

F. McArdle
Chief Executive

Civic Offices, Civic Way,
Swadlincote, Derbyshire DE11 0AH

www.south-derbys.gov.uk

Please ask for: Debra Townsend
Phone: (01283) 595848
Minicom: (01283) 595849
DX 23912 Swadlincote

Our ref: DT/CL
Your ref:

Date: 19th June 2013

Dear Councillor,

Finance and Management Committee

A Meeting of the **Finance and Management Committee** will be held in the **Council Chamber (Special)**, on **Thursday, 27 June 2013 at 18:00**. You are requested to attend.

Yours faithfully,



Chief Executive

To:- **Conservative Group**

Councillor Wheeler (Chairman), Councillor Mrs. Watson (Vice-Chairman) and Councillors Jones, Lemmon, Murray, Smith and Watson.

Labour Group

Councillors Bell, Rhind, Richards, Southerd, Taylor and Wilkins.

AGENDA

Open to Public and Press

- 1** Apologies
- 2** To note any declarations of interest arising from any items on the Agenda
- 3** To receive any questions by members of the public pursuant to Council Procedure Rule No.10.
- 4** To receive any questions by Members of the Council pursuant to Council procedure Rule No. 11.
- 5** Reports of Overview and Scrutiny Committee
- 6** Treasury Management Annual Report 2012-13 **3 - 18**
- 7** Budget Outturn Report 2013 **19 - 85**
- 8** Local Council Tax Support Scheme - Financial Update **86 - 91**
- 9** Update of empty discounts **92 - 96**

Exclusion of the Public and Press:

- 10** The Chairman may therefore move:-
That in accordance with Section 100 (A) of the Local Government Act 1972 the press and public be excluded from the remainder of the Meeting as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that there would be disclosed exempt information as defined in the paragraph of Part I of the Schedule 12A of the Act indicated in the header to each report on the Agenda.
- 11** To receive any Exempt questions by Members of the Council pursuant to Council procedure Rule No. 11.

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE (SPECIAL – FINAL ACCOUNTS)	AGENDA ITEM: 6
DATE OF MEETING:	27th JUNE 2013	CATEGORY: DELEGATED
REPORT FROM:	DIRECTOR OF FINANCE & CORPORATE SERVICES	OPEN
MEMBERS' CONTACT POINT:	KEVIN STACKHOUSE (01283 595811) Kevin.stackhouse@south-derbys.gov.uk	DOC: u/ks/treasury management/annual reports/20123
SUBJECT:	TREASURY MANAGEMENT ANNUAL REPORT 2012/13	REF:
WARD (S) AFFECTED:	ALL	TERMS OF REFERENCE: FM 08

1.0 Recommendations

- 1.1 That the Treasury Management Annual Report for 2012/13 is approved.
- 1.2 To note the Treasury Management Stewardship Report and Prudential Indicators for 2012/13 (as detailed in **Appendix1**) and that the Council complied fully with all requirements.
- 1.3 That the Statement on the Minimum Revenue Provision for 2012/13 is recommended to Council for approval.

2.0 Purpose of Report

- 2.1 To detail the Council's actual borrowing and lending for 2012/13 compared to the approved strategy, including performance against its Prudential Indicators. This is in accordance with the Local Government Act 2003 and associated regulations.

3.0 Executive Summary

- 3.1 The Council's borrowing and investment strategy for the year required that its cash flow requirements were managed through short-term borrowings and bank deposits. Overall, the Council's cash flow remained positive throughout the year. However, due to low rates and limitations on approved counterparties, interest received was lower than budgeted.
- 3.2 As financial monitoring reports throughout the year highlighted, the main Bank of England Base Rate remained at 0.5% throughout the year. This continued to limit the amount of interest earned on short term investments and bank deposits.

- 3.3 During the year there were no significant transactions regarding borrowing compared to the previous year 2011/12, with the borrowing for HRA self financing.
- 3.4 In undertaking its treasury management functions during the year, the Council managed its activities within its prudential indicators and approved lending policy.

4.0 Economic Overview

During 2012/13 economic growth was lower than anticipated and it was feared the UK would enter into a triple dip recession. The debate regarding the benefit to the UK of the current austerity measures continued throughout 2012/13.

The UK lost its AAA credit rating in February with Moody's and this was followed by the Fitch Rating Agency in April 2013. The UK had done well to keep its credit rating until this point with the USA and France being downgraded previously.

No interest rate changes were seen in 2012/13 as it was predicted this would force a rise in the price of money. This is the basis on which the Public Works Loan Board fix their rates.

5.0 Detail

Borrowing During 2012/13

- 5.1 The Council's approved borrowing strategy for 2012/13 was:
- To manage its cash flow requirements through short-term borrowings and bank deposits
 - That in accordance with capital investment requirements, no longer-term borrowing is undertaken in the year
 - That the one remaining Money Market loan of £1m be repaid should the Lender invoke their option to increase the interest rate.

The Council's Cash Flow During 2012/13

- 5.2 The Council's cash flow can fluctuate on a daily basis depending on the timing of income and expenditure.
- 5.3 At certain times of the year, the Council may need to borrow to cover shortfalls on a temporary basis, whilst when cash flow is positive any surplus funds are invested on a temporary basis. However, the Council still has a long-term underlying need to borrow.
- 5.4 For several years the Council has not undertaken any form of new long-term borrowing to finance General Fund capital expenditure but has chosen to fund

this from other sources such as government grants and external funding, together with “internal” borrowing from reserves and balances.

- 5.5 This is a result of the Council having, over recent years, generated substantial receipts for which expenditure is then spread over a number of years, e.g. Section 106 contributions and partnership funding received in advance.
- 5.6 In addition, the Council’s general level of both allocated and non-allocated reserves has remained sufficiently high to enable internal borrowing. This is generally a more efficient means of borrowing as external interest costs are avoided. However, this does require the overall level of reserves and balances to remain adequate.
- 5.7 The Council currently has a total long term borrowing of £58,430k relating to the HRA and is made up of both fixed and variable rate borrowing.
- 5.8 The Council effectively invests its balances and reserves over the year generating interest for the General Fund and Housing Revenue Accounts. In addition, the Council is generally able to collect its main income in the form of Council Tax and Business Rates before it is spent or re-distributed. This is invested on a short-term basis and generates a return for the Council.
- 5.9 Overall, the Council continued to have a positive cash flow position in 2012/13. However, given the low level of interest rates, the financial benefit in the form of interest earned was low.
- 5.10 The Councils cash balances remained high throughout the year with the average cash balance being approximately £9.8million. This average was boosted by receiving £4million from Central Government half way through the year in error and this was not repaid until the later part of 2012/13.

Interest Rates

- 5.11 For the fourth consecutive year, the main Bank Base Rate as set by the Bank of England remained at 0.5% throughout 2012/13. It has been at this level since 5th March 2009.
- 5.12 The Council’s Budget for 2012/13 originally assumed a higher level of interest would be obtained. However, this was not possible as restrictive investment criteria were in place. As reported in budget monitoring the interest received was not as high as forecast. The budget for 2013/14 has been reduced to represent the reduction in interest currently being obtained.
- 5.13 The Council’s benchmark, as approved in the Treasury Management Strategy, is to achieve at least the average 7-day market rate over the year. This was not achieved during 2012/13 with the Council’s average investment rate being 0.31%, compared to 0.51%.
- 5.14 The Council is struggling to meet the average 7 day market rate due to its Treasury Strategy limiting who the Authority invests with. Under the current policy there are very few UK financial institutions who meet the Councils criteria thus limiting the interest to be received on cash balances. However,

security and liquidity is given priority over yield (interest returned) in any investment decision.

- 5.15 The Council placed funds predominantly with the Government's Debt Management Office, instant access investment accounts and other local authorities. Although these are the safest form of deposit available and are "guaranteed," interest rates are lower than the market average.

Temporary Borrowings

- 5.16 The Council was not required to undertake any temporary borrowings during 2012/13. This was due to high reserve levels relating to the General Fund, HRA and Capital Receipts, etc.
- 5.17 The Council holds money on deposit for Parish Councils. This money is classed as temporary as it can be recalled on immediate notice. Traditionally, Parishes have placed funds with the Council to ensure security and liquidity of funds.
- 5.18 The Council pays 1% below the prevailing Bank of England Base rate. As this rate was 0.5% throughout the year, no payments were made. Principal outstanding fell from £78,000 at the start of the year to £41,000 as some Parishes recalled their deposits due to the lack of interest being received.
- 5.19 This facility offered to Parishes does not have a significant impact upon the overall treasury management operations of the Council.

Budgetary Implications

- 5.20 The level of interest actually received and paid is built into the General Fund Revenue Account. A proportion of this is transferred into the Housing Revenue Account (HRA) under a statutory calculation to recognise that some interest on investments is attributable to the HRA.
- 5.21 The actual interest received compared to that included in the approved budget is summarised below.

SHORT TERM INVESTMENTS - INTEREST 2012/13	BUDGET £000	ACTUAL £000
Overall interest received from money on deposit	50	35
Less – Interest payments on temporary borrowings	0	0
Net Interest Received	50	35

Other Interest Paid and Received

5.22 In addition, the Council paid and received other interest during the year as set out in the following table. This demonstrates the influence lower interest rates on investments had on the budgets overall.

Overall Interest 2012/13	Budget £000	Actual £000	Variance £000
Interest Payments – HRA	1,611	1,608	-3
Interest Received – HRA	-20	-14	6
Interest Payments – General Fund	0	0	0
Interest Received – General Fund	-30	-22	8
TOTAL	1,561	1,572	11

Money Market Debt

5.23 The Council still has one money market loan for £1m. This borrowing was undertaken some years ago to fund capital commitments at that time. The loan costs £48k per year in interest charges at a fixed rate of 4.875%. It is due to mature in 2032.

5.24 Potentially, there is a break clause. The lender has the option of reviewing the interest rate at any time and increasing it if they so wish. However, the Council then has the option of rejecting this and can instead choose to repay without incurring any penalty.

5.25 In setting the borrowing strategy for 2012/13, it was approved that should the lender exercise their option to increase the interest rate, then the loan should be repaid at that time. This would be financed “internally” from reserves and balances, but would reduce the Capital Financing Requirement and future Minimum Revenue Provisions.

5.26 The lender did not invoke their option during the year and the situation will be kept under review. Given that current borrowing rates are low compared to the rate of this loan (at 4.875%) the penalty for early redemption would not make it cost effective to repay early.

5.27 The same principle regarding this loan was adopted as part of the Treasury Management Strategy for 2013/14.

Investments 2012/13

5.28 The Council does not have any long-term investments but the Council is required to maintain an investment strategy covering short-term investments such as the deposit of surplus funds.

5.29 The overall strategy in the year was to effectively invest surplus funds to meet cash flow requirements within the year. In addition, there was no proposal to enter into longer term and externally managed funds.

5.30 The Council invests surplus funds in accordance with an approved policy and associated lending list. This is summarised in the following table.

Institution	Limit
Specified Investments <ul style="list-style-type: none">• UK Debt Management Office (DMO)• Local, Police, Fire and Parish Authorities• Other Bodies with a High Credit Rating of F1+/AA-	<ul style="list-style-type: none">£10m£5m£7.5m
Non-Specified Investments <ul style="list-style-type: none">• F1/AA Rated Bodies – First Call• F1/A Rated Bodies – Second Call• F2/A Rated Bodies – Third Call	<ul style="list-style-type: none">£2m£1m£0.25m

5.31 During the year the Council temporarily breached the limit with the DMO, mainly due to a Central Government grant received in error. This was not believed to have put the Council at any significant risk and was reported to the Committee previously.

Definition of Credit Ratings

5.32 The long-term rating is based on an investment grade categorised by “Fitch” on the following scale:

- AAA: the best quality companies, reliable and stable
- AA: quality companies, a bit higher risk than AAA
- A: economic situation can affect finance
- BBB: medium class companies which are satisfactory at the moment.

5.33 Intermediate modifiers are also used for each category between AAA and BBB (i.e. AA+, AA, AA-, A+, A, A-, etc.).

5.34 Short-term credit ratings indicate the potential level of default within a 12-month period, based on the following scale.

- F1+: best quality grade, indicating exceptionally strong capacity to meet financial commitments.
- F1: best grade, indicating strong capacity to financial commitments.
- F2: good quality grade with satisfactory capacity to financial commitments.

5.35 The scale then falls from F3 to B, then C and finally down to D, which indicates the institution is likely to, or has failed to meet its financial commitments.

General Policy

5.36 As approved, priority is given to specified investments in any investment decision. The length of investment is made in accordance with overall cash flow requirements.

5.37 The Council's policy is to seek investments with those institutions graded at least AA and F1+.

5.38 All deposits made in the year were in accordance with the approved lending list.

Performance Indicators

5.39 As previously highlighted, the main indicator is for the return on short-term investments to meet the average 7-Day Rate, a standard measure of performance. The Council's performance for 2012/13 (with a comparison to recent years) is shown in the following table.

	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
7-Day Rate (target)	5.61%	3.57%	0.39%	0.51%	0.62%	0.51%
Actual Rate	5.81%	4.38%	0.72%	0.78%	0.74%	0.31%

Prudential Indicators

5.40 Under a national Code of Practice for Capital Finance, the Council must set and regularly monitor Prudential Indicators. These indicators are designed to measure and place controls over the level of borrowing and capital financing during the year.

5.41 They are set following the annual budget round where the Section 151 (Chief Finance) Officer is required to provide an assessment of these indicators, their implications for the Council's spending plans and overall financial position.

5.42 The prudential system provides the flexibility for these indicators to be changed depending on local circumstances. It is the responsibility of the Section 151 Officer to advise the Council accordingly.

5.43 The actual indicators for 2012/13, together with further details on treasury management activity are detailed in **Appendix 1**.

5.44 The Council operated within its capital budgets and limits for external borrowing at all times during the year.

Minimum Revenue Provision (MRP) - Background

5.45 Local authorities are required each year to set-aside some of their revenues as a provision to repay any borrowings or other credit (shorthand this is technically called "debt"). This set-aside is known as MRP and is a charge on the Council's General Fund.

5.46 This requirement has existed for many years and is designed to ensure that authorities, prudently, make provision to meet their credit liabilities into the future.

5.47 This was to ensure that authorities continue to make a sufficient and prudent provision in their accounts, in particular where they have made any unsupported borrowing under the Prudential System.

5.48 It is the responsibility of the Section 151 Officer to advise on the treatment of MRP and to recommend a suitable policy for adoption. Consequently, authorities are also required to prepare an annual statement on making a MRP.

The Calculation

5.49 MRP traditionally had been calculated (at a rate of 4%) based on an authority's borrowing requirement. As highlighted previously, the Council has an underlying requirement based on past borrowing approvals issued by the Government.

5.50 However, due to its strong and positive cash flow position, the Council has financed this borrowing "internally." Therefore, over time, actual debt does not match the underlying requirement shown in the Council's accounts.

5.51 However, by charging a MRP into the accounts, this is reducing the underlying requirement as effectively it is providing the resources to "repay" on a yearly basis.

The 4 Options

5.52 The calculation is designed to ensure that a "prudent" provision is made for debt repayment. The 4 options are as follows:

- **Option 1** - For debt that is supported by the Government through the grant system, authorities may continue to use the formula in current regulations (4%), since revenue support grant is calculated on that basis. Technically however, this option has now been revoked, but has been maintained temporarily as a measure for capital expenditure incurred before 1st April 2008.
- **Option 2** – A simplified method of option 1 that reflects supported debt based on an authority's capital financing requirement. This method has been in place since 2004 when the Prudential System was first introduced.
- **Option 3** – The method to use for new borrowing under the Prudential System for which no Government support is given, MRP being based on the life of the asset being purchased.
- **Option 4** – As above, but MRP relates to the depreciation charge on the asset purchased.

Effect on South Derbyshire

5.53 The Council is operating under Option 2. Technically, the Council has been debt free under these regulations since 2004 (having repaid its Government borrowings). In addition, it has not entered into any new borrowing in recent years to finance its capital expenditure. Therefore, similar to previous years, the following statement is recommended for adoption.

Council Statement on MRP

- 5.54 The Council still has an assumed level of debt (or capital financing requirement) that is being subsidised through grant. Therefore, given no actual debt outstanding (other than the £1m money market loan) together with no unsupported borrowing, it is recommended that “prudence” be best achieved by continuing to provide a MRP under **Option 2**.
- 5.55 It is recommended that this policy be endorsed for 2012/13 and adopted for 2013/14. It will be kept under review depending on the Council’s future capital expenditure and financing requirements.
- 5.56 Any proposed changes will be reported as necessary to this Committee for consideration and recommendation to Council. The impact on the MRP will be considered in any decision to enter into any borrowing under the Prudential System.

6.0 Financial Implications

- 6.1 As detailed in the report regards the MRP and the proposed Statement, there are no additional financial implications for the Council as the budget in the Medium Term Financial Plan has been calculated to reflect this approach. The MRP made in 2012/13 was £263,000.

7.0 Corporate Implications

- 7.1 None directly.

8.0 Community Implications

- 8.1 None directly.

9.0 Background Papers

- 9.1 Local Government Act 2003 and associated Statutory Instruments detailing regulations under the Local Authorities (Capital Finance and Accounting England Regulations) of 2003, 2006 and 2008.

ANNUAL REPORT ON THE TREASURY MANAGEMENT SERVICE AND PRUDENTIAL INDICATORS 2012/13

1.0 Introduction

1.1 The annual treasury report summarises:

- Confirmation of compliance with treasury limits and Prudential Indicators
- Capital activity for the year and how this was financed
- The Council's overall treasury position
- The reporting of the required Prudential Indicators
- Summary of interest rate movements in the year
- Debt and investment activity

2.0 Regulatory Framework, Risk and Performance

- 2.1 The Council's treasury management activities are regulated through statute and codes of practice. Statutory provisions are contained in the Local Government Act 2003, which provides the powers to borrow and invest as well as providing controls and limits on this activity.
- 2.2 The Act permits the Secretary of State to set limits either on the Council or nationally on all local authorities restricting the amount of borrowing that may be undertaken; no restrictions were made in 2012/13.
- 2.3 Amended regulations develop the controls and powers within the Act and require the Council to undertake any borrowing activity with regard to the CIPFA Prudential Code for Capital Finance in Local Authorities. It also requires the Council to operate the overall treasury function with regard to the CIPFA Code of Practice for Treasury Management in the Public Services.
- 2.4 Under the Act the Government have also issued Investment Guidance to structure and regulate the Council's investment activities.
- 2.5 The Council has complied with all of the above requirements, which limit the levels of risk associated with its treasury management activities. In particular its adoption and implementation of both the Prudential Code and the Code of Practice for Treasury management means capital expenditure has to be prudent, affordable and sustainable and its treasury practices demonstrate a low risk approach.
- 2.6 There is minimal risk of volatility of costs for current debt as the interest rate is largely fixed across the debt portfolio (82%).
- 2.7 Due to the potential volatility of short-term interest rates, this affects the Council's investment return. These returns are changeable and whilst the risk of loss of principal is minimal through the annual investment strategy, accurately forecasting returns can be difficult.

