



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: 28th August 2013

Dear Councillor,

Finance and Management Committee

A Meeting of the **Finance and Management Committee** will be held in the **Council Chamber**, on **Thursday, 05 September 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 Minutes
To confirm the Open Minutes of the Special Meeting held on DATE and the Open Minutes of the Committee Meeting held on DATE.
- 3 To note any declarations of interest arising from any items on the Agenda
- 4 To receive any questions by members of the public pursuant to Council Procedure Rule No.10.
- 5 To receive any questions by Members of the Council pursuant to Council procedure Rule No. 11.
- 6 Reports of Overview and Scrutiny Committee
- 7 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.
- 8 To receive any Exempt questions by Members of the Council pursuant to Council procedure Rule No. 11.
- 9 To receive the Exempt Minutes of the Special Meeting held on 22nd May 2013 and the Committee Meeting
- 10 Mortgage Interest Rate **5 - 5**
- 11 Corporate Plan Performance Monitoring 2013/14 - 1st Quarter to June 2013 **6 - 16**
- 12 Budget and Financial Monitoring 2013/14 **17 - 55**

13	Council Tax - Overview of Liability, Exemptions and Discounts	56 - 65
14	Community Infrastructure Levy	66 - 72
15	Work Programme	73 - 74

Exclusion of the Public and Press:

- 16 Application for Flexible Retirement
- See agenda for reasons for exemption
- 17 Rosliston Forestry Centre - Glade Toilet Block
- See agenda for reasons for exemption



REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE	AGENDA ITEM: 7
DATE OF MEETING:	5th SEPTEMBER 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/live files/mortgages/interest rate sept 13
SUBJECT:	MORTGAGE INTEREST RATE	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: FM 08

1.0 Recommendations

- 1.1 That the Local Average Rate of Interest for the period October 2013 to March 2014 is declared at 3.13%.

2.0 Purpose of Report

- 2.1 Under Section 438 of the Housing Act 1985 the Council is required to declare the Local Average Rate of Interest on its mortgages at six monthly intervals.

3.0 Detail

- 3.1 This is the rate that is charged on Council mortgages. Borrowers are charged the higher of the Standard National Rate as declared by the Secretary of State or the Council's Local Average Rate. The Standard National Rate is based on the rates charged by Banks and Building Societies and is currently 3.13%. This rate has remained unchanged since April 2009.
- 3.2 The Council's Local Rate is 3.01% based on its outstanding borrowings, which is mainly the HRA self-financing debt portfolio. The Council only has one mortgage outstanding and therefore the remaining borrower will continue to be charged the national rate of 3.13%.

4.0 Financial Implications

- 4.1 As detailed above.

5.0 Corporate Implications

- 5.1 None

6.0 Background Papers

- 6.1 Local authority mortgage interest rates: Housing Act 1985 Section 438 and Schedule 16 – Communities and Local Government. Updated April 2009.

REPORT TO:	Finance & Management Committee	AGENDA ITEM: 8
DATE OF MEETING:	5 September 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:
SUBJECT:	Corporate Plan 2009 to 2014: Performance Management Report (1st April 2013 – 30th June 2014)	
WARD (S) AFFECTED:	All	TERMS OF REFERENCE: FM 08

11.0 Recommendations

1.1 That Members:

- (a) Note the progress and achievements during the period 1 April to 30 June 2013, in relation to the Council's Corporate Plan 2009/14.
- (b) Review where progress has failed to achieve the specified target and consider the adequacy of the remedial action taken.
- (c) Receive a quarterly overview of the number of accidents as part of the Council's Health & Safety performance management framework.

2.0 Purpose of Report

2.1 To report details of progress and achievements during the period 1 April to 30 June 2013, in relation to the Council's Corporate Plan 2009 –2014.

2.2 Details are provided in the respective appendices outlined below, which are attached to this report.

- Progress against Corporate Plan 'Key Projects' as attached at Appendix A; and,
- Progress against Corporate Plan 'Performance Measures' as attached at Appendix B.
- Overview of the number of accidents which have occurred within the Council during the current quarter compared with the previous year as attached at Appendix C.

3.0 Detail

Executive Summary

It is important that Members scrutinise the performance of the Council as part of the democratic process. This report reflects the first quarter's performance on the key targets the Council has set and approved.

