

Minimum Revenue Provision Statement 2019/20

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Cabinet Member: Cllr Mandy Chilcott, Cabinet Member for Resources

Division and Local Member: All

1. Summary

- 1.1. Where the Authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP).
- 1.2. This statement brings together the statutory requirements of the Chartered Institute of Public Finance Accountants (CIPFA) and under Regulation 27 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 [as amended].

2. Issues for consideration / recommendations

- 2.1. The Committee is asked to review the Minimum Revenue Provision Statement 2019/20, whether there are any suggestions for additional management actions or alternative options that they would like to recommend to the Cabinet.

3. Background

- 3.1. The statutory guidance requires the Authority to approve an MRP Statement each year and recommends several options for calculating a prudent amount of MRP.
- 3.2. The appended report sets out the Authorities approach and the 2019/20 impact on the revenue budget.

4. Consultations undertaken

- 4.1. The MRP statement has continued with the principles set out in 2018/19 that had been considered by Grant Thornton. Through the formal audit of 2018/19 on the statement of accounts and value for money the external auditor did not challenge this approach. This latest policy remains subject to full audit review during the 2019/20 statement of accounts inspection.

5. Implications

- 5.1. This statement is required under statutory legal guidance issued in Regulation 27 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 [as amended].
- 5.2. The financial implications of the statement directly impact the level of charge to

the revenue budget.

5.3. There are no specific HR implications arising from this report.

6. Background papers

6.1. None

Note For sight of individual background papers please contact the report author