3.0 The Council's Capital Expenditure and Financing 2012/13

- 3.1 The Council undertakes capital expenditure on long-term assets. These activities may either be financed through revenue, capital receipts, capital grants or borrowing.
- 3.2 Part of the Council's treasury activities is to address the borrowing requirement, either through borrowing from external bodies, or utilising temporary cash resources within the Council (internal borrowing).
- 3.3 The actual capital expenditure is a key prudential indicator. The table below shows how all capital expenditure in the year was financed with no requirement for any new borrowing.

Capital Expenditure 2012/13

General Fund	£2,751,750	£1,155,287	-£1,596,463
Housing Revenue Account	£4,824,994	£4,017,979	-£807,015
Total - Capital Expenditure	£7,576,744	£5,173,266	-£2,403,478

Financed By:

Government Grants	£269,000	£334,890	£65,890
External/Partnership Contributions	£1,693,978	£951,520	-£742,458
Capital Reserves	£4,824,994	£4,017,979	-£807,015
Capital Receipts	£788,772	£104,845	-£683,927
Total - Financing	£7,576,744	£5,409,234	-£2,167,510
Net Financing - New Borrowing	£0	-£235,968	-£235,968

Note: Total financing was £235,968 greater than total expenditure in the year due to additional financing received for disabled facility grants; this will be carried forward to fund works earmarked in 2013/14.

4.0 The Council's Overall Borrowing Need

- 4.1 The Council's underlying need to borrow is called the Capital Financing Requirement (CFR). The CFR is a measure of the Council's underlying need to borrow for capital investment and is based on the value of its assets contained in the Balance Sheet.
- 4.2 The capital expenditure that has not been immediately paid for will increase the CFR through additional borrowing. The Council is required to pay off an element of the accumulated General Fund CFR (but not HRA) each year through a revenue charge called the Minimum Revenue Provision (MRP).
- 4.3 As the Council has no unsupported borrowing, MRP will continue to be based upon the "assumed" level of debt for the General Fund as existed on introduction of the Prudential Code in 2004.

4.4 The Council's CFR for the year is shown below.

Capital Financing Requirement (CFR) 2012/13	Estimate 2012/13 £'000	Actual 2012/13 £'000
CFR b/fwd 1st April 2012	71,070	69,438
Add New Borrowing	0	0
Less Debt Repaid	0	0
Less Minimum Revenue Provision (MRP)	-262	-263
Less Voluntary Revenue Provision (VRP)	0	0
CFR c/fwd 31st March 2012	70,808	69,175
General Fund Proportion	7,926	6,315
HRA Proportion	62,882	62,860

4.5 The assumed (underlying) debt on the General Fund of £6.315m is being written down each year through the MRP.

5.0 Treasury Position at 31 March 2013

5.1 The treasury position at 31 March 2013 compared with the previous year is shown in the following table.

	2011/12		2012/13	
Overall Borrowing Position @ 31st March	Principal £'000	Average Rate	Principal £'000	Average Rate
Fixed Interest Rate Debt	48,460	3.21%	48,445	3.34%
Variable Interest Rate Debt	10,355	0.70%	10,318	0.63%
Total Debt	58,815		58,763	
Short-term Investments	- 3,133	0.25%	- 4,512	0.31%
Net Borrowing Position	55,682		54,251	

6.0 Prudential Indicators and Compliance Issues

6.1 The prudential indicators provide an overview and specific limits on treasury activity. These are detailed below.

- a) **Borrowing and the CFR** – in order to ensure that borrowing levels are prudent over the medium term, the Council's external borrowing, net of investments, must only be for a capital purpose. Net borrowing should not exceed the CFR for 2012/13, plus the expected changes to the CFR over 2012/13 and 2013/14. The table below highlights the Council's gross and net borrowing position against the CFR and demonstrates that the Council has complied with this prudential indicator.

Borrowing Compared to CFR 2011/12	Estimate 2012/13 £'000	Actual 2012/13 £'000
Gross Borrowing	58,833	58,763
Net Borrowing	57,833	54,251
CFR	70,808	69,175

- b) **The Authorised Limit** – is the ‘affordable borrowing limit’ required by Section 3 of the Local Government Act 2003. The Council does not have the power to borrow above this level. The table below demonstrates that during 2012/13 the Council has maintained gross borrowing within its Authorised Limit.
- c) **The Operational Boundary** – is based on the expected maximum external debt (as described above) during the course of the year but it is not a limit. It is designed to help the Council’s Chief Finance Officer to manage treasury activity on a daily basis and acts as an early warning sign of any potential issues.

Authorised Limit and Operational Boundaries 2012/13	Estimate 2012/13 £'000	Actual 2012/13 £'000
Authorised Limit	74,779	73,168
Operational Boundary	63,423	63,679
Borrowing Position at 31/03/2013	58,833	58,763

- d) **HRA – Limit on Indebtedness** – under self-financing, the HRA debt pool has been set a cap over which no borrowing is allowed. This is prescribed by the Government and is fixed. The Cap is shown in the following table with a comparison to the CFR and the level of actual debt on the HRA.

HRA Limit on Indebtedness 2012/13	Estimate 2012/13 £'000	Actual 2012/13 £'000
HRA Debt Cap (Fixed)	66,853	66,853
HRA CFR	62,882	62,860
Difference	3,971	3,993
HRA Debt	57,813	58,700
Borrowing Headroom (Cap less Debt)	9,040	8,153

- e) **Actual Financing Costs as a Proportion of Net Revenue Stream** – this identifies the trend in the cost of capital (borrowing and other long-term obligation costs net of investment income) against the net revenue stream.

Financing Ratios 2012/13	Estimate 2012/13 £'000	Actual 2012/13 £'000
General Fund		
Council Tax Income	4,837	4,837
Net Interest	- 30	- 22
Proportion	- 0.62%	- 0.45%
HRA		
Rent Income	10,975	11,062
Net Interest	1,591	1,594
Proportion	14.50%	14.41%

7.0 The Economy and Interest Rates

- 7.1 The year continued to be dominated by financial uncertainty in the Euro Zone markets, together with the impact of the economic downturn. This kept interest rates low with the Bank of England Base Rate remaining at 0.5% for the third consecutive year.
- 7.2 This low Bank of England Base Rate has reduced the return on investments but has also kept variable rate borrowing low.

8.0 Investment Strategy Approved for 2012/13

In accordance with its policy, the Council continued to place investments giving priority to security and liquidity over yield. At year end the majority of investments were held with Local Authorities or the Debt Management Office.

9.0 Debt Management Activity for 2012/13

- 9.1 There was no further borrowing during the year.
- 9.2 Loans repaid during the year equated to £52,000. These related to sums deposited by Parish Councils.

10.0 Investment Performance 2012/13

- 10.1 The Council's investment policy is governed by regulations and best practice guidance. These are included in the Council's approved Investment Strategy. All investment activity during the year conformed to the approved strategy and the Council had no liquidity issues.
- 10.2 The Council's longer-term cash balances comprise primarily of unallocated revenue and capital reserves held as a contingency, earmarked reserves and

usable capital receipts, together with sums received in advance of spend to meet future commitments.

- 10.3 The low bank base rate has continued to have a detrimental impact on the Council's investment returns. The Council maintained an average cash balance of approximately £9.8million with a return of £34,935 during the year.

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE (SPECIAL – FINAL ACCOUNTS)	AGENDA ITEM: 7
DATE OF MEETING:	27th JUNE 2013	CATEGORY: RECOMMENDED
REPORT FROM:	DIRECTOR OF FINANCE and CORPORATE SERVICES	OPEN
MEMBERS' CONTACT POINT:	KEVIN STACKHOUSE 01283 595811 Kevin.stackhouse@south-derbys.gov.uk	DOC: u/ks/final accounts 12 13/final out-turn/budget out-turn report 2013
SUBJECT:	BUDGET OUT-TURN and FINANCIAL ACCOUNTS 2012/13	REF:
WARD (S) AFFECTED:	ALL	TERMS OF REFERENCE: FM 08

1.0 Recommendations

1.1 To approve the final out-turn position for:

- The General Fund Revenue Account 2012/13
- The Housing Revenue Account 2012/13
- Capital Expenditure and Financing 2012/13
- The Collection Fund 2012/13
- The Balance of Reserves and Provisions at 31st March 2013.

2.0 Purpose of Report

- 2.1 To detail the final out-turn position for 2012/13 on the Council's main revenue and capital accounts. The report also details the financial position on these accounts as at 31st March 2013 compared to that estimated in the Council's Medium-Term Financial Plan (MTFP).
- 2.2 This follows the provisional out-turn report considered by the Committee on 22nd May 2013, which detailed the Council's indicative position including detailed figures and financial commentary.
- 2.3 This report confirms final figures (prior to External Audit) and provides an update where applicable.

Context

- 2.4 The Council's Draft Annual Accounts and Financial Statements (prior to Audit) will be signed off by the Chief Finance Officer for External Audit on 30th June 2013. In accordance with the Account and Audit Regulations, the accounts will be reported to the Committee after the audit has been completed.

- 2.5 The Auditor's detailed report will be considered by the Audit Committee on 25th September. The audited accounts along with the Auditor's Opinion will be reported at a meeting of this Committee on 26th September 2013.
- 2.6 This report details the performance in more detail against the Council's approved budgets on the General Fund, Housing Revenue and Capital Accounts. It also provides details of the Collection Fund position, together with details of reserves, provisions and balances.
- 2.7 As reported to the Committee on 22nd May, the Council's out-turn position was favourable compared to that budgeted. This report does not include all the detail commentary previously reported, but includes the detailed accounts as appendices with any changes made.
- 2.8 There are no major changes from that reported in May.
- 2.9 The Accounts have been updated for reserve appropriations and contributions to bad debt provisions as approved in May. The May report is available at:

<http://south-derbys.cmis.uk.com/south-derbys/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1577/Committee/278/Default.aspx>

2.10 This report is divided into the following sections:

- Section 3 – General Fund Revenue Account and Collection Fund
 - Section 4 – Housing Revenue Account
 - Section 5 – Capital Expenditure and Financing
 - Section 6 – Reserves, Balances and Provisions
-
- Appendix 1 - Environmental and Development Services Committee
 - Appendix 2 – Housing and Community Services Committee
 - Appendix 3 – Finance and Management Committee
 - Appendix 4 – Analysis of major Variances compared to Budget
 - Appendix 5 – Capital Expenditure and Financing
 - Appendix 6 – Earmarked Reserves
 - Appendix 7 – The Collection Fund

3.0 GENERAL FUND REVENUE ACCOUNT

3.1 **Appendices 1 to 3** detail net spending at cost centre level across the 3 main Policy Committees. The appendices show the approved budget compared to the actual out-turn for 2012/13 and are the figures reported in May.

3.2 A summary is provided in the following tables.

Summary by Policy Committee	Budget £	Actual £	Variance £
Environmental and Development Services	5,545,614	5,733,694	188,080
Housing and Community Services	3,512,664	3,140,624	-372,040
Finance and Management	2,285,062	2,079,751	-205,310
TOTAL	11,343,340	10,954,069	-389,270

Summary by Main Service Area	Budget £	Actual £	Variance £
Economic Development	344,567	373,686	29,119
Environmental Health Services	925,615	902,884	-22,731
Highways	19,336	13,116	-6,220
Licensing and Land Charges	51,427	42,584	-8,843
Planning	1,066,831	1,244,871	178,040
Off Street Parking	72,279	82,067	9,788
Waste Collection & Street Cleansing	2,941,135	3,006,685	65,550
Environmental Education	124,424	67,801	-56,623
Community Development and Support	707,268	678,678	-28,590
Leisure and Recreational Activities	178,770	200,204	21,434
Leisure Centres and Community Facilities	797,369	797,786	417
Parks and Open Spaces	1,193,857	1,118,908	-74,949
Private Sector Housing	635,400	345,047	-290,353
Central and Departmental Accounts (net)	124,035	122,018	-2,016
Revenues and Benefits	304,745	266,776	-37,969
Electoral Registration	173,222	123,448	-49,774
Corporate and Democratic Costs	1,173,287	1,085,385	-87,902
Payments to Parish Councils	336,190	339,012	2,822
Concessionary Travel	3,243	187	-3,056
Property and Estates	-98,864	-107,532	-8,668
Pensions, Grants and Interest	269,203	250,457	-18,746
TOTAL	11,343,340	10,954,069	-389,270

Overview of Service Spending

3.4 The above tables show that overall financial performance was better with a total under spending compared to the Net Budget of £389,270. An under spending was expected as the year progressed as reported in monitoring

statements. As at December 2012 (the third quarter's performance) the under spend was estimated slightly lower overall at £325,000.

- 3.5 The under represents 3.5% of the net budget on the General Fund. The main reasons for the under spend were savings made in staffing, waste and cleansing, corporate and central costs, together with grounds maintenance.
- 3.6 A large proportion of the under spend arose from an on-going programme of service, efficiency and budget reviews to realise cashable savings. Much of this is on-going and has been built into the Council's longer term financial plan.
- 3.7 However, the Council continued to see cost pressures in some areas such as utility costs and in repair and maintenance liabilities. In addition, income from planning fees was down compared to the Budget and the Council also incurred some additional legal fees and expenses. The main reasons for the net underspend are detailed in **Appendix 4**.

Financing

- 3.8 After bringing into account financing from government grants and other accounting adjustments, the overall position on the General Fund is summarised in the following table.

SUMMARY GENERAL FUND 2012 /13	Budget £	Actual £	Variance £
Net Expenditure on Services	11,395,875	10,954,069	-441,806
Contribution to Bad Debts Provision	25,000	12,446	-12,554
Capital Charging Adjustments	-381,430	-388,797	-7,367
Contingent Sums	299,856	0	-299,856
Overall Net Revenue Expenditure	11,339,301	10,577,718	-761,583
Financing			
General Government Grant	5,203,475	5,203,475	0
New Homes Bonus	969,769	969,805	36
Council Tax Freeze Grant	240,584	240,583	-1
Council Tax Support (Implementation) Grant	0	84,000	84,000
Welfare Reform Grant	0	21,968	21,968
Community Right to Bid Grant	0	4,873	4,873
Council Tax Payers	4,837,149	4,837,149	0
Collection Fund Surplus	20,000	20,000	0
Earmarked Reserves	43,350	0	-43,350
Total Financing	11,314,327	11,381,853	67,526
Revenue Deficit Surplus (-) for the Year	24,974	-804,135	-829,109

- 3.9 The above table shows that the overall surplus for the year on the General Fund for 2012/13 was **£804,135**. In addition to the overall under spend on services there was no requirement to draw down any amounts from the contingent sums set-aside for inflation, growth, and the pay/grading review.
- 3.10 Subject to a continuing review of income and expenditure, several of the variances in 2012/13 will be on-going and have been built into the medium term financial plan.
- 3.11 The effect of the out-turn figures on Reserves is detailed in **Section 6**.

THE COLLECTION FUND

- 3.12 The Council is required to maintain a separate income and expenditure account, showing the transactions relating to the collection of Business Rates and Council Tax. This account also illustrates how this money has been distributed to preceptors, the Government and into the Council's General Fund.
- 3.13 In principle, the Fund should balance. In respect of business rates, actual income collected is paid over to the National Pool and the impact of any arrears is adjusted accordingly. However, over time, not all council tax is collected due mainly to a buildup of arrears and household's individual circumstances changing during a year which can affect the amount of tax collected compared to that set in the Budget.
- 3.14 These circumstances ultimately produce a balance on the Fund over time and this can vary from year to year. With a turnover of £48m in Council Tax in 2012/13, a very small variation can affect the amount collected.
- 3.15 Any surplus balance on the Fund (which has traditionally been the case for the Council over many years) can be transferred to the General Fund as an additional financing element, with any deficit having to be made good. However, approximately 90% of any balance is attributed to other authorities, mainly the County Council, as the main preceptors of Council Tax.
- 3.16 The Council's Account for 2012/13 is summarised in **Appendix 7**. This shows that the Fund performed in accordance with that estimated. The overall surplus for the year was slightly lower than estimated, with approximately £10,000 attributable to the Council compared to an estimate of £22,000.
- 3.17 The Committee have previously approved that no surplus would actually be declared on the Fund for the year and will be held as a contingency pending the effect of the new Local Council Tax Support Scheme which was implemented on 1st April 2013.

4.0 HOUSING REVENUE ACCOUNT

- 4.1 The Council is required to account separately for income and expenditure in providing Council Housing. 2012/13 was the first financial year under the self-financing framework introduced on 1st April 2012.
- 4.2 The approved HRA Budget was set with a small surplus of £30,000. As the year progressed, it was forecasted that the surplus would be much higher due to additional income and lower expenditure on supervision and management costs. The final out-turn is summarised in the following table.

HRA - OUT-TURN 2012/13

	Budget £	Actual £	Variance £
Rent Income	-11,068,540	-11,167,357	-98,817
Housing Department Support Staff and Costs	1,265,820	1,181,239	-84,581
Repairs and Maintenance	3,124,730	3,264,915	140,185
Debt Interest	1,662,814	1,593,767	-69,047
Managing Tenancies	36,040	18,264	-17,776
Increase in Provision for Bad or Doubtful Debts	20,000	44,679	24,679
Sheltered and Careline Services	428,790	263,236	-165,554
Capital Expenditure Requirement	4,500,000	4,500,000	0
Total - HOUSING REVENUE ACCOUNT 2012/13	-30,346	-301,258	-270,912

- 4.3 The above table shows a final surplus of **£301,258**. This is approximately £18,000 higher than reported in May due to disposal costs associated with council house sales in the year being transferred to the Capital Account. The reasons for the major variances compared to Budget are summarised below.