- 3.1 To provide context the Council's Corporate Plan 2009-14 Action Plan consists of four main 'themes' or 'priorities' (*Sustainable Growth & Opportunity: Safe & Secure: Lifestyle Choices: and Value For Money*)
- 3.2 In March 2013, the Corporate Plan was refreshed along the current themes, with an emphasis being placed on 'how our actions' will make a difference to our residents and stakeholders. In order to focus our actions, performance will be measured against a reduced number of actions or 'key projects' and performance measures
- 3.3 Each 'theme' contains a number of 'Outcomes' that help explain what the 'theme' is about. In order that the Council and its stakeholders are able to tell whether the 'outcomes' are being delivered, a number of 'Key Projects' (with a series of 'tasks/ milestones') and performance measures have been allocated to each 'Outcome' that will be monitored either on a quarterly or annual basis.
- 3.4 This Committee is responsible for the delivery of four 'outcomes' [*Financial resilience- a sustainable financial base maintained; Cutting costs not services; Strong leadership and robust governance; and An improved customer experience*] within the 'Value for Money' theme.

Progress to 30 June 2013

Key Projects

- 3.5 Table 1 below summarises the progress made against 'key projects.' It shows that 4 (100%) tasks for the quarter have been completed.

Table 1: Progress against Corporate Plan Projects (as at 30 June 2013)

Theme	'Completed' Tasks	'Failed' Tasks	'Not Applicable'	Total
Value For Money	6 (100.0%)	-	-	6 (100.0%)

Performance Measures

- 3.6 Table 2 below, provides a summary of performance against targets for both the current quarter and projected out turn for the year. It shows that 4 (100%) quarterly targets have been achieved. It is also forecast that all 6 (100%) of the targets will be met by the year end.

Table 3: Performance Measures – performance against targets (as at 30 June 2013)

Theme	Quarter Target 'Achieved'	Quarter Target 'Failed'	Quarter Target 'N/a'	Total	Projected Annual Target 'On Track'	Projected Annual Target 'At Risk'
Value For Money	4 (100%)	-	2	6 (100.0%)	6 (100.0%)	0

Managing Risks

- 3.7 The Council has a comprehensive risk register, which details all known service risks, control mechanisms and review dates. Table 4 below outlines the main risks across the Value for Money theme of the Corporate Plan.

Table 4: Managing Risks

Risk Description	Likelihood	Impact	Mitigating Action
The Department consists of small, discrete and specialist teams where detailed knowledge and experience rests with individuals. Consequently, resilience is a risk.	Treat the Risk	Continues Low	Transfer and disseminate information across Services. Cover between units established. Two accountancy staff undertaking professional training. Keep under review arrangements through the Corporate and Audit Partnerships who may be able to provide cover and provide temporary resources where necessary.
Reliance on Partnerships to deliver services. Includes partners ceasing to exist or going out of business.	Treat the Risk	Continues Low	Continue to monitor closely the performance frameworks which include early warning signs of deteriorating service delivery. Support Northgate and the Central Midlands Audit Partnership to increase number of clients and protect their service base.

Corporate Risks

- 3.9 In addition to risks that may impact upon the individual Themes and Priorities in the Corporate Plan, the Council maintains a Corporate Risk Register. This analyses the strategic issues and external factors that potentially impact across all council services. The associated risks are identified as part of the corporate planning process. An update is provided in Table 5 below.

Table 5: Managing Corporate Risks

Risk Description	Likelihood	Impact	Mitigating Action
<p>Further reductions in Government Grant</p> <ul style="list-style-type: none"> Local authorities are expected to face further reductions over and above those currently notified (<i>see note below</i>) This includes a reduction in funding to support the new Council Tax Allowance scheme. In addition, uncertainty around how the new NNDR redistribution system will impact upon the Council. <p><i>(Main Chief Officer Responsible – Director of Finance & Corporate</i></p>	Treat the Risk	Remains High	<ul style="list-style-type: none"> Updated Medium-term Financial Plan in place covering 5-years. This allows for a reduction in overall resources. Budgets considered prudent with provisions for inflation and growth. Current reserves are healthy and will help to sustain further reductions in the short-term allowing time for more sustainable action. This has been strengthened by a favourable budget out-turn for 2012/13 as reported to the Committee on 27th June 2013. On-going work/transformation programme in place to generate efficiencies and budget savings. Senior Management Restructure approved in April will save over £1/2m over the life of the current MTFP. As a growth area, overall reduction in core funding could be mitigated through the New Homes Bonus and the new national redistribution system.

