DATE:** 1 MARCH 2013

**REPORT BY:** HEAD OF FINANCE

**SUBJECT:** MINIMUM REVENUE PROVISION 2013/14

### **1.00 PURPOSE OF REPORT**

1.01 To present to Council the recommendations of the Cabinet in relation to the setting of a prudent minimum revenue provision for the repayment of debt.

### **2.00 BACKGROUND**

2.01 At its meeting of 19 February 2013, Cabinet considered the Head of Finance's report in respect of the calculation of Minimum Revenue Provision for 2013/14.

2.02 The report of 19 February detailed the requirements and associated guidance, in respect of:

- The 4 available options for making prudent provision.
- The circumstances for using the options, 2 of which are available in respect of capital expenditure funded by way of Welsh Government supported borrowing, and a further 2 in respect of that funded by unsupported (prudential) borrowing.

### **3.00 CONSIDERATIONS**

3.01 The recommendations of Cabinet to County Council are set out in section 4.00 of the report to Cabinet of 19 February 2013, a copy of which is included as appendix 1 to this report.

### **4.00 RECOMMENDATIONS**

4.01 Council is requested to agree the recommendations of the Cabinet, being that :-

- Option 1 (Regulatory Method) be used for the calculation of the minimum revenue provision in 2013/14 for all supported borrowing.

- Option 3 (Asset Life Method) be used for the calculation of the minimum revenue provision in 2013/14 for all unsupported (prudential) borrowing.

## **5.00 FINANCIAL IMPLICATIONS**

- 5.01 The 2013/14 Council Fund revenue budget provides for the minimum revenue provision in respect of all supported borrowing, on the basis of Option 1 – Regulatory Method calculation.
- 5.02 Any planned use of unsupported (prudential) borrowing, will need to take account of the revenue consequences of the Option 3 – Asset Life Method calculation, as part of the overall options appraisal and budget setting processes.

## **6.00 ANTI POVERTY IMPACT**

- 6.01 None directly as a result of this report.

## **7.00 ENVIRONMENTAL IMPACT**

- 7.01 None directly as a result of this report.

## **8.00 EQUALITIES IMPACT**

- 8.01 None directly as a result of this report.

## **9.00 PERSONNEL IMPLICATIONS**

- 9.01 None directly as a result of this report.

## **10.00 CONSULTATION REQUIRED**

- 10.01 None required

## **11.00 CONSULTATION UNDERTAKEN**

- 11.01 None

## **12.00 APPENDICES**

Appendix 1 – Report to Cabinet 19<sup>th</sup> February 2013: Minimum Revenue Provision 2013/14.

## **LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985 BACKGROUND DOCUMENTS**

Various Welsh Government papers

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