Housing Repairs

- 4.4 The increase was due to additional costs associated with repairing void properties. In total, these costs were £428,000 in the year, compared with £335,000 in the previous year, 2011/12. In addition, repairs during the final month of the year were much higher than usual.

Other Variances

- 4.5 As anticipated during the year, greater income was achieved from housing rents and also from contributions to Supported Housing and Careline Services, where income held up in line with previous years.
- 4.6 Reductions in expenditure (compared to the Budget) were made from staffing vacancies and recharges from the General Fund, together with lower interest payments on the variable element of the HRA's debt portfolio.

5.0 **CAPITAL EXPENDITURE and FINANCING 2012/13**

- 5.1 The final out-turn is detailed in **Appendix 5** with a summary in the following table.

Capital Expenditure 2012/13

Services	Budget	Actual	Variance
Council House Improvements	£4,824,994	£4,017,979	-£807,015
Private Sector Housing Renewal	£405,225	£346,342	-£58,883
Leisure and Community Schemes	£2,150,731	£572,670	-£1,578,061
Environmental Development	£89,000	£132,042	£43,042
Asset Management	£106,794	£104,233	-£2,561
Total - Spending	£7,576,744	£5,173,266	-£2,403,478

- 5.2 The table highlights that expenditure on schemes of approximately £2.4m was still to be incurred at 31 March 2013 against that planned. The reduction in planned expenditure was due to the lead in time required on several major projects where investment will be on-going over several years.
- 5.3 Major schemes include significant upgrades to Green Bank and Etwall Leisure Centres, provision of enhanced leisure facilities in the Melbourne area of the District, together with substantial works to Council Houses.
- 5.4 The lead in time has been utilised to secure the necessary external funding, together with considering options around the best procurement framework, before projects are commenced. Progress on individual schemes has been reported during the year and the latest update was included in the May Committee report.

Financing Capital Expenditure

- 5.6 The capital investment in the year was financed as shown in the following table.

Capital Financing 2012/13

Funding Source	Budget	Actual	Variance
Government Grants	£269,000	£334,890	£65,890
External/Partnership Contributions	£1,693,978	£951,520	-£742,458
Capital Reserves	£4,824,994	£4,017,979	-£807,015
Capital Receipts	£788,772	£104,845	-£683,927
Total - Financing	£7,576,744	£5,409,234	-£2,167,510

- 5.7 The variance reflects expenditure outstanding and this will be drawn down as schemes are progressed and external funding secured.
- 5.8 The actual total financing of just over £5m, was £236,000 greater than total expenditure in the year due to additional financing received for disabled facility grants; this will be carried forward to fund works earmarked in 2013/14.

6.0 **RESERVES, BALANCES AND PROVISIONS**

PROVISIONS

- 6.1 A provision of £205,000 was set-aside in the Council's accounts in 2011/12 to meet the potential claw back of Housing Benefit Subsidy by the DWP for 2010/11, pending the final audited claim.
- 6.2 The actual claw back (although still to be confirmed) is now £147,000 following audit testing and has this has been signed off by the Council and External Audit. Therefore, the remaining provision of £58,000 can be returned to the General Fund Reserve.

General Fund Reserve

- 6.3 Following the out-turn figures detailed in Section 3, the position on the General Fund Reserve Balance is summarised in the following table.

General Fund Reserve at 31 March 2013	Budget £	Actual £	Variance £
Balance b/fwd (1st April 2012)	3,852,196	3,852,196	0
Add: Surplus/Deficit (-) for the Year	-24,974	804,135	829,109
Pay and Grading Review - one-off costs	-200,000	0	200,000
Additional Support for the Voluntary Sector	-50,000	0	50,000
Transfer of License Income to Capital	-20,000	-20,000	0
Contribution to the Vehicle Renewals Fund	-20,000	-20,000	0
Contribution to Capital Works - Civic Offices	0	-25,475	-25,475
Net transfer to Earmarked Reserves	0	-274,192	-274,192
Transfer from Housing Benefits Provision	0	58,000	58,000
Closing Balance as at 31st March 2013	3,537,222	4,374,664	837,442

- 6.4 The table shows that the level of general reserves is greater than estimated at March 2013 (£837,442). This is due to the better out-turn position as detailed in Section 3, together with no requirement to utilise some provisional sums set-aside to meet one-off expenditure.

Pay and Grading Review

- 6.5 A sum of £420,000 continues to be set-aside (over 3 years) for meeting one-off costs associated with the pay and grading review. As this is still to be implemented, the provision of £200,000 in 2012/13 was not required.
- 6.6 This will be carried forward into future years and the total provision will be reprofiled accordingly in the MTFP.

Additional Support for the Voluntary Sector

- 6.7 A sum of £50,000 was set-aside in 2012/13 and 2013/14 (£100,000 in total) to provide additional grant aid to local voluntary and community groups. The

Housing and Community Services Committee agreed the allocation of the funding at its meeting on 14th March 2013.

- 6.8 Consequently, this funding will be paid in 2013/14 and so the proportion not required in 2012/13 will be carried forward.

Earmarked Reserves

- 6.9 The Council maintains several earmarked reserves that are held for specific purposes. These are to meet exceptional and one-off items of expenditure, together with areas where larger costs are incurred over several years (for example, Vehicle and IT replacements) and where external funding may be received in advance of expenditure.
- 6.10 Yearly contributions are made to these reserves each year from other accounts and reserves and they are drawn down to finance expenditure in revenue and capital accounts as required.
- 6.11 Once established, earmarked reserves can only be used for that specific purpose and to meet policy/strategy commitments, such as IT. Other reserves may be established through a legal agreement or contractual commitment. es.
- 6.12 The Council's earmarked reserves are detailed in **Appendix 6**. This shows the overall change on the balances during 2013/14, including the appropriations agreed by the Committee in May.
- 6.13 Several new reserves have been established, mainly to reflect funding received for leisure and community development, homelessness, together with welfare reform - all where expenditure will be incurred in future years.

Housing Revenue Account Reserve

- 6.14 Section 4 detailed the budget out-turn of the HRA and this highlighted an overall under spend of £301,258 in 2012/13 compared to the Budget. The HRA reserve balance totals **£2,686,258** as at 31st March 2013, compared to an estimate of £2,414,572

Major Repairs Reserve

- 6.15 This reserve is used to finance the investment in the housing stock and the reserve is funded by transfers from the HRA (through the Capital Expenditure Requirement). The status of the reserve as at 31 March 2013 is shown in the following table.

Balance as at 1 st April 2012	£14,175
Add: Transfer from the HRA	£4,500,000
Less: Capital Expenditure 2012/13	-£3,860,254
Balance as at 31st March 2013	£653,921

General Capital Receipts Reserve

- 6.16 Appendix 5 highlights that this reserve is £633,927 greater as at 31st March 2013 compared to that estimated. However, this is due to the timing and profile of expenditure in respect of the leisure capital programme in particular.
- 6.17 After allowing for this and the future capital programme, there is a potential deficit on this reserve of £50,000 as summarised below.

Reconciliation of Capital Receipts		£
Additional balance at 31st March 2013		633,927
Less amounts earmarked for existing schemes		
Private Sector Housing		-73,044
Leisure and Community Development		-461,111
Community Partnership Scheme		-42,978
Property Maintenance		-106,794
Deficit		-50,000
<u>Represented By:</u>		
No capital receipts generated in the year (as estimated)		-50,000

Housing Capital Receipts Reserve

- 6.18 With the implementation of the self-financing framework, Council policy is to reinvest all receipts (after any pooling payment to the Government) from the sale of HRA assets into the housing stock.

Government Guarantee

- 6.19 As previously reported, the Council entered into an Agreement with the Government to enable it to retain a greater proportion of proceeds from council house sales. The pooling mechanism calculates, after allowing an amount for the debt associated with each unit sold, a net figure that is retained and that must be spent on “New Build” within 3 years of its receipt.
- 6.20 These receipts are known as **1-4-1 receipts**. All 1-4-1 receipts calculated in each financial quarter can only be used as a contribution to total expenditure equating to no more than 30%.
- 6.21 Following 18 council house sales in 2013/14, the amount retained (after Disposal Costs of £35,000) was **£761,810**. This has been set-aside for new additional housing and the Committee approved a funding package for its delivery in April 2013.

7.0 Financial Implications

7.1 As set out and detailed in the report.

8.0 Corporate Implications

8.1 As detailed in the report.

9.0 Community Implications

9.1 The production of financial information is an important part of stewardship and accountability for public resources. It aims to give electors, those subject to locally levied taxes and charges, members of the Council, employees and other interested parties clearer information about the Council's finances and its financial standing.

10.0 Background Papers

10.1 None

	Budget £	Actual £	Variance £	Reserves Earmarked £	General £	NOTES
Transport and Plant						
Net Expenditure	872,340	796,996	-75,344		-75,344	Depreciation £116k favourable, operational costs £41k adverse
Internal Recharges	-872,340	-796,996	75,344		75,344	
Total - Transport and Plant	0	0	0	0	0	
Economic Development						
Tourism Policy, Marketing & Development	118,080	149,006	30,926		30,926	Redundancy provision
Promotion and Marketing of the Area	226,487	224,680	-1,807		-1,807	Operational costs £5k favourable, Central recharges £5k adverse
Total - Economic Development	344,567	373,686	29,119	0	29,119	
Environmental Education	124,424	67,801	-56,623	-56,623	0	£56k additional income unbudgeted
Total - Environmental Education	124,424	67,801	-56,623	-56,623	0	
Environmental Health Services						
Food Safety	213,425	179,845	-33,580	-3,000	-30,580	£36k favourable on Operational costs, £4k adverse on Central recharges. £3k Flare training to be carried out in 2013/14
Pollution Reduction	338,159	350,410	12,251		12,251	Operational costs £7k adverse, Central recharges £8k adverse
Housing Standards	123,623	136,101	12,478		12,478	£11k adverse on operational costs, £3k adverse Central recharges
Health and Safety at Work	4,409	2,132	-2,277		-2,277	
Pest Control	32,383	37,945	5,562		5,562	One off restructuring costs £5k adverse, £1k adverse Central recharges
Public Conveniences	50,468	38,128	-12,340		-12,340	Operational underspends
Community Safety (Safety Services)	161,527	156,396	-5,131		-5,131	£7k favourable Operational costs, £4k adverse Central recharges
Welfare Services	1,621	1,927	306		306	Central recharges
Total - Environmental Health Services	925,615	902,884	-22,731	-3,000	-19,731	

	Budget £	Actual £	Variance £	Reserves Earmarked £	General £	NOTES
Highways						
Environmental Maintenance (Other Roads)	-12,063	-13,005	-942		-942	
Public Transport - Bus Station	31,399	26,121	-5,278		-5,278	Operational underspend
Total - Highways	19,336	13,116	-6,220	0	-6,220	
Licensing and Land Charges						
Local Land Charges	44,354	62,420	18,066		18,066	£16k adverse Operational costs, £3k adverse Central recharges
Licensing	7,073	-19,836	-26,909		-26,909	£29k favourable Operational spend, £3k adverse Central recharges
Total - Licensing and Land Charges	51,427	42,584	-8,843	0	-8,843	
Planning Services						
Emergency Planning and Works	541	604	63		63	
Heritage	25,989	24,934	-1,055		-1,055	
Building Regulations	64,975	8,420	-56,555		-56,555	£60k favourable Operational costs, £5k adverse Central recharges
Building Control Enforcement	209,732	206,347	-3,385		-3,385	£6k favourable Operational costs, £3k adverse Central recharges
Other Building Control Work	38,244	33,246	-4,998		-4,998	£6k favourable Operational costs, £1k adverse Central recharges
Development Control Advice	60,887	123,648	62,761	62,423	338	Planning delivery grant
Dealing with Development Control Applications	42,845	159,084	116,239		116,239	£107k adverse on Operational costs, £12k adverse Central recharges
Development Control Enforcement	193,200	182,655	-10,545		-10,545	£12k favourable on Operational costs, £2k adverse Central recharges
Structure and Local Planning	430,418	505,932	75,514	77,294	-1,780	£40k favourable on Operational costs, £8k adverse Central recharges. £32k carry forward of Local Plan budget, £109k drawdown of Planning Delivery grant

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	Reserves					NOTES
	Budget £	Actual £	Variance £	Earmarked £	General £	
Total - Planning Services	1,066,831	1,244,871	178,040	139,717	38,323	
Off-Street Parking	72,279	82,067	9,788		9,788	£9k favourable on Operational costs, £19k adverse Depreciation & Impairments
Total - Off Street Parking	72,279	82,067	9,788	0	9,788	
Waste Collection and Street Cleansing						
Public Health	-320	-146	174		174	Central recharges
Street Cleansing (not chargeable to highways)	502,860	480,214	-22,646		-22,646	Reduction in agency costs and overtime
Household Waste Collection	2,275,115	2,372,569	97,454		97,454	£131k one-off restructuring costs, less £19k saving on other costs, £10k favourable on central recharges and £6k favourable on Depreciation
Trade Waste Collection	-136,790	-151,692	-14,902		-14,902	Additional income
Recycling	300,270	305,740	5,470		5,470	£60k compensation and legal costs, mostly offset by additional income of £55k.
Total - Waste Collection and Street Cleansing	2,941,135	3,006,685	65,550	0	65,550	
TOTAL - ENVIRONMENTAL & DEVELOPMENT	5,545,614	5,733,694	188,080	80,094	107,986	

				Reserves		
	Budget	Actual	Variance	Earmarked	General	
	£	£	£	£	£	NOTES
Community Development and Support						
General Grants, Bequests & Donations	288,744	290,126	1,382		1,382	£1k adverse Operational costs, £1k adverse Central recharges
Community Centres	41,391	43,063	1,672		1,672	Operational overspend
Community Safety (Crime Reduction)	274,588	247,514	-27,074	-27,074	-0	£31k favourable Operational costs, £6k adverse Central recharges
Defences Against Flooding	44,634	56,281	11,647		11,647	£11k adverse Operational costs, £1k adverse Central recharges
Market Undertakings	-487	-10,422	-9,935		-9,935	Operational underspend
Community Development	51,911	51,274	-637		-637	
Village Halls	6,487	842	-5,645		-5,645	Operational underspend
Total - Community Development and Support	707,268	678,678	-28,590	-27,074	-1,516	

Leisure and Recreational Activities

Arts Development & Support	88,654	106,488	17,834	17,834	0	£18k drawdown for Operational costs (£2k adverse Central recharges)
Festival of Leisure	26,358	30,725	4,367		4,367	Operational overspend
Christmas Lights	63,758	62,991	-767		-767	
Total - Leisure and Recreational Activities	178,770	200,204	21,434	17,834	3,600	

Leisure Centres and Community Facilities

Sports Development & Community Recreation	148,694	184,358	35,664	35,664	0	£37k drawdown for Operational costs (£4k adverse Central recharges)
Indoor Sports & Recreation Facilities	492,943	554,983	62,040		62,040	£47k adverse Operational costs, Depreciation £15k adverse, £1k adverse Central recharges
Outdoor Sports & Recreation Facilities (SSP)	21,586	-16,949	-38,535	-38,535	0	Externally funded SSP Project (£1k adverse Central recharges)
Melbourne Leisure Centre	703	2,659	1,956		1,956	Operational overspend
Get Active in the Forest	72,531	24,311	-48,220	-48,220	0	£48k favourable Operational costs
Playschemes	60,912	48,424	-12,488	-12,488	0	£12k favourable Operational costs
Total - Leisure Centres and Community Facilities	797,369	797,786	417	-63,579	63,996	

Parks and Open Spaces

	Budget £	Actual £	Variance £	Reserves		NOTES
				Earmarked £	General £	
Ground Maintenance	749,002	668,894	-80,108		-80,108	£87k favourable Operational costs, Depreciation £1k favourable, £15k adverse Central recharges
Countryside Recreation & Management	22,376	21,539	-837		-837	
Allotments	-596	-998	-402		-402	
Rosliston Forestry Centre	150,598	156,628	6,030		6,030	£20k adverse Operational costs, Depreciation & Impairments £14k favourable
Cemeteries	27,345	17,425	-9,920		-9,920	£13k favourable Operational costs, Depreciation £2k adverse, £1k adverse Central recharges
Closed Churchyards	4,606	3,947	-659		-659	
Community Parks & Open Spaces	240,526	251,473	10,947	10,947	0	
Total - Parks and Open Spaces	1,193,857	1,118,908	-74,949	10,947	-85,896	

Private Sector Housing

Housing Strategy	124,792	64,541	-60,251	-32,112	-28,139	£31k favourable Operational costs, £1k adverse Central recharges (£27K income from 2011 Notts CC funding post in 2013/14, £3k Flare training carry forward)
Housing Advice	157,419	137,654	-19,765	-8,763	-11,002	£12k favourable Operational costs, £2k adverse Central recharges (£9k Carry forward Erewash BC Advice income)
Administration of Renovation & Improvement Grants	149,739	146,034	-3,705		-3,705	£6k favourable Operational costs, £3k adverse Central recharges
Bed / Breakfast Accommodation	16,821	-12,889	-29,710		-29,710	Operational underspend
Homelessness Administration	192,801	15,185	-177,616	-176,581	-1,035	£177k earmarked for use in future periods (£5k adverse Central recharges)
Travellers' Sites	-6,172	-5,478	694		694	
Total - Private Sector Housing	635,400	345,047	-290,353	-217,456	-72,897	

TOTAL - HOUSING & COMMUNITY SERVICES

3,512,664	3,140,624	-372,040	-279,328	-92,712
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				Reserves		
	Budget	Actual	Variance	Earmarked	General	NOTES
	£	£	£	£	£	
Senior Management						
Net Expenditure	403,787	557,552	153,765		153,765	Council restructure - one-off costs
Internal Recharges	-403,787	-557,552	-153,765		-153,765	
Reprographic/Print Room						
Net Expenditure	80,633	81,504	871		871	
Internal Recharges	-80,633	-81,504	-871		-871	
Financial Services						
Net Expenditure	572,352	539,672	-32,680		-32,680	Costs lower in first year following transfer
Internal Recharges	-572,352	-539,672	32,680		32,680	
Internal Audit						
Net Expenditure	150,000	150,000	0		0	
Internal Recharges	-150,000	-150,000	0		0	
Merchant Banking Services						
Net Expenditure	54,546	58,202	3,656		3,656	
Internal Recharges	-54,546	-58,202	-3,656		-3,656	
ICT Support						
Net Expenditure	973,320	969,650	-3,670		-3,670	
Internal Recharges	-973,320	-969,650	3,670		3,670	
Legal Services						
Net Expenditure	145,626	146,730	1,104		1,104	
Internal Recharges	-145,626	-146,730	-1,104		-1,104	