Risk Description	Likelihood	Impact	Mitigating Action
<p>Services)</p> <p>Note <i>This has been confirmed in the Government's Spending Review (June 2013) although detail is awaited on how this will impact upon individual councils</i></p>			<ul style="list-style-type: none"> • However, the risk remains high until the full approved budget savings have been made and the impact of CSR 2013 is known in detail.
<p>Continuing effects of the Economic Downturn</p> <ul style="list-style-type: none"> • As a growth area, potential income streams from planning and grants are limited, whilst pressure remains on expenditure. • In addition, an increase in the number of people claiming benefits and finding difficulty in paying council tax and housing rent. • Development and regeneration projects such as the Depot relocation are delayed which hinders service provision and limits the ability to meet identified needs such as affordable housing. <p>(Main Chief Officers Responsible – Director of Finance & Corporate Services and Director of Community and Planning Services)</p>	Tolerate the Risk	Remains Medium	<ul style="list-style-type: none"> • Budgets for income streams and specific grant allocations are assumed at current minimum levels; service provision is based on this. • Supporting voluntary and community groups to help people in need, including through the Derbyshire Financial Inclusion Partnership. • Measures in place to maximise benefit subsidy and fraud is proactively being pursued with successful prosecutions. • The Asset Management Plan has been refocused to ensure our assets are being positioned to react to an economic upturn. • On-going dialogue with developers and housing providers to look at alternative options for regeneration. • The risk remains Medium, but it is considered that the Council is undertaking as much action as reasonably possible to mitigate these external factors.
<p>Keeping pace with Technology</p> <ul style="list-style-type: none"> • The Council's IT infrastructure is becoming dated and capacity to store and handle data efficiently is becoming limited compared to more modern day solutions. • Greater use of technology and managing data in electronic form, brings responsibilities to ensure information is stored properly and securely <p>(Main Officer Responsible – Director of Finance & Corporate Services)</p>	Treat the Risk	Remains Medium	<ul style="list-style-type: none"> • The IT strategy has identified some key projects that are currently being actioned, with the server infrastructure now upgraded. • E-mail archiving/storage system, desktop virtualisation and Microsoft upgrade now nearing finalisation. • The Council undertakes an annual independent health check to ensure that the Council is compliant with the industry standard (PSN) IT Code of Connection. • Annual internal audit review tests robustness of systems and infrastructure – any actions monitored by the Audit Sub-Committee. • Although the risk remains Medium, current investment and positive actions over the remaining year should lower this risk in the longer-term term.

Risk Description	Likelihood	Impact	Mitigating Action
<p>Business Continuity and in particular the loss of the main Civic Offices.</p> <ul style="list-style-type: none"> Council services are predominantly managed from one Administrative Building. There is no alternative building to accommodate an IT facility which is crucial to enable many services to operate. <p><i>(Main Chief Officer Responsible – Director of Finance & Corporate Services)</i></p>	Treat the Risk	Remains High	<ul style="list-style-type: none"> Disaster Recovery solution now being implemented off-site. Maintain relationships with other agencies and partners to secure alternative accommodation on a reciprocal basis if required. Could take advantage of spare capacity in private sector market although this would depend on timing. Although the likelihood of occurrence is low, the potential impact of this risk is high. However, current investment into the off- site facility to provide a disaster recovery solution should lower this risk in the longer-term term.
<p>Capacity and Resilience in Service Provision</p> <ul style="list-style-type: none"> Reducing staff and budget resources could create capacity and resilience within council services. <p><i>(Main Chief Officer Responsible – Chief Executive)</i></p>	Treat the Risk	Remains Medium	<ul style="list-style-type: none"> Training and development programme being reviewed to include change management and “doing more with less.” External service provider currently being procured. Revised structures becoming mature and bedding in.
<p>Partners and Voluntary Sector</p> <ul style="list-style-type: none"> Financial pressures on partners who deliver services with or on behalf of the Council, including voluntary organisations. <p><i>(Main Chief Officer Responsible – Director of Community and Planning Services)</i></p>	Tolerate the Risk	Remains Medium	<ul style="list-style-type: none"> Current grant funding is being maintained for all supported organisations. Spending can be refocused to meet external funding requirements and is project based rather than on-going. Dedicated officer time to support the voluntary sector and local organisations. The risk remains Medium, but it is considered that the Council is undertaking as much action as reasonably possible to mitigate external factors.

4.0 Financial Implications

4.1 There are no specific financial implications relating to this report. The need to continually improve whilst delivering the ambitions of the *Corporate Plan* will require a sustained efficiency programme, including the shifting of resources to the priority areas.

5.0 Corporate Implications

5.1 No other specific legal, HR or other resource implications are contained in this report.

6.0 Community Implications

6.1 The Council aspires to be an “excellent” Council in order to deliver the service expectations of our communities. This performance report evidences an improvement in how we are meeting those demands and expectations

Health and Safety - Accident Statistics 2013/14

Purpose of the Report

This report provides an overview of the number of accidents that have occurred during the period 1 April to 30 June 2013 within the Council.