	Budget £	Actual £	Variance £	Reserves Earmarked £	General £	NOTES
Personnel/HR						
Net Expenditure	318,596	252,346	-66,250		-66,250	Lower corporate training (£47k) plus lower payroll costs (£15k)
Internal Recharges	-318,596	-252,346	66,250		66,250	
Policy & Communications						
Net Expenditure	274,476	277,463	2,987		2,987	
Internal Recharges	-274,476	-277,463	-2,987		-2,987	
Customer Services						
Net Expenditure	631,611	634,482	2,871		2,871	
Internal Recharges	-631,611	-634,482	-2,871		-2,871	
Health & Safety						
Net Expenditure	48,700	44,321	-4,379		-4,379	
Internal Recharges	-48,700	-44,321	4,379		4,379	
Admin Offices & Depot						
Net Expenditure	436,526	488,076	51,550		51,550	Adverse operational costs £23k and central recharges £28k
Internal Recharges	-436,526	-488,076	-51,550		-51,550	
Procurement Unit						
Net Expenditure	191,512	190,368	-1,144		-1,144	
Internal Recharges	-191,512	-190,368	1,144		1,144	
Cleaning and Caretaking	124,034	122,018	-2,016		-2,016	
Total - Caretaking	124,035	122,018	-2,016	0	-2,016	
Concessionary Fares	3,243	187	-3,056		-3,056	Operational underspend
Total - Concessionary Fares	3,243	187	-3,056	0	-3,056	

	Budget £	Actual £	Variance £	Reserves Earmarked £	General £	NOTES
Corporate and Democratic Costs						
Democratic Representation & Management	835,378	842,724	7,346		7,346	£38k redundancy, but savings on allowances and expenses £31k
Corporate Management	115,735	90,245	-25,490		-25,490	Lower external support costs
Corporate Finance Management	91,941	21,979	-69,962	-24,839	-45,123	Reduction in external audit fees; amounts received for Discretionary Housing Payments and Roslton to be carried forward
Debt Recovery Costs	130,233	130,438	205		205	
Total - Corporate and Democratic Costs	1,173,287	1,085,385	-87,902	-24,839	-63,063	
Electoral Registration						
Registration of Electors	39,005	30,613	-8,392		-8,392	Operational underspend
Conducting Elections	134,217	92,835	-41,383		-41,383	Operational underspend - recharges made for Police Commisioner Election
Total - Electoral Registration	173,222	123,448	-49,774	0	-49,774	
Parish Councils - Concurrent Functions	336,190	339,012	2,822		2,822	Claims higher than anticipated
Total - Parish Councils	336,190	339,012	2,822	0	2,822	
Pensions, Interest Payments & Receipts						
Funded Pension Schemes	294,604	271,277	-23,327		-23,327	Continuing reduction in past service deficit costs for transfered staff
Interest & Investment Income (GF)	-25,401	-20,820	4,581		4,581	Total interest earned (£34k) with £13k passed across to the HRA
Total - Pensions and Interest	269,203	250,457	-18,746	0	-18,746	
Estate Management	-98,864	-107,532	-8,668		-8,668	£19k favourable on operational costs/income but asset impairment £10k adverse
Total - Estate Management	-98,864	-107,532	-8,668	0	-8,668	

	Budget £	Actual £	Variance £	Reserves		NOTES
				Earmarked £	General £	
Revenues and Benefits						
Council Tax Collection	-21,538	-22,747	-1,209		-1,209	
Council Tax Benefits Administration	325	25	-300		-300	
Council Tax Benefits	-21,134	-76,142	-55,008		-55,008	Overall cost of benefits paid better than anticipated, subject to Audit
Non Domestic Rates Collection	44,170	43,123	-1,047		-1,047	As above
Rent Allowances Paid	109,970	120,002	10,032		10,032	As above
Net cost of Non-HRA Rent Rebates	51,891	3,820	-48,071		-48,071	As above
Net cost of Rent Rebates Paid	77,400	-24,502	-101,902		-101,902	As above
Housing Benefits Administration	63,661	223,196	159,535		159,535	Costs of implementing Council Tax Support Scheme (£75k) funded by Grant; Increase in caseload - funding transferred for resourcing (£52k); Audit Fees (£32k)
Total - Revenues and Benefits	304,745	266,776	-37,969	0	-37,969	
TOTAL - FINANCE & MANAGEMENT	2,285,062	2,079,751	-205,310	-24,839	-180,471	

ANALYSIS OF VARIANCES BETWEEN BUDGET AND ACTUAL OUT-TURN 2012/13

Favourable Variances	£'000
Income and expenditure adjusted through Earmarked Reserves	(224)
Staff vacancies and reduction in National Insurance contributions	(135)
Net cost of Housing Benefit payments lower than estimated	(114)
Lower costs - Waste Collection and Street Cleansing	(111)
Lower costs in Grounds Maintenance and additional Tree Felling (income)	(87)
Backdated Pension and Deficit costs lower than estimated	(78)
Corporate Training budget not used in 2012/13	(47)
Income received towards Election costs for Police Commissioner poll	(41)
Democratic Services - lower expenses, allowances and restructure savings	(35)
Financial Services - operational costs	(32)
Income from Bretby Crematorium following settlement of final accounts	(32)
Income from Food Export Certificates	(30)
Licensing - increase in income and restructure savings	(30)
Increase in income from Building Regulation Charges	(30)
Homelessness costs (temporary accommodation) lower than estimated	(30)
Other corporate costs and small variances (net)	(29)
Additional income - off street parking and markets	(20)
Estates management - lower maintenance costs and increased income	(19)
Lower Payroll costs	(15)
Cemeteries - income higher than estimated	(13)
Lower External Audit fees	(13)
Maintenance and utility costs of Public Conveniences	(12)
Lower costs in Electoral Registration following restructure	(9)
Total Favourable Variances	<u>(1,186)</u>

Adverse Variances

Council restructure - one-off costs	258
Direct Services - one-off costs of approved restructure	131
Reduction in income from Planning Fees	107
Legal Fees and Expenses	78
Implementation of Council Tax Support Scheme (funded by specific grant)	76
Increase in Leisure Centre Costs - energy costs and contract transition	47
Repair and Maintenance of Transport and Plant	41
Civic Offices - utilities and repair costs higher	23
Rosliston Forestry Centre - higher utility and maintenance cost	20
Reduction in Land Charges income	16
Total Adverse Variances	<u>797</u>

OVERALL VARIANCE**(389)**

HRA - OUT-TURN 2012/13

	Budget £	Actual £	Variance £
Rent Income	-11,068,540	-11,167,357	-98,817
Housing Department Support Staff and Costs	1,265,820	1,181,239	-84,581
Repairs and Maintenance	3,124,730	3,264,915	140,185
Debt Interest	1,662,814	1,593,767	-69,047
Managing Tenancies	36,040	18,264	-17,776
Increase in Provision for Bad or Doubtful Debts	20,000	44,679	24,679
Sheltered and Careline Services	428,790	263,236	-165,554
Capital Expenditure Requirement	4,500,000	4,500,000	0
Total - HOUSING REVENUE ACCOUNT 2012/13	-30,346	-301,258	-270,912

270,912

Summary by Main Service Area	Budget £	Actual £	Variance £
Economic Development	344,567	373,686	29,119
Environmental Health Services	925,615	902,884	-22,731
Highways	19,336	13,116	-6,220
Licensing and Land Charges	51,427	42,584	-8,843
Planning	1,066,831	1,244,871	178,040
Off Street Parking	72,279	82,067	9,788
Waste Collection & Street Cleansing	2,941,135	3,006,685	65,550
Environmental Education	124,424	67,801	-56,623
Community Development and Support	707,268	678,678	-28,590
Leisure and Recreational Activities	178,770	200,204	21,434
Leisure Centres and Community Facilities	797,369	797,786	417
Parks and Open Spaces	1,193,857	1,118,908	-74,949
Private Sector Housing	635,400	345,047	-290,353
Central and Departmental Accounts (net)	124,035	122,018	-2,016
Revenues and Benefits	304,745	266,776	-37,969
Electoral Registration	173,222	123,448	-49,774
Corporate and Democratic Costs	1,173,287	1,085,385	-87,902
Payments to Parish Councils	336,190	339,012	2,822
Concessionary Travel	3,243	187	-3,056
Property and Estates	-98,864	-107,532	-8,668
Pensions, Grants and Interest	269,203	250,457	-18,746
TOTAL	11,343,340	10,954,069	-389,270

Summary by Policy Committee	Budget £	Actual £	Variance £
Environmental and Development Services	5,545,614	5,733,694	188,080
Housing and Community Services	3,512,664	3,140,624	-372,040
Finance and Management	2,285,062	2,079,751	-205,310
TOTAL	11,343,340	10,954,069	-389,270

Earmarked Reserves	-224	
Transport Account	41	
Council Restructure - one -off costs	258	
Food Safety Certificates	-30	
Legal Fees - Whites	14	
Public Conveniences	-12	
Land Charges	16	
License Fees	-20	
License Costs - Restructure	-10	
Building Regs Fees	-30	
Building Regs Costs	-30	
Planning Fees	107	
Development Control - Staffing	-11	
Street Cleansing - Agency and Overtime	-22	
Waste Collection - Northgate	90	
Restructure - Redundancy Costs	41	
Waste Collection - Salaries	-44	
Waste Collection - Operational	25	
Trade Waste	-15	
Recycling	-55	
Car Parking	-10	
Markets	-10	
Flooding	0	
Leisure Centres	47	
Grounds Maintenance	-87	
Rosliston	20	
Cemeteries (mainly income)	-13	
Housing Strategy (mainly staffing)	-31	
Housing Advice (mainly staffing)	-12	
Bed and Breakfast Costs	-30	
Grant Thornton - Procurement Review	17	
Finance	-32	
Corporate Training	-47	
Payroll	-15	
Civic Offices	23	
Democratic Services	-35	
DV Fees / Consultancy (Contra Grant Thornton Review)	-25	
Audit fees	-13	
Bretby	-32	
Elections / Registration	-50	-41
Backdated Pensions	-78	
Estates	-19	
Benefits - Implementation of CTSS (funded from specific grant)	76	Per analysis
Net cost of Housing Benefits	-114	
Legal Fees and Compensation - FCC	64	
Lower Depreciation	-8	
Holiday Accrual	0	
Other (smaller variances combined)	-13	-325
National Insurance	-51	
TOTAL	-389	

£'000

Projected Variance as at December 2012	-325
One-off costs of Council Restructure (as reported to the Committee in April 2013)	258
Compensation and legal costs associated with Kerbside Recycling (as reported separately)	64
Amounts adjusted through Earmarked Reserves	-224
Net cost of Housing Benefits better than estimated	-114
Lower cost of pensions deficit	-35
Other income and expenditure better than projected	-13

-9

s of W2A Cost Centre

Expenditure Financed from Earmarked Reserves**£**

Housing and Planning Delivery Grant	171,717
Arts Development and Support	17,835
Sports Development	35,664
Maintenance of Parks and Open Spaces	10,947
Sub-Total	236,163

Less - Resources Received in Advance/Spending Deferred

Environmental Education Projects - Rosliston	-56,624
Food Safety Training	-3,000
Preparation and Consultation on Local Plan	-32,000
Community Safety Schemes	-27,074
Schools Sports Partnership Project	-38,535
Get Active in the Forest	-48,220
Play Schemes	-12,487
Housing Strategy and Advice	-40,875
Homelessness Initiatives and Grant Funding	-176,581
Rosliston Forestry Centre - Café maintenance	-9,877
Discretionary Housing Payments	-14,962
Total Adjustments through Earmarked Reserves	-224,072

Total outturn is £894k under budget, during March the outturn has improved by £241k (£653k under budget in Feb 13). The following explains these variances.

Environmental and Development

Outturn is £141k over budget as a result of unbudgeted redundancy and on costs (£154k), unbudgeted Northgate costs (£90k), a net decrease on income (£39k), Transport overspend (£44k), adverse variance on Depreciation & Impairment of assets (£13k) and other adverse variances (£6k). Adverse variances partly offset by savings on staff costs; £73k due to incorrect NI budget and £132k on salary & wages due to redundancies & vacant posts.

- Income is £39k adverse against budget due to less Planning applications (£117k) partially offset by increased activity in Food Safety (£30k), Building regs (£27k) and Licensing fees (£22k).
- Transport was over spent on Spare Parts the impact resulting in adverse recharges of £44k to Waste Management & Street Cleansing.
- Redundancy costs of £83k have impacted on Waste management & Street Cleansing, Licensing and Tourism Policy, Marketing & Development. Additional Central recharges through redundancy (£71k) have also impacted on all cost centres.
- Unbudgeted Depreciation & Impairments on Off-Street Parking (£19k) result in an adverse variance but savings of £6k on this line in Household Waste & Public Conveniences partially offset.
- Northgate charges of £90k were unbudgeted in relation to Steve Carter.
- Salary & Wages savings are apparent across all cost centres as a result of redundancy savings and over budgeting.

During March the favourable outturn has reduced by £215k (from £74k favourable in February to £141k adverse in March) which is due to;

- Further adverse variance of £19k on planning fees
- Redundancy provisions of £105k
- Adverse variance of £25k for Building application fees
- £58k unbudgeted costs relating to Recycling contract
- £10k Town Team Partners Grant deferred into 2013/14
- £2k other smaller adverse and favourable variances

Housing & Community

Outturn is projected to be £85k under budget as a result of favourable variances on insurance (£13k), salary costs (£48k), subscriptions (£4k), depreciation & impairments (£4k), electricity & gas (£5k) and increased income (£81k). Favourable variances are partially offset by redundancy provision (£42k), TPP - other (£17k) and services - professional fees (£11k). Further detail below;

- There is a saving of approximately £48k on salary costs due to incorrect budget
- Additional income includes Burial fees (£14k), Bed & Breakfast (£71k) and other unders and overs (£4k)
- Redundancy provision for Mark Alflat recharged as part of CEC's (£42k)
- TPP - other are Active Nation charges on Indoor Sports & Recreation Facilities (£17k)
- Professional fees over spend is spread over a number of cost centres. Aurora payments for Rosliston are the main overspend (£15k) with other overs and unders offsetting themselves.

During March the outturn projection has reduced by £17k which is due to unbudgeted Redundancy & on costs (£42k), adverse variance on Indoor Sports & Recreational Facilities for income (£63k), Transport recharges (£9k), B&B accommodation costs (£5k), £3k rent charges on Melbourne Leisure Centre plus other smaller adverse and favourable variances (£4k). These adverse costs were partially offset by additional Bed & Breakfast income (£109k).

Finance & Management

Outturn is £5,382k under budget detailed below;

- NNDR & New Homes Bonus unbudgeted income (£6,525k) offset partially by unbudgeted interest, pension adjustments and other operating expenditure (£957k)
- S106 payments unbudgeted (£301k)
- Redundancy provision (£58k) unbudgeted
- Unbudgeted Northgate costs for savings & works on DWP (£58k)
- Election underspends (£50k)
- Funded pension scheme settlement less than budgeted (£23k)
- District Valuation fees budgeted but no costs received (£21k)
- Members allowances & subsistence under spent (£11k)
- Additional income from the sale of Bretby Crem (£32k)
- DWP discretionary income (£15k)
- Turnover rental income (£10k)
- Reduction in audit fees (£26k)
- A number of other favourable and adverse variances (£43k)

During March the outturn has improved by £5,280k which is due mainly to the unbudgeted NNDR & New Homes bonus

Housing Revenue Account

Outturn is projected to be £4,432k over budget detailed below; as a result of depreciation charges unbudgeted (£4,093k), increased void properties (£75k) increased rental income (£150k), Planned Maintenance works savings (£161k) and salary savings (£95k). Favourable variance is partially offset by Rechargeable Repairs income lower than budget (£22k) and other minor overspends (£8k). Further details below;

- Actual rental income received for Council housing is higher than budgeted due to errors in the 2011/12 budget (£96k)
- Depreciation unbudgeted (£4,093k)
- Responsive works are higher than anticipated due to increased number of voids (£59k)
- There is a salary cost saving of approximately £150k due to incorrect budgeting
- Rechargeable Repairs lower income received than budgeted (£24k)
- Other operating expenditure unbudgeted (£666k)
- Additional income for Careline (£40k)
- HRA recharges £111k less than budget
- Other minor underspends (£13k)

During March the outturn has deteriorated by £4,808k due mainly to depreciation and other operating expenditure

Budget Monitoring - March 2013

Summary by Policy Committee

£'s	BUDGET			PROJECTED OUTTURN	ANNUAL		RESE
	YTD ACTUAL	BUDGET	BUDGET OUTTURN		BUDGET	PROJECTED VARIANCE	
Central & Departmental Accounts	(0)	0	(0)	(0)	0	0	0
Economic Development	373,686	0	373,686	373,686	344,567	(29,120)	0
Environmental Education	67,801	0	67,801	67,801	124,424	56,624	56,624
Environmental Services	902,884	0	902,884	902,884	925,615	22,731	3,000
Highways	13,116	0	13,116	13,116	19,336	6,220	0
Licensing and Land Charges	42,585	0	42,585	42,585	51,427	8,842	0
Planning	1,244,871	0	1,244,871	1,244,871	1,066,831	(178,039)	(139,717)
Town Centre	82,067	0	82,067	82,067	72,279	(9,788)	0
Waste Collection & Street Cleansing	3,006,685	0	3,006,685	3,006,685	2,941,135	(65,550)	0
APPENDIX 1 Environmental and Development Services	5,733,694	0	5,733,694	5,733,694	5,545,614	(188,080)	(80,093)
Community Development and Support	678,678	0	678,678	678,678	707,269	28,591	27,074
Leisure and Recreational Activities	200,204	0	200,204	200,204	178,770	(21,435)	(17,835)
Leisure Centres and Community Facilities	797,786	0	797,786	797,786	797,368	(418)	63,578
Parks and Open Spaces	1,118,908	0	1,118,908	1,118,908	1,193,858	74,950	(10,947)
Private Sector Housing	345,047	0	345,047	345,047	635,400	290,353	217,456
Housing & Community	3,140,624	0	3,140,624	3,140,624	3,512,664	372,040	279,326
Central and Departmental Accounts	122,018	0	122,018	122,018	124,035	2,017	0
Concessionary Travel	187	0	187	187	3,243	3,056	0
Corporate and Democratic Costs	1,085,385	0	1,085,385	1,085,385	1,173,287	87,902	24,839
Electoral Registration	123,448	0	123,448	123,448	173,222	49,774	0
Payments to Parish Councils	339,012	0	339,012	339,012	336,190	(2,822)	0
Pensions, Grants Interest Payments and Receipts	236,343	0	236,343	236,343	269,203	32,860	0
Property and Estates	(107,532)	0	(107,532)	(107,532)	(98,864)	8,668	0
Revenues and Benefits	349,984	0	349,984	349,984	304,745	(45,239)	0
Finance & Management	2,148,845	0	2,148,845	2,148,845	2,285,062	136,217	24,839
TOTAL	11,023,163	0	11,023,163	11,023,163	11,343,340	320,177	224,072
Housing Revenue Account	(8,948)	0	(8,948)	(8,948)	(4,530,346)	(4,521,398)	0
TOTAL (incl. HRA)	11,014,215	0	11,014,215	11,014,215	6,812,994	(4,201,221)	224,072
Other Non-Operating Income/Expenditure	(5,293,737)	0	(5,293,737)	(5,293,737)	0	5,293,737	0

TOTAL

5,720,478	0	5,720,478	5,720,478	6,812,994	1,092,516	224,072

Budget Monitoring - March 2013

Summary by Main Service Area

£'s	BUDGET			PROJECTED OUTTURN	ANNUAL		RESE
	YTD ACTUAL	BUDGET	BUDGET OUTTURN		BUDGET	PROJECTED VARIANCE	
Economic Development	373,686	0	373,686	373,686	344,567	(29,120)	(29,120)
Environmental Services	902,884	0	902,884	902,884	925,615	22,731	19,731
Highways	13,116	0	13,116	13,116	19,336	6,220	6,220
Licensing and Land Charges	42,585	0	42,585	42,585	51,427	8,842	8,842
Planning	1,244,871	0	1,244,871	1,244,871	1,066,831	(178,039)	(38,322)
Town Centre	82,067	0	82,067	82,067	72,279	(9,788)	(9,788)
Waste Collection & Street Cleansing	3,006,685	0	3,006,685	3,006,685	2,941,135	(65,550)	(65,550)
Environmental Education	67,801	0	67,801	67,801	124,424	56,624	0
Central & Departmental Accounts	(0)	0	(0)	(0)	0	0	0
Community Development and Support	678,678	0	678,678	678,678	707,269	28,591	27,074
Leisure and Recreational Activities	200,204	0	200,204	200,204	178,770	(21,435)	(17,835)
Leisure Centres and Community Facilities	797,786	0	797,786	797,786	797,368	(418)	63,578
Parks and Open Spaces	1,118,908	0	1,118,908	1,118,908	1,193,858	74,950	(10,947)
Private Sector Housing	345,047	0	345,047	345,047	635,400	290,353	217,456
Central and Departmental Accounts	122,018	0	122,018	122,018	124,035	2,017	0
Revenues and Benefits	349,984	0	349,984	349,984	304,745	(45,239)	0
Electoral Registration	123,448	0	123,448	123,448	173,222	49,774	0
Corporate and Democratic Costs	1,085,385	0	1,085,385	1,085,385	1,173,287	87,902	24,839
Payments to Parish Councils	339,012	0	339,012	339,012	336,190	(2,822)	0
Concessionary Travel	187	0	187	187	3,243	3,056	0
Property and Estates	(107,532)	0	(107,532)	(107,532)	(98,864)	8,668	0
Pensions, Grants Interest Payments and Receipts	236,343	0	236,343	236,343	269,203	32,860	0
TOTAL	11,023,163	-	11,023,163	11,023,163	11,343,340	320,177	196,178
Housing Revenue Account	(8,948)	0	(8,948)	(8,948)	(4,530,346)	(4,521,398)	0
TOTAL (incl. HRA)	11,014,215	0	11,014,215	11,014,215	6,812,994	(4,201,221)	196,178



IVES

GF/HRA

0
(29,120)
0
19,731
6,220
8,842
(38,322)
(9,788)
(65,550)
(107,987)
1,516
(3,600)
(63,996)
85,897
71,863
91,680
2,017
3,056
63,063
49,774
(2,822)
32,860
8,668
(45,239)
111,378
95,070
(4,521,398)
(4,426,327)
5,293,737

867,410



IVES

GF/HRA

0
0
0
0
0
0
0
0
0
0
1,516
(3,600)
(63,996)
85,897
71,863
2,017
(45,239)
49,774
63,063
(2,822)
3,056
8,668
32,860
203,057
(4,521,398)
(4,318,341)

Budget Monitoring - March 2013

APPENDIX 1 Environmental and Development Services

£'s	BUDGET				ANNUAL		RESERVES		COMMENTARY
	YTD ACTUAL	BUDGET	BUDGET OUTTURN	PROJECTED OUTTURN	BUDGET	PROJECTED VARIANCE	EARMARKED	GENERAL	
PSX90 Transport Services	(0)	0	(0)	(0)	0	0		0	Redundancy provision Operational costs £5k favourable, Central recharges £5k adverse
Central & Departmental Accounts	(0)	0	(0)	(0)	0	0	0	0	
CCF00 Tourism Policy, Marketing & Development	149,006	0	149,006	149,006	118,080	(30,926)		(30,926)	
CPH70 Promotion and Marketing of the Area	224,680	0	224,680	224,680	226,487	1,807		1,807	£56k additional income unbudgeted
Economic Development	373,686	0	373,686	373,686	344,567	(29,120)	0	(29,120)	
CPE10 Environmental Education	67,801	0	67,801	67,801	124,424	56,624	56,624		
Environmental Education	67,801	0	67,801	67,801	124,424	56,624	56,624	0	£36k favourable on Operational costs, £4k adverse on Central recharges. £3k Flare training to be carried out in 2013/14 Operational costs £7k adverse, Central recharges £8k adverse £11k adverse on operational costs, £3k adverse Central recharges
CEE00 Food Safety	179,845	0	179,845	179,845	213,425	33,580	3,000	30,580	
CEE10 Pollution Reduction	350,410	0	350,410	350,410	338,159	(12,251)		(12,251)	
CEE20 Housing Standards	136,101	0	136,101	136,101	123,623	(12,478)		(12,478)	Operational costs £5k adverse, £1k adverse Central recharges Operational underspends £7k favourable Operational costs, £4k adverse Central recharges
CEE30 Health and Safety at Work	2,132	0	2,132	2,132	4,409	2,277		2,277	
CEE50 Pest Control	37,945	0	37,945	37,945	32,383	(5,562)		(5,562)	
CEE80 Public Conveniences	38,128	0	38,128	38,128	50,468	12,339		12,339	Central recharges
CEH00 Community Safety (Safety Services)	156,396	0	156,396	156,396	161,527	5,131		5,131	
KGW00 Welfare Services	1,927	0	1,927	1,927	1,621	(306)		(306)	
Environmental Services	902,884	0	902,884	902,884	925,615	22,731	3,000	19,731	Operational underspend
HTK10 Environmental Maintenance (Other Roads)	(13,005)	0	(13,005)	(13,005)	(12,063)	942		942	
NAC60 Public Transport	26,121	0	26,121	26,121	31,399	5,278		5,278	
Highways	13,116	0	13,116	13,116	19,336	6,220	0	6,220	£16k adverse Operational costs, £3k adverse Central recharges £29k favourable Operational spend, £3k adverse Central recharges
ACL00 Local Land Charges	62,420	0	62,420	62,420	44,354	(18,067)		(18,067)	
CEE70 Licensing	(19,836)	0	(19,836)	(19,836)	7,073	26,909		26,909	
Licensing and Land Charges	42,585	0	42,585	42,585	51,427	8,842	0	8,842	£60k favourable Operational costs, £5k adverse Central recharges £6k favourable Operational costs, £3k adverse Central recharges £6k favourable Operational costs, £1k adverse Central recharges
ACG00 Emergency Planning and Works	604	0	604	604	541	(63)		(63)	
CCA20 Heritage	24,934	0	24,934	24,934	25,989	1,055		1,055	
CPB00 Building Regulations	8,420	0	8,420	8,420	64,975	56,555		56,555	Planning delivery grant
CPB10 Building Control Enforcement	206,347	0	206,347	206,347	209,732	3,385		3,385	
CPB20 Other Building Control Work	33,246	0	33,246	33,246	38,244	4,998		4,998	
CPC00 Development Control Advice	123,648	0	123,648	123,648	60,887	(62,761)	(62,423)	(338)	

Budget Monitoring - March 2013

APPENDIX 1 Environmental and Development Services

£'s	BUDGET				ANNUAL		RESERVES		COMMENTARY
	YTD ACTUAL	BUDGET	BUDGET OUTTURN	PROJECTED OUTTURN	BUDGET	PROJECTED VARIANCE	EARMARKED	GENERAL	
CPC10 Dealing with Development Control Applications	159,084	0	159,084	159,084	42,845	(116,239)		(116,239)	£107k adverse on Operational costs, £12k adverse Central recharges £12k favourable on Operational costs, £2k adverse Central recharges
CPC20 Development Control Enforcement	182,655	0	182,655	182,655	193,200	10,545		10,545	
CPD10 Structure and Local Planning	505,932	0	505,932	505,932	430,418	(75,514)	(77,294)	1,780	£40k favourable on Operational costs, £8k adverse Central recharges. £32k carry forward of Local Plan budget, £109k drawdown of Planning Delivery grant
Planning	1,244,871	0	1,244,871	1,244,871	1,066,831	(178,039)	(139,717)	(38,322)	
HTP10 Off-Street Parking	82,067	0	82,067	82,067	72,279	(9,788)		(9,788)	£9k favourable on Operational costs, £19k adverse Depreciation & Impairments
Town Centre	82,067	0	82,067	82,067	72,279	(9,788)	0	(9,788)	
CEE60 Public Health	(146)	0	(146)	(146)	(320)	(174)		(174)	Central recharges £22k favourable on Operational costs, £5k adverse Central recharges
CES00 Street Cleansing (not chargeable to highways)	480,214	0	480,214	480,214	502,860	22,647		22,647	
CEW00 Household Waste Collection	2,372,569	0	2,372,569	2,372,569	2,275,115	(97,454)		(97,454)	£112k adverse Operational costs, £22k adverse Central recharges, £6k favourable on Depreciation Operational underspend £5k adverse on Operational costs, £1k adverse Central recharges
CEW10 Trade Waste Collection	(151,692)	0	(151,692)	(151,692)	(136,790)	14,902		14,902	
CEW20 Recycling	305,740	0	305,740	305,740	300,270	(5,470)		(5,470)	
Waste Collection & Street Cleansing	3,006,685	0	3,006,685	3,006,685	2,941,135	(65,550)	0	(65,550)	
TOTAL - ENVIRONMENTAL & DEVELOPMENT SERVICES	5,733,694	0	5,733,694	5,733,694	5,545,614	(188,080)	(80,093)	(107,987)	

Budget Monitoring - March 2013										
Housing & Community										
£'s	BUDGET			FORECAST		ANNUAL		RESERVES		COMMENTARY
	YTD ACTUAL	BUDGET	BUDGET OUTTURN	ADJUSTMENTS	PROJECTED OUTTURN	BUDGET	PROJECTED VARIANCE	EARMARKED	GF	
ACT00 General Grants, Bequests & Donations	290,126	0	290,126		290,126	288,744	(1,381)		(1,381)	£1k adverse Operational costs, £1k adverse Central recharges
CCD00 Community Centres	43,063	0	43,063		43,063	41,391	(1,672)		(1,672)	Operational overspend
CEG00 Community Safety (Crime Reduction)	247,514	0	247,514		247,514	274,588	27,074	27,074		£31k favourable Operational costs, £6k adverse Central recharges
CEK00 Defences Against Flooding	56,281	0	56,281		56,281	44,634	(11,647)		(11,647)	£11k adverse Operational costs, £1k adverse Central recharges
CPH20 Market Undertakings	(10,422)	0	(10,422)		(10,422)	(487)	9,935		9,935	Operational underspend
CPL00 Community Development	51,274	0	51,274		51,274	51,911	637		637	
CCF10 Village Halls	842	0	842		842	6,487	5,645		5,645	Operational underspend
Community Development and Support	678,678	0	678,678	0	678,678	707,269	28,591	27,074	1,516	
CCA10 Arts Development & Support	106,488	0	106,488		106,488	88,654	(17,835)	(17,835)		£18k drawdown for Operational costs (£2k adverse Central recharges)
CCA40 Festival of Leisure	30,725	0	30,725		30,725	26,358	(4,367)		(4,367)	Operational overspend
CCA30 Christmas Lights	62,991	0	62,991		62,991	63,758	766		766	
Leisure and Recreational Activities	200,204	0	200,204	0	200,204	178,770	(21,435)	(17,835)	(3,600)	
CCD20 Sports Development & Community Recreation	184,358	0	184,358		184,358	148,694	(35,664)	(35,664)		£37k drawdown for Operational costs (£4k adverse Central recharges)
CCD30 Indoor Sports & Recreation Facilities	554,983	0	554,983		554,983	492,943	(62,040)		(62,040)	£47k adverse Operational costs, Depreciation £15k adverse, £1k adverse Central recharges
CCD40 Outdoor Sports & Recreation Facilities (SSP)	(16,949)	0	(16,949)		(16,949)	21,586	38,535	38,535		Externally funded SSP Project (£1k adverse Central recharges)
CCA00 Melbourne Leisure Centre	2,659	0	2,659		2,659	703	(1,956)		(1,956)	Operational overspend
CCD10 Get Active in the Forest	24,311	0	24,311		24,311	72,531	48,220	48,220		£48k favourable Operational costs
CCD50 Playschemes	48,424	0	48,424		48,424	60,912	12,487	12,487		£12k favourable Operational costs
Leisure Centres and Community Facilities	797,786	0	797,786	0	797,786	797,368	(418)	63,578	(63,996)	
CCE00 Ground Maintenance	668,894	0	668,894		668,894	749,002	80,108		80,108	£87k favourable Operational costs, Depreciation £1k favourable, £15k adverse Central recharges
CCE10 Countryside Recreation & Management	21,539	0	21,539		21,539	22,376	837		837	
CCE20 Allotments	(998)	0	(998)		(998)	(596)	402		402	
CCF20 Rosliston Forestry Centre	156,628	0	156,628		156,628	150,598	(6,030)		(6,030)	£20k adverse Operational costs, Depreciation & Impairments £14k favourable
CEA00 Cemeteries	17,425	0	17,425		17,425	27,345	9,921		9,921	£13k favourable Operational costs, Depreciation £2k adverse, £1k adverse Central recharges
CEA30 Closed Churchyards	3,947	0	3,947		3,947	4,606	659		659	
KJE70 Community Parks & Open Spaces	251,473	0	251,473		251,473	240,526	(10,947)	(10,947)		Drawdown? Budget of £46k
Parks and Open Spaces	1,118,908	0	1,118,908	0	1,118,908	1,193,858	74,950	(10,947)	85,897	
KGA00 Housing Strategy	64,541	0	64,541		64,541	124,792	60,251	32,112	28,140	£31k favourable Operational costs, £1k adverse Central recharges (£27K income from 2011 Notts CC funding post in 2013/14, £3k Flare training carry forward)
KGD00 Housing Advice	137,654	0	137,654		137,654	157,419	19,765	8,763	11,002	£12k favourable Operational costs, £2k adverse Central recharges (£9k Carry forward Erewash BC Advice income)
KGE10 Administration of Renovation & Improvement Grants	146,034	0	146,034		146,034	149,739	3,705		3,705	£6k favourable Operational costs, £3k adverse Central recharges
KGH10 Bed / Breakfast Accommodation	(12,889)	0	(12,889)		(12,889)	16,821	29,710		29,710	Operational underspend
KGH40 Homelessness Administration	15,185	0	15,185		15,185	192,801	177,616	176,581		£177k earmarked for use in future periods (£5k adverse Central recharges)
KGT00 Travellers' Sites	(5,478)	0	(5,478)		(5,478)	(6,172)	(694)		(694)	
Private Sector Housing	345,047	0	345,047	0	345,047	635,400	290,353	217,456	71,863	
	3,140,624	0	3,140,624	0	3,140,624	3,512,664	372,040	279,326	91,680	