Background

The Health & Safety Officer provides advice and training on health and safety matters across the Council. This Officer is also responsible for producing management information on the number of accidents. These are collated on a regular basis and are reported to the joint Health & Safety Committee. This Committee reviews the accidents and makes recommendations or learning that needs to be implemented.

Accident Statistics

The Council's accident statistics are broken down into reportable and non-reportable accidents.

Reportable accidents are those covered by RIDDOR (Reporting of Injuries, Diseases & Dangerous Occurrences Regulations, 1995). These accidents have to be reported to the Health and Safety Executive and include:

- Where a member of staff has been required to stay in hospital for 24 hours after an accident;
- Where a member of the public was taken to hospital for treatment after the accident;
- If the accident results in the member of staff being off work for 3 days after the date of the accident,

The table overleaf shows the number of accidents that have occurred during the current quarter (1 April to 30 June 2013) by reportable accident type and category and the year to date.

The table also provides comparative details of the number of accidents for the previous year (2012/13)

Table: Accident Cause Statistics – (for the 1st Quarter - 1 April to 30 June 2013) and Year to Date: Comparative Accident Cause Statistics for the previous year (2012/13)

Accident cause	Quarter 1 (1 April - 30 June 2013)			Current Year To Date (2013/14) Actual		Previous Year (2011/12) Actual	
	Non Reportable	Reportable	Total	Non Reportable	Reportable	Non Reportable	Reportable
Manual handling		1	1		1	4	1
Contact Fixed Objects (e.g. sharps)	1		1	1		7	1
Struck by Moving Vehicles RTA's						3	
Struck by Moving Objects - others	2		2	2		5	
Slips / Trips / Falls	1	1	2	1	1	13	1
Violence - Physical such as dog bites						1	
Violence - Verbal							
Near Miss						1	
Other, such as cuts.						4	
Total	4	2	6	4	2	38	3
Members of the Public	1	0	1	1	0	8	2
Employees	4	2	6	4	2	30	1
280							
Actual Number of Employees (Not FTE's)			290	290		280	
Number of Employees Trained in Safety Awareness			0	0		200	
Lost time for all reportable accidents (days)			-	-		13	

Source: SDDC Accident Statistics

During the first quarter of 2013/14 there were five non-reportable or minor accidents, involving four employees and a member of the public who was involved in a slip, trip and fall accident. Existing risk assessments have been reviewed and control measures being reinforced.

VP 01 - Implementation of Local Council Tax Reduction Scheme			
Quarter	Task	Progress	Status
1	VP 01.1 - Update report on take up costs and collection rates of LCTRS. Monitor and report on implications of wider DWP reforms	Report to Finance and Management Committee on 27th June 2013 which set out early indications of costs and collection rates	Achieved
2	VP 01.2 - Update report on take up costs and collection rates of LCTRS. Monitor and report on implications of wider DWP reforms. Review any proposed changes to Scheme ahead of 2014/15		
3	VP 01.3 - Update report on take up costs and collection rates of LCTRS. Monitor and report on implications of wider DWP reforms. Review any proposed changes to Scheme ahead of 2014/15		
4	VP 01.4 - Update report on take up costs and collection rates of LCTRS. Monitor and report on implications of wider DWP reforms. Implement any changes to the Scheme prior to April 2014		

VP 02 - Continue the programme of procurement and service transformation reviews			
Quarter	Task	Progress	Status
1	VP 02.1 - Update report to Business Improvement Board	Board considered progress on 19th June 2013. New external mail system being implemented and next stages of Paperlite project considered	Achieved
2	VP 02.2 - Update report to Business Improvement Board		
3	VP 02.3 - Update report to Business Improvement Board regarding next 3-year plan 2013-16 agreed and baseline levels set		
4	VP 02.4 - Update report to Business Improvement Board		

VP 03 - Implement next stages of the Paper Lite Strategy			
Quarter	Task	Progress	Status
1	VP 03 .1 - Proposals submitted by Service Provider	This was previously completed in 2012/13. Service provider now assessing detailed savings for Senior Management Team.	Achieved
2	VP 03 .2 - Procurement arrangements and financial implications considered		
3	VP 03 .3 - Proposals signed off by the Client		
4	VP 03 .4 - Implementation of the electronic mailroom		