Budget Monitoring - March 2013

Finance & Management

		BUDGET			FORECAST		ANNUAL		RESERVES		COMMENTARY
£'s		YTD ACTUAL	BUDGET	BUDGET OUTTURN	ADJUSTMENT S	PROJECTED OUTTURN	BUDGET	PROJECTED VARIANCE	EARMARKED	GF	
PSX40	Senior Management	(0)	0	(0)		(0)	(0)	0		0	
PSX50	Reprographic/Print Room	(0)	0	(0)		(0)	0	0		0	
PSX55	Financial Services	(0)	0	(0)		(0)	(0)	(0)		(0)	
PSX56	Internal Audit	0	0	0		0	0	0		0	
PSX57	Merchant Banking Services	0	0	0		0	0	(0)		(0)	
PSX60	ICT Support	0	0	0		0	1	1		1	
PSX65	Legal Services	0	0	0		0	(0)	(0)		(0)	
PSX75	Personnel/HR	0	0	0		0	0	(0)		(0)	
PSX76	Policy & Communications	(0)	0	(0)		(0)	0	0		0	
PSX77	Customer Services	(0)	0	(0)		(0)	0	0		0	
PSX78	Health & Safety	0	0	0		0	0	(0)		(0)	
PSX81	Admin Offices & Depot	0	0	0		0	0	0		0	
PSX95	Procurement Unit	0	0	0		0	0	(0)		(0)	
PSX99	Corporate Services Partnership	(0)	0	(0)		(0)	0	0		0	
KJE40	Caretaking	122,018	0	122,018		122,018	124,034	2,016		2,016	
Central and Departmental Accounts		122,018	0	122,018	0	122,018	124,035	2,017	0	2,017	
HTT00	Concessionary Fares	187	0	187		187	3,243	3,056		3,056	Operational underspend
Concessionary Travel		187	0	187	0	187	3,243	3,056	0	3,056	
AAD00	Democratic Representation & Management	842,724	0	842,724		842,724	835,378	(7,346)		(7,346)	£38k redundancy
AAM00	Corporate Management	90,245	0	90,245		90,245	115,735	25,490		25,490	Operational underspend
AAM01	Corporate Finance Management	21,979	0	21,979		21,979	91,941	69,962	24,839	45,123	Operational underspend
KJW00	Debt Management Costs	130,438	0	130,438		130,438	130,233	(205)		(205)	
Corporate and Democratic Costs		1,085,385	0	1,085,385	0	1,085,385	1,173,287	87,902	24,839	63,063	
ACE00	Registration of Electors	30,613	0	30,613		30,613	39,005	8,392		8,392	Operational underspend
ACE10	Conducting Elections	92,835	0	92,835		92,835	134,217	41,383		41,383	Operational underspend, £1k adverse Central recharges
Electoral Registration		123,448	0	123,448	0	123,448	173,222	49,774	0	49,774	
ACT01	Parish Councils	339,012	0	339,012		339,012	336,190	(2,822)		(2,822)	Operational overspend
Payments to Parish Councils		339,012	0	339,012	0	339,012	336,190	(2,822)	0	(2,822)	
ABP00	Funded Pension Schemes	271,277	0	271,277		271,277	294,604	23,327		23,327	County charges less than expected
W4A00	Interest & Investment Income (GF)	(34,935)	0	(34,935)		(34,935)	(25,401)	9,534		9,534	
Pensions, Grants Interest Payments and Receipts		236,343	0	236,343	0	236,343	269,203	32,860	0	32,860	
PSX85	Estate Management	(107,532)	0	(107,532)		(107,532)	(98,864)	8,668		8,668	£19k favourable Operational costsImpairment £10k adverse
Property and Estates		(107,532)	0	(107,532)	0	(107,532)	(98,864)	8,668	0	8,668	
ACA00	Council Tax Collection	(22,747)	0	(22,747)		(22,747)	(21,538)	1,209		1,209	£13k no discretionary benefits charge
ACA10	Council Tax Benefits Administration	25	0	25		25	325	300		300	
ACA30	Council Tax Benefits	(49,519)	0	(49,519)		(49,519)	(21,134)	28,385		28,385	
ACA40	Non Domestic Rates Collection	43,123	0	43,123		43,123	44,170	1,047		1,047	
KGL00	Rent Allowances Paid	20,075	0	20,075		20,075	109,970	89,895		89,895	
KGL10	Net cost of Non-HRA Rent Rebates	3,820	0	3,820		3,820	51,891	48,071		48,071	
KGN00	Net cost of Rent Rebates Paid	132,010	0	132,010		132,010	77,400	(54,610)		(54,610)	
KGP00	Housing Benefits Administration	223,196	0	223,196		223,196	63,661	(159,535)		(159,535)	£89K Northgate SPD, Funding for Comp Main in W8A00 £34k & Grant Thornton Benefits review £47k
Revenues and Benefits		349,984	0	349,984	0	349,984	304,745	(45,239)	0	(45,239)	
		2,148,845	0	2,148,845	0	2,148,845	2,285,062	136,217	24,839	111,378	

Budget Monitoring - March 2013

Finance & Management

		BUDGET			FORECAST		ANNUAL		RESERVES		COMMENTARY
		YTD ACTUAL	BUDGET	BUDGET OUTTURN	ADJUSTMENTS	PROJECTED OUTTURN	BUDGET	PROJECTED VARIANCE	EARMARKED	GF	
£'s											
ABQ00	Planning Agreements	301,038	0	301,038		301,038	0	(301,038)		(301,038)	S106 payments & receipts NNDR & New homes bonus
W2A00	Taxation & non specific grant income (GF)	(6,524,702)	0	(6,524,702)		(6,524,702)	0	6,524,702		6,524,702	
W6A00	IAS19 Pensions Adjustment (GF)	356,000	0	356,000		356,000	0	(356,000)		(356,000)	
W8A00	Other Operating Income & Expenditure (GF)	573,927	0	573,927		573,927	0	(573,927)		(573,927)	
Other Non-Operating Income/Expenditure		(5,293,737)	0	(5,293,737)	0	(5,293,737)	0	5,293,737	0	5,293,737	
		(3,144,892)	0	(3,144,892)	0	(3,144,892)	2,285,062	5,429,954	24,839	5,405,115	

Housing Revenue Account

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Summary by Policy Committee

Environmental and Development

Housing and Community

Finance and Management

TOTAL

Housing Revenue Account

TOTAL (incl. HRA)

	April	May	June
Environmental and Development	29,249	123,092	284,704
Housing and Community	(11,045)	(11,963)	(44,847)
Finance and Management	(52,604)	(115,028)	(248,858)
TOTAL	(34,400)	(3,898)	(9,002)
Housing Revenue Account			
TOTAL (incl. HRA)	(34,400)	(3,898)	(9,002)

Summary by Main Service Area

Economic Development

Environmental Services

Highways

Licencing and Land Charges

Planning

Town Centre

Waste Collection & Street Cleansing

Environmental Education

Central & Departmental Accounts

Community Development and Support

Leisure and Recreational Activities

Leisure Centres and Community Facilities

Parks and Open Spaces

Private Sector Housing

Central and Departmental Accounts

Revenues and Benefits

Electoral Registration

Corporate and Democratic Costs

Payments to Parish Councils

Concessionary Travel

Property and Estates

Pensions, Grants Interest Payments and Receipts

TOTAL

Housing Revenue Account

Economic Development	(2,001)	(3,859)	(890)
Environmental Services	1,533	107,790	107,069
Highways	(653)	(3,749)	37,351
Licencing and Land Charges	8,677	8,132	(27,666)
Planning	27,630	6,893	8,624
Town Centre	2,230	509	(128)
Waste Collection & Street Cleansing	(8,167)	(7,201)	134,406
Environmental Education	(0)	(1)	(7,821)
Central & Departmental Accounts	0	14,578	33,760
Community Development and Support	253	3,068	(1,885)
Leisure and Recreational Activities	0	3,256	5,419
Leisure Centres and Community Facilities	(656)	(4,809)	(27,039)
Parks and Open Spaces	(4,930)	(2,228)	(10,585)
Private Sector Housing	(5,712)	(11,249)	(10,757)
Central and Departmental Accounts	(51,253)	(52,095)	(42,239)
Revenues and Benefits	(61)	5,106	52,898
Electoral Registration	(1,381)	(1,267)	(18,449)
Corporate and Democratic Costs	3,527	(40,246)	(44,042)
Payments to Parish Councils	130	0	0
Concessionary Travel	(55)	(120)	(2,000)
Property and Estates	(2,722)	14,374	(18,361)
Pensions, Grants Interest Payments and Receipts	(789)	(40,779)	(176,667)
TOTAL	(34,400)	(3,898)	(9,002)
Housing Revenue Account			

TOTAL (incl. HRA)

(34,400)	(3,898)	(9,002)

Other Non-Operating Income/Expenditure

Budget Monitoring - March 2013

Annual Outturn by Month

July	August	September	October	November	December	January
2,822,840	12,290	(4,004)	103,552	12,219	7,139	(55,897)
1,323,117	(31,019)	2,649	37,084	95,428	66,539	76,104
3,252,519	(114,425)	157,352	153,600	3,181	141,201	135,613
7,398,476	(133,154)	155,997	294,236	110,828	214,879	155,820
		6,986	(5,108)	22,406	390,616	327,451
7,398,476	(133,154)	162,984	289,128	133,234	605,495	483,271

172,188	(393)	(303)	21	7,497	684	3,050
427,020	(20,256)	26,087	33,620	37,591	32,076	37,661
(14,970)	(4,576)	4,934	5,920	60	755	1,666
(46,803)	(4,054)	22,151	63,124	1,831	8,555	11,070
405,407	(56,302)	41,495	86,013	63,118	12,587	(3,604)
9,300	417	612	(1,126)	(1,250)	1,428	2,717
1,189,315	90,158	(102,346)	(82,653)	(48,060)	(10,727)	(64,098)
43,463	(1,087)	3,367	828	9,502	437	(0)
637,920	8,383	0	(2,194)	(58,069)	(38,656)	(44,359)
266,244	(11,152)	(3,809)	(4,194)	(1,168)	(541)	(9,442)
81,403	(1,624)	(1,166)	(142)	(12,528)	(3,629)	(3,806)
299,224	(15,166)	1,054	37,632	24,628	(142)	(185)
428,622	(16,894)	37,451	38,615	23,164	60,071	65,607
247,624	13,818	(30,882)	(34,827)	61,332	10,781	23,930
2,197,426	(37,857)	49,917	36,141	5,018	34,283	18,534
(56,542)	53,280	(45,218)	(42,816)	(73,459)	(65,251)	(65,592)
108,542	(18,177)	26,429	20,068	(2,820)	7,169	10,899
581,293	(46,595)	57,458	70,189	58,621	124,380	99,054
143,491	0	(0)	(0)	7,715	1,292	4,124
3,000	(2,000)	(155)	0	0	0	0
26,026	0	18,568	0	436	0	23,146
249,282	(63,078)	50,353	70,018	7,670	39,328	45,448
7,398,476	(133,154)	155,997	294,236	110,828	214,879	155,820
		6,986	(5,108)	22,406	390,616	327,451

7,398,476	(133,154)	162,984	289,128	133,234	605,495	483,271



February

March

73,874	(107,987)
101,791	91,680
101,471	111,378
277,136	95,070
375,866	(4,521,398)
653,002	(4,426,327)

5,944	(29,120)
31,904	19,731
5,710	6,220
15,037	8,842
15,657	(38,322)
23,476	(9,788)
26,858	(65,550)
0	0
(50,711)	0
(3,912)	1,516
(2,588)	(3,600)
(5,111)	(63,996)
74,794	85,897
38,608	71,863
46,259	2,017
(127,805)	(45,239)
7,688	49,774
109,084	63,063
(0)	(2,822)
0	3,056
25,068	8,668
41,177	32,860
277,136	95,070
375,866	(4,521,398)

653,002	(4,426,327)
	5,293,737
	867,410

CAPITAL EXPENDITURE & FINANCING 2012/13

	Approved Budget 2012/13 £	Approved B/fwd 2011/12 £	Adjs 2012/13 £	Total Budget 2012/13	Actual Spend 2012/13 £	Variance 2012/13 £	
COUNCIL HOUSE IMPROVEMENTS							
Major Improvements under Self-financing	4,500,000	14,175		4,514,175	3,787,254	-726,921	As approved
Purchase of New Property (Meadow View, Newhall)	0	0		0	73,000	73,000	
Sheltered Housing Vision	0	310,819		310,819	157,725	-153,094	

Total Expenditure	4,500,000	324,994	0	4,824,994	4,017,979	-807,015
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Financed From

Major Repairs Reserve	4,500,000	14,175		4,514,175	3,860,254	-653,921
Capital Reserve	0	310,819		310,819	157,725	-153,094

Total Financing	4,500,000	324,994	0	4,824,994	4,017,979	-807,015
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PRIVATE SECTOR HOUSING RENEWAL

Disabled Facility Grants and other Works	250,000	26,225	19,000	295,225	309,386	14,161
Strategic Housing Market Assessment	60,000			60,000	0	-60,000
Empty Property Landlord Grants	45,000			45,000	15,146	-29,854
Empty Property First Time Buyer Grants	5,000			5,000	21,810	16,810

TOTAL EXPENDITURE	360,000	26,225	19,000	405,225	346,342	-58,883
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Financed From

Government Grant	250,000		19,000	269,000	334,890	65,890
External Contributions	0			0	147,542	147,542
Derbyshire County Council	0			0	62,000	62,000
Earmarked Reserve (former Buxton Close)	0	26,225		26,225	922	-25,303
General Capital Receipts	110,000	0	0	110,000	36,956	-73,044

TOTAL INCOME	360,000	26,225	19,000	405,225	582,310	177,085
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Net Additional Financing

-235,968-198,090Although net is 235k, c/fwd amt less reserves
and receipts

CAPITAL EXPENDITURE & FINANCING 2012/13

Approved Budget 2012/13 £	Approved B/fwd 2011/12 £	Adjs 2012/13 £	Total Budget 2012/13	Actual Spend 2012/13 £	Variance 2012/13 £
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GENERAL FUND INVESTMENT PROGRAMME

LEISURE and COMMUNITY SERVICES

Hilton Village Hall Extension - Growth Point Funded	0	116,464		116,464	218,700	102,236
Hilton Multi Games Area - Growth Point Funded	0	23,058		23,058	0	-23,058
Melbourne Leisure Centre - Feasibility Study - Growth Point	0	10,637		10,637	32,479	21,842
Eureka Park - Capital Works	0	7,066		7,066	55,218	48,152
Youth and Play Facilities	0	121,818		121,818	15,254	-106,564
Community Partnership Scheme	0	42,978		42,978	0	-42,978
Open Space Development Project	0			0	24,541	24,541
Green Bank Leisure Centre Refurbishment - Phase 1 Retention	0			0	4,364	4,364
Melbourne Sports Partnership	195,000			195,000	90,611	-104,389
Rosliston Forestry Centre	193,710			193,710	65,239	-128,471
Melbourne Leisure Centre	60,000			60,000	0	-60,000
Green Bank Leisure Centre Refurbishment - Phase 2	470,000			470,000	0	-470,000
Etwall Lesiure Centre - Fitness / Community Facilities	360,000			360,000	66,264	-293,736
Etwall Leisure Centre - Artificial Grass Pitch	550,000			550,000	0	-550,000

ENVIRONMENTAL AND DEVELOPMENT SERVICES

Partnership Schemes in Conservation Areas	30,000	30,000		60,000	28,499	-31,501
Completion of Town Centre Works (externally funded)	0			0	93,338	93,338
Delph Works - Final Accounts	0			0	-7,141	-7,141
Town Centre - Tree Planting - Final Accounts	0			0	-1,250	-1,250
Sharpes Pottery Extension - Final Accounts	0			0	5,385	5,385
Replacement of Noise Monitoring Equipment	13,000			13,000	13,211	211
GIS Software - Land Contamination	16,000			16,000	0	-16,000

PROPERTY and OTHER ASSETS

Repairs to Village Halls and Community Facilities	0	48,762		48,762	0	-48,762
Replacement Mowers (funded from Plant and Equipment Reserve)	0			0	53,758	53,758
Public Buildings - Planned Maintenance Programme	0	58,032		58,032	50,475	-7,557

TOTAL EXPENDITURE - GENERAL FUND

1,887,710	458,815	0	2,346,525	808,945	-1,537,580
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Financed From

CAPITAL EXPENDITURE & FINANCING 2012/13

	Approved Budget 2012/13 £	Approved B/fwd 2011/12 £	Adjs 2012/13 £	Total Budget 2012/13	Actual Spend 2012/13 £	Variance 2012/13 £	
External Funding (Growth Point and DDEP)	0	157,225		157,225	423,389	266,164	
External Contributions	30,000	151,818		181,818	95,844	-85,974	Melbourne Sports P/ship and PSCIA
Partnership Funding	180,000			180,000	0	-180,000	
Aiming High Grant (Derbyshire County Council)	60,710			60,710	0	-60,710	
Green Infrastructure Grant	20,000			20,000	0	-20,000	
Forestry Commission / National Forest Company	63,000			63,000	0	-63,000	
Growth Point	60,000			60,000	0	-60,000	
Section 106	100,000			100,000	0	-100,000	
Sport England	75,000			75,000	0	-75,000	
Leisure Management Contractor	50,000			50,000	0	-50,000	
Revenue Contributions	30,000			30,000	0	-30,000	
Sport England - Inspired Facilities Fund	80,000			80,000	0	-80,000	
Leisure Management Contractor	105,000			105,000	0	-105,000	
South Derbyshire Cultural Project	25,000			25,000	0	-25,000	
Renewals (Sinking) Fund	25,000			25,000	0	-25,000	
Lawn Tennis Association	5,000			5,000	0	-5,000	
Football Association	275,000			275,000	0	-275,000	
Schhol Funding	150,000			150,000	0	-150,000	
Section 106	20,000			20,000	0	-20,000	
Football Clubs	5,000			5,000	0	-5,000	
Section 106	0			0	29,831	29,831	Eureka Park, Open Space Development
Earmarked Reserves	0			0	132,447	132,447	Sharpes, Eureka Park, Youth and Play, GBLC P1, Civic Windows and Mowers
Revenue Contributions	0			0	59,545	59,545	Melbourne Sorts P/sip, Civic Offices and Residual General Fund
General Capital Receipts - Existing Schemes	0	149,772		149,772	0	-149,772	
General Capital Receipts - New Schemes	529,000			529,000	67,889	-461,111	Melbourne Sports P/ship, Noise equip and Rosliston

TOTAL INCOME - GENERAL FUND

1,887,710	458,815	0	2,346,525	808,945	-1,537,580
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0

TOTAL EXPENDITURE - ALL SCHEMES

6,747,710	810,034	19,000	7,576,744	5,173,266	-2,403,478
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CAPITAL EXPENDITURE & FINANCING 2012/13

	Approved Budget 2012/13 £	Approved B/fwd 2011/12 £	Adjs 2012/13 £	Total Budget 2012/13	Actual Spend 2012/13 £	Variance 2012/13 £
TOTAL INCOME - ALL SCHEMES	6,747,710	810,034	19,000	7,576,744	5,409,234	-2,167,510
					-235,968	

ANALYSIS OF GENERAL CAPITAL RECEIPTS

Balance b/fwd	3,137,956			3,137,956	3,137,956	0
Add - New receipts in the Year	50,000			50,000	0	-50,000
Less - Contribution to Vehicle Renewals Fund	-225,000			-225,000	-225,000	0
Less - Amount required to fund General Schemes	-529,000	-149,772		-678,772	-67,889	610,883
Less - Amount required to fund Private Sector Housing	-110,000			-110,000	-36,956	73,044
Balance c/fwd	2,323,956	-149,772	0	2,174,184	2,808,111	633,927

ANALYSIS OF HOUSING CAPITAL RECEIPTS

Balance b/fwd	0	0	0	0	0	0
Add - New receipts in the Year (after Pooling and Disposal Costs)	0	0	0	0	761,810	761,810
Balance c/fwd	0	0	0	0	761,810	761,810

CAPITAL RESERVE (Low Cost Affordable Housing)

Balance b/fwd	310,819	0	0	310,819	310,819	0
Add - New receipts in the Year	0	0	0	0	0	0
Less Expenditure - Sheltered Housing Vision	0	-310,819	0	-310,819	-157,725	153,094
Balance c/fwd	310,819	-310,819	0	0	153,094	153,094

Reconciliation of Capital Receipts		£
Additional balance at 31st March 2013		633,927
Less amounts earmarked for existing schemes		
Private Sector Housing		-73,044
Leisure and Community Development		-461,111
Community Partnership Scheme		-42,978
Property Maintenance		-106,794
Deficit		-50,000
Represented By:		
No capital receipts generated in the year (as estimated)		-50,000

Capital Expenditure 2012/13

Services	Budget	Actual	Variance
Council House Improvements	£4,824,994	£4,017,979	-£807,015
Private Sector Housing Renewal	£405,225	£346,342	-£58,883
Leisure and Community Schemes	£2,150,731	£572,670	-£1,578,061
Environmental Development	£89,000	£132,042	£43,042
Asset Management	£106,794	£104,233	-£2,561
Total - Spending	£7,576,744	£5,173,266	-£2,403,478

Capital Financing 2012/13

Funding Source	Budget	Actual	Variance
Government Grants	£269,000	£334,890	£65,890
External/Partnership Contributions	£1,693,978	£951,520	-£742,458
Capital Reserves	£4,824,994	£4,017,979	-£807,015
Capital Receipts	£788,772	£104,845	-£683,927
Total - Financing	£7,576,744	£5,409,234	-£2,167,510

£235,968

Capital Expenditure 2012/13

General Fund	£2,751,750	£1,155,287	-£1,596,463
Housing Revenue Account	£4,824,994	£4,017,979	-£807,015
Total - Capital Expenditure	£7,576,744	£5,173,266	-£2,403,478

Financed By:

Government Grants	£269,000	£334,890	£65,890
External/Partnership Contributions	£1,693,978	£951,520	-£742,458
Capital Reserves	£4,824,994	£4,017,979	-£807,015
Capital Receipts	£788,772	£104,845	-£683,927
Total - Financing	£7,576,744	£5,409,234	-£2,167,510
Net Financing - New Borrowing	£0	-£235,968	-£235,968

Balance as at 1 st April 2012	£14,175
Add: Transfer from the HRA	£4,500,000
Less: Capital Expenditure 2012/13	-£3,860,254
Balance as at 31st March 2013	£653,921

	Final	Provisional	
Balance b/fwd	-3,448,774	-3,448,775	1
Vehicles	225,000	225,000	0
Financing	104,844	98,320	6,524
Sheltered Housing Financing	157,725	157,725	0
Capital Receipts	-796,810	-767,335	-29,475
Disposal Costs	35,000	0	35,000
Balance c/fwd	-3,723,015	-3,735,065	12,050
		-3,735,065	

Update Youth and Play Facilities by £3,169 financed from Earma

MRA adjust by £1,617 - less expenditure in year

£20,595 for Rosliston, offset by £14,070 overspend in GFund

arked Reserve

DEBT OUTSTANDING

2011/12	Total	Long	Short
Self Financing	57,423	57,423	0
LOBO	1,000	1,000	0
Erewash	277	258	19
Salix	37	21	16
Parishes	78	0	78
Gross Borrowing	58,815	58,702	113

Cash on Deposit	3,000	0	3,000
Co-op Reserve Account	133	0	133
Short Term Deposits	3,133	0	3,133

Net Borrowing	55,682	58,702	-3,020
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Fixed Debt	48,460
Variable Debt	10,355
	58,815

2012/13	Total	Long	Short
Self Financing	57,423	57,423	0
LOBO	1,000	1,000	0
Erewash	277	0	277
Salix	22	7	15
Parishes	41	0	41
Gross Borrowing	58,763	58,430	333

Cash on Deposit	4,500	0	4,500
Co-op Reserve Account	12	0	12
Short Term Deposits	4,512	0	4,512

Net Borrowing	54,251	58,430	-4,179
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Fixed Debt	48,445
Variable Debt	10,318
	58,763

52

ANALYSIS OF EARMARKED RESERVES - PROVISIONAL BALANCES as at 31st MARCH 2013

	Actual Balance 1/4/12 £	Draw Down 2012/13 £	Transfers in 2012/13 £	Balance 31/3/13 £	NOTE / COMMENTS
Specific / Earmarked Reserves - Council Funds					
Vehicle Replacement Fund	401,917	-53,758	245,000	593,159	£225k from Capital Receipts Reserve, £20k General Fund Reserve
Dilapidation - Trelleborg Site	260,870	0	0	260,870	Pending future works on termination of lease
IT Reserve	212,367	0	0	212,367	Costs of infrastructure upgrade to-date contained with revenue budget provision
Housing and Planning Delivery Grant	155,370	-155,370	0	0	Final year of drawdown to meet revenue costs - transfer to General Fund Reserve
Local Plan/Development Framework Adoption	76,000	0	54,500	130,500	Preparation and consultation costs - £22.5k from other earmarked reserve, £32k from General Fund
Green Bank Leisure Centre - Refurbishment Works	49,000	0	0	49,000	To fund Green Bank Leisure Centre capital project - Phase 2
Repton Parish (Former Depot proceeds)	33,049	0	0	33,049	Ring fenced to improve community facilities
Depot Fees	30,000	0	0	30,000	To fund Architect costs for new Depot
Civic Offices	28,500	-25,000	0	3,500	To supplement planned maintenance budget - transfer to Capital Financing
Innovation Fund	24,525	0	28,141	52,666	Transfer from General Fund
Growth Point Revenue Grants	23,757	0	0	23,757	To fund on-going small infrastructure works
Destination Management System	22,500	-22,500	0	0	Transferred to Local Plan reserve (above)
Pollution Control	20,000	-20,000	0	0	Transferred back to General Reserves
Rosliston Café - Profit Share	14,045	0	9,877	23,922	Transfer from General Fund
Electoral Registration	10,000	-10,000	0	0	Transferred back to General Reserves
Civic expenses	5,750	-5,750	0	0	Transferred back to General Reserves
Food Safety Training	0	0	3,000	3,000	Transfer from General Fund
Mobile Working Project	0	0	10,000	10,000	Transfer from Environmental Health Services
Surplus on Parking Enforcement - previous years	4,500	-4,500	0	0	Repairs and resurfacing of Rink Drive, Swadlincote - transfer to General Fund
Total - Specific / Earmarked Reserves	1,372,150	-296,878	350,518	1,425,790	

53,640

Specific Grants and Contributions

Public Open Space - Commuted Sums	526,608	-10,947	0	515,661	To fund parks (revenue) and capital schemes
Youth Engagement Partnership	478,680	-35,664	12,487	455,503	Transfer to General Fund to finance expenditure
Schools Sport Partnership Project	0	0	38,535	38,535	Funding received in 2012/13 in General Fund
Crime and Disorder Partnership	415,151	0	27,074	442,225	Funding received in 2012/13 in General Fund

ANALYSIS OF EARMARKED RESERVES - PROVISIONAL BALANCES as at 31st MARCH 2013

	Actual Balance 1/4/12 £	Draw Down 2012/13 £	Transfers in 2012/13 £	Balance 31/3/13 £	NOTE / COMMENTS
Young people's Cultural Partnership	77,620	-17,835	0	59,785	Transfer to General Fund to fund Arts post
Rosliston Business Units	61,275	0	0	61,275	
Get Active in the Forest Partnership	60,592	0	48,220	108,812	Funding received in 2012/13 in General Fund
Environmental Education	0	0	56,624	56,624	Funding received in 2012/13 in General Fund
Tetron Point Storm Water Basin - S106 UK Coal	53,012	0	0	53,012	
Swadlincote Woodlands - Section 106	50,774	0	0	50,774	
Rosliston Forestry Centre	35,892	0	0	35,892	
Play Schemes	0	0	0	0	
New Play Equipment and Safety Surfacing	41,791	-19,357	0	22,434	
Disabled Facility Grants (former resources for Buxton CI)	26,225	-922	0	25,303	To fund enforcement works
Maurice Lea Park NHLF Grant	23,012	0	0	23,012	
Parks - Minor Capital Works	22,901	-22,901	0	0	Eureka Park and other play facilities
BCU Funding	21,110	0	0	21,110	
LSP Reserve	16,357	0	0	16,357	
Housing Strategy	0	0	40,875	40,875	
Homelessness Prevention	0	0	176,581	176,581	
Local Council Tax Support Scheme	0	0	14,006	14,006	
Welfare Reform	0	0	17,003	17,003	
Community Right to Bid	0	0	4,873	4,873	
Discretionary Housing Payments	0	0	14,962	14,962	
Green Bank Lesiure Centre Refurbishment	7,121	-4,364	0	2,757	To fund retention payment
Sharpes Pottery	3,898	-3,898	0	0	To fund retention payment
Total - Specific Grants and Contributions	1,922,019	-115,888	451,240	2,257,371	

Section 106 - Earmarked Funds

1,200,748	-448,669	117,800	869,879
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TOTAL RESERVES	4,494,917	-861,435	919,558	4,553,040
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ANALYSIS OF EARMARKED RESERVES - PROVISIONAL BALANCES as at 31st MARCH 2013

	Actual Balance 1/4/12 £	Draw Down 2012/13 £	Transfers in 2012/13 £	Balance 31/3/13 £	NOTE / COMMENTS
Specific / Earmarked Reserves - Council Funds					
Vehicle Replacement Fund	401,917	0	245,000	646,917	£225k from Capital Receipts Reserve, £20k General Fund Reserve
Dilapidation - Trelleborg Site	260,870	0	0	260,870	Pending future works on termination of lease
IT Reserve	212,367	0	0	212,367	Costs of infrastructure upgrade to-date contained with revenue budget provision
Housing and Planning Delivery Grant	155,370	-155,370	0	0	Final year of drawdown to meet revenue costs - transfer to General Fund Reserve
Local Plan/Development Framework Adoption	76,000	0	54,500	130,500	Preparation and consultation costs - £22.5k from other earmarked reserve, £32k from General Fund
Green Bank Leisure Centre - Refurbishment Works	49,000	0	0	49,000	To fund Green Bank Leisure Centre capital project - Phase 2
Repton Parish (Former Depot proceeds)	33,049	0	0	33,049	Ring fenced to improve community facilities
Depot Fees	30,000	0	0	30,000	To fund Architect costs for new Depot
Civic Offices	28,500	-25,000	0	3,500	To supplement planned maintenance budget - transfer to Capital Financing
Innovation Fund	25,000	0	28,141	53,141	Transfer from General Fund
Growth Point Revenue Grants	23,757	0	0	23,757	To fund on-going small infrastructure works
Destination Management System	22,500	-22,500	0	0	Transferred to Local Plan reserve (above)
Pollution Control	20,000	-20,000	0	0	Transferred back to General Reserves
Rosliston Café - Profit Share	14,045	0	9,877	23,922	Transfer from General Fund
Electoral Registration	10,000	-10,000	0	0	Transferred back to General Reserves
Civic expenses	5,750	-5,750	0	0	Transferred back to General Reserves
Food Safety Training	0	0	3,000	3,000	Transfer from General Fund
Mobile Working Project	0	0	10,000	10,000	Transfer from Environmental Health Services
Surplus on Parking Enforcement - previous years	4,500	-4,500	0	0	Repairs and resurfacing of Rink Drive, Swadlincote - transfer to General Fund
Total - Specific / Earmarked Reserves	1,372,625	-243,120	350,518	1,480,023	

107,398

Specific Grants and Contributions

Public Open Space - Commuted Sums	526,608	-40,778	0	485,830	To fund parks (revenue) and capital schemes
Youth Engagement Partnership	478,680	-35,664	0	443,016	Transfer to General Fund to finance expenditure
Schools Sport Partnership Project	0	0	38,535	38,535	Funding received in 2012/13 in General Fund
Crime and Disorder Partnership	415,151	0	27,074	442,225	Funding received in 2012/13 in General Fund
Young people's Cultural Partnership	77,620	-17,835	0	59,785	Transfer to General Fund to fund Arts post
Rosliston Business Units	61,275	0	0	61,275	
Get Active in the Forest Partnership	60,592	0	48,220	108,812	Funding received in 2012/13 in General Fund
Environmental Education	0	0	56,624	56,624	Funding received in 2012/13 in General Fund
Tetron Point Storm Water Basin - S106 UK Coal	53,012	0	0	53,012	
Swadlincote Woodlands - Section 106	50,774	0	0	50,774	
Rosliston Forestry Centre	35,892	-20,595	0	15,297	

ANALYSIS OF EARMARKED RESERVES - PROVISIONAL BALANCES as at 31st MARCH 2013

	Actual Balance 1/4/12 £	Draw Down 2012/13 £	Transfers in 2012/13 £	Balance 31/3/13 £	NOTE / COMMENTS
Play Schemes	0	0	12,487	12,487	
New Play Equipment and Safety Surfacing	41,791	0	0	41,791	
Disabled Facility Grants (former resources for Buxton CI)	26,225	-922	0	25,303	To fund enforcement works
Maurice Lea Park NHLF Grant	23,012	-16,188	0	6,824	
Parks - Minor Capital Works	22,901	-22,901	0	0	Eureka Park and other play facilities
BCU Funding	21,110	0	0	21,110	
LSP Reserve	16,357	0	0	16,357	
Housing Strategy	0	0	40,875	40,875	
Homelessness Prevention	0	0	176,581	176,581	
Local Council Tax Support Scheme	0	0	14,006	14,006	
Welfare Reform	0	0	17,003	17,003	
Community Right to Bid	0	0	4,873	4,873	
Discretionary Housing Payments	0	0	14,962	14,962	
Green Bank Lesiure Centre Refurbishment	7,121	-4,364	0	2,757	To fund retention payment
Sharpes Pottery	3,898	-3,898	0	0	To fund retention payment
Total - Specific Grants and Contributions	1,922,019	-163,145	451,240	2,210,114	
			288,095		
Section 106 - Earmarked Funds	1,200,748	-518,838	217,800	899,710	
TOTAL RESERVES	4,495,392	-925,103	1,019,558	4,589,847	

	Estimated Balan		
	2013	2014	2015
Specific / Earmarked Reserves - Council Funds	£	£	£
Vehicle Replacement Fund	593,159	300,000	200,000
Dilapidation - Trelleborg Site	260,870	260,870	260,870
IT Reserve	212,367	60,000	50,000
Local Plan/Development Framework Adoption	130,500	75,000	0
Green Bank Leisure Centre - Refurbishment Works	49,000	25,000	0
Repton Parish (Former Depot proceeds)	33,049	33,049	33,049
Innovation Fund	52,666	60,000	60,000
Growth Point Revenue Grants	23,757	0	0
Rosliston Café - Profit Share	23,922	20,000	10,000
Total - Specific / Earmarked Reserves	1,379,290	833,919	613,919

Specific Grants and Contributions

Public Open Space - Commuted Sums	515,661	440,000	400,000
Youth Engagement Partnership	455,503	250,000	150,000
Crime and Disorder Partnership	442,225	225,000	100,000
Young people's Cultural Partnership	59,785	25,000	0
Get Active in the Forest Partnership	108,812	25,000	0
Tetron Point Storm Water Basin - S106 UK Coal	53,012	53,012	53,012
Swadlincote Woodlands - Section 106	50,774	40,000	30,000
New Play Equipment and Safety Surfacing	22,434	20,000	0
BCU Funding	21,110	21,110	0
LSP Reserve	16,357	16,357	0
Total - Specific Grants and Contributions	1,745,673	1,115,479	733,012

Section 106 - Earmarked Funds

869,879	1,500,000	1,250,000
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TOTAL RESERVES	3,994,842	3,449,398	2,596,931
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ices at Year End

2016	2017	2018
£	£	£
300,000	200,000	100,000
260,870	260,870	260,870
40,000	40,000	30,000
0	0	0
0	0	0
33,049	33,049	33,049
0	0	0
0	0	0
10,000	10,000	10,000
643,919	543,919	433,919

360,000	320,000	280,000
100,000	100,000	50,000
100,000	100,000	50,000
0	0	0
0	0	0
53,012	53,012	53,012
20,000	10,000	0
0	0	0
0	0	0
0	0	0
633,012	583,012	433,012

1,000,000	750,000	500,000
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2,276,931	1,876,931	1,366,931
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To Finance Capex - Provisional	68,868
Less Rosliston now CRR	-20,595
Spending on Sports	3,169
	51,442

Excl Commuted sums which has now been financed from S106 as shown in Appendix 6 notes

APPENDIX 7

COLLECTION FUND ACCOUNT 2012/13

	Estimate £'000	Actual £'000	Variance £'000
INCOME			
Council Tax Collectable	42,940	43,013	73
Business Rates Collectable	21,450	21,862	412
Council Tax Benefits	5,050	4,952	-98
Total Income	69,440	69,827	387

EXPENDITURE			
County Council Precept	34,643	34,643	0
Police Authority Precept	5,271	5,271	0
Fire Authority Precept	2,162	2,162	0
SDDC Precept (incl. Parishes)	5,411	5,411	0
Payments to Business Rate Pool	21,359	21,772	413
Business Rates Collection Costs	91	91	-0
Bad Debts Provision - Council Tax	250	335	85
Total Expenditure	69,187	69,686	499

Surplus for the Year	253	141	-112
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FUND BALANCE

Opening Balance 1st April 2011	116	116	0
Surplus for 2012/13 (as above)	253	141	-112

Less : Previous Year's surpluses paid over

County Council	-126	-126	0
Police Authority	-19	-19	0
Fire and Rescue Authority	-8	-8	0
South Derbyshire District Council	-20	-20	0

Closing Balance as at 31st March 2012	196	84	-112
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SHARE

County Council	143	61	-82
Police Authority	22	9	-12
Fire and Rescue Authority	9	4	-5
South Derbyshire District Council	22	10	-13
	196	84	-112

Council Tax Arrears

Total Council Tax Arrears as at 1 st April 2012	<u><u>4,160,783</u></u>
Provision for non-collection b/fwd as at 1 st April 2012	2,468,745
Less: Write-offs in 2012/13 against the Provision	<u><u>-525,797</u></u>
Balance of Provision after write-offs	<u><u>1,942,948</u></u>
 Total Council Tax Arrears as at 31 st March 2013	 <u><u>3,816,290</u></u>
Provision for non-collection for updated arrears	2,278,234
Increase in Provision Required	<u><u>335,286</u></u>

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE (SPECIAL – FINAL ACCOUNTS)	AGENDA ITEM: 8
DATE OF MEETING:	27th JUNE 2013	CATEGORY: DELEGATED
REPORT FROM:	DIRECTOR OF FINANCE and CORPORATE SERVICES	OPEN
MEMBERS' CONTACT POINT:	KEVIN STACKHOUSE (01283 595811) Kevin.stackhouse@south-derbys.gov.uk	DOC: u/ks/council tax support scheme/financial update June 2013
SUBJECT:	LOCAL COUNCIL TAX SUPPORT SCHEME – FINANCIAL UPDATE	REF
WARD (S) AFFECTED:	ALL	TERMS OF REFERENCE: FM 08

1.0 Recommendations

- 1.1 That the initial costs following the introduction of the Local Council Tax Support Scheme are noted.
- 1.2 That the initial demand for Discretionary Housing Payments is noted.

2.0 Purpose of Report

- 2.1 To provide an early indication of the costs associated with the introduction of the Local Council Tax Support Scheme (LCTSS) following its implementation on 1 April 2013. The report also provides an indication of the demand for Discretionary Housing Payments (DHP) following an increase in the Council's budget for 2013/14 and the impact of changes to other benefits in the Welfare System.
- 2.2 The position is based on information up to mid-June 2013 and covers:
 - The Collection Rate for households paying Council Tax for the first time.
 - The impact of the reduction in discount for empty properties
 - The impact of the introduction of a premium on properties empty for longer than two years
 - The number and cost of awards for DHP.
- 2.3 A separate report on proposed amendments to the local discount scheme for Council Tax on empty properties is detailed in a separate report elsewhere on the Agenda.

3.0 Detail

- 3.1 Following abolition of the national benefits scheme for Council Tax on 31st March 2013, the Council implemented a local support scheme in its place which was implemented on 1st April 2013. The detailed parameters were largely based on the out-going national scheme.
- 3.2 Within the local scheme, pensioner and disability households were protected. However, the total scheme was defined in the context of a finite resource. This meant that working age claimants within the previous national scheme would pay more Council Tax. Of these, approximately 1,600 households would contribute up to 10% of their Council Tax liability, for which previously they had been entitled to full benefit.
- 3.3 The main parameters of the local scheme are detailed below.
- i. Claimants of pensionable age receive exactly the same level of support as existed under the previous national scheme.
 - ii. Households who qualified for benefit through disability premiums receive exactly the same level of support as existed under the previous national scheme.
 - iii. War widow and war disabled claimants receive exactly the same level of support as existed under the previous national scheme.
 - iv. Military compensation payments are fully disregarded in calculating Council Tax support.
 - v. Working age claimants who previously received 100% Council Tax benefit are deducted 8.5% from their entitlement calculated under the Local Scheme.
 - vi. Working age claimants who previously received less than 100% Council Tax benefit are deducted 10% from their entitlement calculated under the Local Scheme.
 - vii. Full Council Tax support for claimants entering work was extended from 4 weeks to 8 weeks in the Local Scheme.
- 3.4 The total cost of the local scheme was estimated at £4.9m and this is being funded as shown in the following table.

Local Council Tax Support Scheme 2013/14		Estimate £
Total Cost of Council Tax Support Scheme		4,919,899
Grant Funding		-4,537,911
Transitional Grant (2013/14)		-123,422
Premium on Long-term Empty Properties		-45,900
Council Tax on Properties empty for longer than 3 months		-188,094
Surplus (-) / Deficit		24,572

- 3.5 As the table highlights, part of the funding is being generated through a reduction in discounts associated with empty properties.
- 3.6 As regards Discretionary Housing Payments (DHP) the Council was awarded a separate grant allocation of £102,358 for 2013/14. In addition, £14,962 was carried over from 2012/13 giving total resources for the year of £117,320.
- 3.7 Given the increase in resources compared to previous years, together with an expected increase in demand for DHP, the Committee approved updated guidance for allocating DHP funding at its meeting on 21st March 2013.

Position as at Financial Week 10

- 3.8 Given that this is a new scheme with potential risks of a high nature associated with costs and funding, the Committee have requested regular updates. These updates will be included in future quarterly financial monitoring reports.
- 3.9 In the meantime, this report provides an early indication of how things are starting to emerge and the impact upon estimates and projections.

Number of Working Age Claimants Now Liable to Council Tax

- 3.10 It was estimated that approximately 1,600 households would start paying Council Tax (at 8.5% of their liability) where previously they received 100% support under the national benefits system. These households were those “passport” from the DWP under a needs assessment entitling them to a certain level of benefits.
- 3.11 During implementation, a further 300 households were identified as having entitlement to 100% Council Tax support due to their individual circumstances as assessed by the Council. Under the Council’s detailed parameters, as they were not passported, they would have been liable for 10% - an additional 1.5%.
- 3.12 Clearly, the intention of the Council’s scheme is that all claimants previously entitled to 100% support should pay no more than 8.5%. The Scheme has been adjusted to make this clear. The additional cost of applying the 1.5% for the 300 households is £6,300.

Total cost

- 3.13 The total cost of the Local Scheme was estimated at £4.9m as previously highlighted. This estimate was based on the level of Council Tax benefits in 2012/13 of 6,300 cases entitled to Council Tax support.
- 3.14 It was anticipated that this would change and could be fairly volatile over time, as individual circumstances change and people come into and out of benefit. This was considered to be the greatest risk to all local authorities as the impact of demand for future Council Tax support has been transferred from national to local government.

- 3.15 The cost of support awarded to-date and applied to Council Tax bills for the year is £4.7m, approximately £200,000 less than estimated, although the total number of cases is still around that estimated of 6,300.

Extended Payments

- 3.16 Within the local scheme, Council Tax support for claimants entering work is now provided for 8 weeks. Within the total of £4.7m, the cost of this is currently estimated at £69,000 for 2013/14, compared to £77,000 in 2012/13. At this early stage, it is difficult to draw any conclusions from the impact of offering extended payments.

Empty Property Discounts

- 3.17 The increased Council Tax to-date, from the reduction in the free period from 6 to 3 months is £57,500. Depending on the number of properties falling into this category over the remainder of the financial year, this is projected at £275,000 in total for 2013/14.
- 3.18 This compares to an estimate of £188,000, which was based on the Band A property Council Tax. Initially, this is beneficial as a greater level of income is being generated, although it appears that the impact of reducing the number of empty properties is negligible.
- 3.19 This will be ascertained over the coming months as the Council assesses the number of empty properties ahead of the annual return to the Government, from which the New Homes Bonus for 2014/15 will be determined.

Long Term Empty Premium

- 3.20 The application of the 50% premium has been applied to 170 properties. This will raise additional Council Tax in 2013/14 of £62,600, compared to an estimate of £45,900 which was based on 85 properties. This is subject to changes in circumstances over the remainder of the year.
- 3.21 The estimate assumed that Regulations would be stricter on the application of the Premium and in particular, would make it easy for owners to demonstrate that their property was actively being “marketed” to avoid a Premium. However, this was not translated into the Regulations or indeed subsequent guidance and local authorities have a fair degree of discretion.
- 3.22 Since the introduction of the Premium, several properties have been reviewed and have been found to be either furnished or have been reclassified, in particular as “second homes.”

Summary

- 3.23 The total cost of the scheme together with financing to-date is shown in the following table. This shows a comparison to that estimated.

Local Council Tax Support Scheme 2013/14	Estimate £	Projection £	Variance £
Total Cost of Council Tax Support Scheme	4,919,899	4,708,635	-211,264
Grant Funding	-4,537,911	-4,537,911	0
Transitional Grant (2013/14)	-123,422	-123,422	0
Premium on Long-term Empty Properties	-45,900	-62,600	-16,700
Council Tax on Properties empty for longer than 3 months	-188,094	-275,000	-86,906
Surplus (-) / Deficit	24,572	-290,298	-314,870

3.24 Individual affordability aside, the overall position is projected to be significantly better than estimated for 2013/14. However, this will continue to be monitored and it is considered that a more confirmed position will be available after the first half of the financial year.

Working Age Claimants

3.25 A major change with the implementation of the Local Scheme was that approximately 1,600 households (working age claimants) would be paying Council Tax when previously, under the national benefits system, they paid nothing. This number has subsequently increased to 1,900 as detailed earlier in the report.

3.26 The amount to be charged and collected in total, represented the difference between the funding available and the cost of the Local Scheme. This amount was set at £185,300 for 2013/14.

3.27 During the consultation period in developing the Local Scheme, there was concern, both locally and nationally, concerning the ability of households being able to pay, together with the issue of collecting relatively low level debts.

3.28 The actual amount currently to be collected in 2013/14 is £180,000. The current collection rate associated with this debt is currently 40%, i.e. £72,000, which is just over £100,000 lower than required. If this trend continues over the remainder of the financial year, it will be offset against the projected surplus on the cost of the overall scheme detailed above.

3.29 The recovery of this debt is still in its early stages, but with reminder notices and demands now being issued, the collection rate could improve over the remainder of the financial year. This will be kept under review.

3.30 Currently, no additional costs in collection are being incurred, but the impact of any non-payment will be reported in a subsequent update.

3.31 The final surplus or deficit on the scheme, compared to that budgeted, will be reflected in the overall Council Tax Base and included in the Collection Fund. This will be shared, as usual, in accordance with the value of individual precepts on the Collection Fund, which for the District Council is 11.5% of 2013/14.

Discretionary Housing Payments

- 3.32 Within the first 10 weeks of 2013/14, 112 individual cases had been granted DHP totaling £24,300; of these 65% were council house tenants and 35% were private tenants. In 2012/13, the total number of cases awarded DHP was 160 for the entire year, so clearly demand has increased as expected. A further 30 cases are currently being assessed.
- 3.33 On a straight line projection, the total cost of DHP is estimated at £126,400 for 2013/14, which would be around £10,000 over the allocation of £117,320. Therefore, this may require some further tightening of the guidance determining awards later in the financial year, unless additional resources were identified to meet extra demand.

4.0 Financial Implications

- 4.1 As detailed in the report.

5.0 Corporate Implications

- 5.1 No additional implications.

6.0 Community Implications

- 6.1 No additional implications.

7.0 Background Papers

- 7.1 None

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE (SPECIAL – FINAL ACCOUNTS)	AGENDA ITEM: 9
DATE OF MEETING:	27 th JUNE 2013	CATEGORY: RECOMMENDED
REPORT FROM:	DIRECTOR OF FINANCE and CORPORATE SERVICES	OPEN
MEMBERS' CONTACT POINT:	KEVIN STACKHOUSE (01283 595811) kevin.stackhouse@south-derbys.gov.uk	DOC: u/ks/council tax support/policies/empty property discount/update of empty discounts
SUBJECT:	AMENDMENT TO THE EMPTY PROPERTY LOCAL COUNCIL TAX DISCOUNT SCHEME	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: FM 08

1.0 Recommendations

- 1.1 That proposed amendments to the delegated scheme for the award of local empty property discounts is approved.
- 1.2 That the revised Guidance Framework to determine applications including the proposed amendments as detailed **Appendix 1** is approved.
- 1.3 That the effective date for implementation is 1st April 2013.

2.0 Purpose of Report

- 2.1 To propose updating the current scheme of local discounts, following the changes to Council Tax payable on empty properties, specifically the introduction of a Council Tax Premium from 1st April 2013, approved by the Committee on 24th January 2013.

3.0 Detail

- 3.1 At the meeting of the Finance and Management Committee on 4th December 2008, it was agreed to reduce the national discounts on empty properties, which then applied, with effect from 1st April 2009. The purpose of the change was twofold:
 - To generate additional Council Tax income
 - To encourage property owners to bring empty dwellings back into use by increasing the charge from 50% to 100% payable after a property had been empty for six months or more.
- 3.2 Subsequently, at its meeting on 22nd October 2009, the Committee introduced a scheme of local discounts, under Section 13A of the Local Government Act 1992, in

respect of properties where exceptional circumstances, beyond the control of the person liable for Council Tax, prevented the use by or sale/let of an empty property to a third party.

- 3.3 The current scheme applies where there is no independent access to the residential part of a property the result of which renders the sale or let of that part impossible for either legal or security reasons. In such cases the Council Tax Empty Property charge is reduced from 100% to 50% (i.e. the level previously set under the national scheme).
- 3.4 There are currently seven empty domestic units, all set aside for use by staff or as owner accommodation, above or within commercial or retail premises which qualify for the reduced charge.

Reason for Proposed Amendments

- 3.5 At its meeting on 24th January 2013, the Council made two changes to the level of Council Tax payable on empty properties, namely:
- A reduction in the free period, before the empty charge of 100% becomes payable, from six months to three months
 - The introduction of a premium charge of 50%, in addition to the 100% above, when a property remains empty for two years or more.
- 3.6 It follows, therefore, that the existing local discount will now apply at 50% from three months. However, consideration now needs to be given as to whether or not the charge should remain at the same level beyond the point at which the new Premium would normally apply, i.e. 2 years.
- 3.7 Additionally, when the draft regulations were first published a proposal to exempt difficult to sell or let properties was considered by the Government but this did not subsequently find its way into the legislation.
- 3.8 It is considered that as the Council previously decided that in exceptional prescribed cases a lower charge is to be applied it would be inconsistent not to continue this reduction until such time as there was a change in circumstance such as occupation of the empty property or an alternative discount or exemption applied (such as repossession by a mortgagee)
- 3.9 Since the Council's original decision in October 2009 and in particular as a result of the introduction of the Council Tax Premium in April, a small number of appeals have been received concerning the levy of the Premium on certain properties.
- 3.10 These relate to retirement schemes where covenants prohibit sale to anyone under a prescribed age (usually 55, 60, or 65) and/or either restrict letting in the same way or prohibit it altogether.
- 3.11 This representation would appear to have some merit as the group of cases concerned is broadly analogous to the existing criterion, in that the restrictions are outside the control of the Council Tax payer with ownership, and therefore liability, following the death of the previous owner.

- 3.12 To allow for these proposed amendments, updated Guidance to that previously approved by the Committee is attached at **Appendix 1**, for consideration and approval (So far as the cases already in receipt of the local discount are concerned, the proposed amendment is for definition and clarification purposes).
- 3.13 It is suggested that the proposed amendments have effect from 1st April 2013.

4.0 Financial Implications

- 4.1 In respect of the seven cases currently subject to the reduced charge, there is no additional financial impact as far as the Premium is concerned, by virtue of the application of the local discount.
- 4.2 The cost of these local discounts for seven cases, in the form of Council Tax forgone, is approximately £4,000 per year. However, this is a charge onto the Council's General Fund and not the Collection Fund, as a local (discretionary) discount.
- 4.3 At present, two additional cases will fall under the new arrangements with the Council Tax foregone by not charging the 50% premium, equating to approximately £1,000 per year. Although there have been several enquiries regarding the 50% premium, it is not anticipated that many more cases exist that would currently qualify for the proposed discount, although it will be kept under review.
- 4.4 Each case, existing and new, results in a relatively small cost to the Council. However, the award of a local discount under Section 13A of the Local Government Finance Act 1992 means that there is no offset against the New Homes Bonus as would normally apply in respect of other long term empty properties.

5.0 Community Implications

- 5.1 The very specific nature of the criteria for eligibility means that proposals will not affect the Council's objective of properties being made available to the local housing market.

6.0 Corporate Implications

- 6.1 None

7.0 Background Papers

- 7.1 Local Government Act 2003
Section 13A of the Local Government Finance Act 1992
Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003

**SOUTH DERBYSHIRE DISTRICT COUNCIL
COUNCIL TAX – DISCRETIONARY REDUCTIONS UNDER SECTION 13A LOCAL
GOVERNMENT FINANCE ACT 1992.**

GUIDANCE FOR DETERMINING APPLICATIONS

Empty Property Charges

Where an application for reduction in Council Tax under S13A LGFA 1992 is received in respect of the level of empty property charge, including the Premium set against an individual property, it should be tested against the following:

- Local discount will be considered in those cases where either a charge is levied on long term empty properties (i.e. where the empty period is over 3 months) or where 90% is charged on Second Homes

So far as cases that are subject to a Council tax Premium (*i.e. longer term empty properties over 2 years*) are concerned an application will take into account these cases until such time as Government regulation specifies exemptions from this additional element, as initially proposed within the consultative documentation, but not subsequently enacted.

- The discount will be a maximum of 50% in the case of long-term empties over three months but under two years, where a 100% charge applies; and 40% for second homes where a 90% charge applies and this will be the maximum that can be applied in each class of property (*i.e. at least 50% of the liability is paid*).
- The discount will be a maximum of 100% in the case of long-term empties over two years where the Premium of 50% applies in addition to the 100% empty charge (*i.e. empty properties over two years will pay at least 100% of the liability, but not the 50% Premium*).
- The criteria for the award of the discount will centre on the reason(s) why the property remains empty or is treated as a second home, the degree of choice made by the individual concerned in arriving at that situation and the residual capital value of that property.

With these criteria in mind, there will be a ***higher likelihood*** of granting a reduction under S13A LGFA 1992 where the reasons put forward by the applicant show evidence of:

- A significant inability to enjoy, or otherwise benefit from, use of or access to the property, and/or related amenities, to which the Council Tax liability relates.
- A significant restriction on the ability to sell the property on the open market to a potential purchaser.
- A significant restriction on, or prohibition of, the ability to let the property on the open market to a potential tenant.

There will be a ***lower likelihood*** of granting a reduction where:

- The Council Tax liability is already, or can be, significantly reduced by other more specific discount or relief schemes.

- The claimant has already received, or is receiving some form of compensation (financial or otherwise) relevant to the reasons put forward where the level of compensation appears broadly commensurate with the hardship or detriment experienced.
- There remains sufficient equity in the property or availability of capital to allow the payment of Council Tax within a period of five years.

In determining an application evidence shall be required of:

- any financial detriment experienced;
- the reduction in, or loss of use or access to property and/or related amenities;
- the reduction in, or loss of enjoyment or benefit from the use of property and/or related amenities;
- lease, security or other details that restrict enjoyment or benefit from the use of property:
- lease, covenant or other details that restrict the sale or let of the property on the open market:
- Period over which the financial detriment or reduction or loss of access, use or enjoyment or benefit from use of the property and/or related amenities is experienced:
- Value of property, if appropriate, less any residual encumbrance such as mortgage, registered charges or loans and of any other capital assets.

NOTE: Each case is to be treated on its individual merits. This Guidance is intended to promote, and allow, consistency in the determination of applications made under Section 13A of the Local Government Finance Act 1992, as amended.