VP 04 - Move towards an e-Committee solution			
Quarter	Task	Progress	Status
1	VP 04.1 - Ongoing trials and proposals formulated. Procurement arrangements and financial implications considered.	Implementation approved by Finance and Management Committee on 20th June 2013. Hardware now being procured and training plan established.	Achieved
2	VP 04 .2 - Proposals signed off by the Council		
3	VP 04 .3 - Preferred solution implemented		
4	VP 04 .4 - Post project review undertaken		

VP 05 - Continue to communicate and engage with our communities to ensure that the Council is delivering services in ways appropriate to them			
Quarter	Task	Progress	Status
1	VP 05.1 - Annual Report and Work Plan considered by Committee	Approved by Finance and Management Committee on 20th June 2013	Achieved
2	VP 05.2 - Produce monthly media reports		
3	VP 05.3 - Produce monthly media reports		
4	VP 05.4 - Produce monthly media reports		

VP 06- Implement the next stages of the Customer Access Strategy			
Quarter	Task	Progress	Status
1	VP 06.1 - Finalise proposals for consultation	This was previously completed in 2012/13. Following the recent Management Restructure, service provider now assessing detail for Senior Management Team.	Achieved
2	VP 06 .2 - Consider structural and financial implications. Implementation Plan made.		
3	VP 06 .3 - Proposals signed off by the Council		
4	VP 06 .4 - Implementation and transition commences		

Outcome	Measure	Actual / Out turn 2012/13	Target Quarter 1 2013/14	Actual Quarter 1 2013/14	Quarter Status	Annual Target 2013/14	Predicted Out turn 2013/14	Predicted Status	Comments/ Remedial Action
VO 1 - Financial resilience - a sustainable financial base maintained	VM 01- Publish a 'fit for purpose' Medium Term Financial Plan	Feb-13	n/a	n/a	Grey	Feb-14	Feb-14	Green	
	VM 02 - Disposal of assets deemed 'surplus to requirements' to generate income. (£)	£0	£0	£70,000	Green	£50,000	£120,000	Green	Amount in respect of land disposal approved in 2012/13
	VM 03- Maximising central funding for the Council (£)	£377,000	£0	£0	Grey	£353,000	£353,000	Green	
VO 2 - 'Cutting costs not services'	VM 04 - On-going efficiency savings. (£)	£412,154	£150,000	£170,000	Green	£300,000	£300,000	Green	On-going savings from Senior Management Restructure - April 2013
VO 3 - Strong leadership & robust governance	VM 05 - Achieve an external 'fit for purpose' Code of Corporate Governance assessment. (As assessed by External Audit)	Sep-12	AGS approved by Audit Committee	AGS approved by Audit Committee	Green	Sep-13	Sep-13	Green	Approved by Audit sub Committee on 19th June 2013. Awaiting External Audit review
VO 4 - An improved customer experience	VM 06 - Percentage of satisfied customers contacting or dealing with the Council.	94.00%	90.00%	95.00%	Green	90.00%	95.00%	Green	

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE	AGENDA ITEM: 9
DATE OF MEETING:	5th SEPTEMBER 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/financial monitoring reports/2013 3 September
SUBJECT:	BUDGET and FINANCIAL MONITORING 2013/14	REF
WARD (S) AFFECTED:	ALL	TERMS OF REFERENCE: FM 08

1.0 Recommendation

- 1.1 That the latest budget and financial monitoring figures for 2013/14 are considered and approved.
- 1.2 That the updated Capital Programme for 2013/14 as detailed in **Appendix 5** is approved.

2.0 Purpose of Report

- 2.1 In accordance with its financial management framework, the Council monitors income and expenditure against its budgets on a regular basis throughout the year. This is undertaken on at least a monthly basis.
- 2.2 Financial information is available directly on the Council's Financial Management System to enable day-to-day monitoring within services. Formal monitoring involves budget managers together with their service accountant, meeting and reviewing performance against their particular budgets. This is intended to identify any variances as early as possible to enable remedial and timely action to be taken.
- 2.3 Overall financial performance and the major budget variances are reported to this Committee throughout the year. In accordance with its Treasury Management Strategy, the Council monitors its lending and borrowing on a regular basis.
- 2.4 The Council's cash flow is monitored and actioned on a daily basis, with monthly reports summarising activity provided to the Chief Finance Officer. Again, overall performance is reported to this Committee throughout the year.
- 2.5 This is the first monitoring report for the financial year 2013/14. It details performance up to 30th June 2013, i.e. the 1st quarter's performance.

3.0 Detail

GENERAL FUND REVENUE ACCOUNT

- 3.1 Apart from Council Housing, day to day income and expenditure is accounted for through the General Fund. The net expenditure is financed from Government Grant and Council Tax, with any shortfall/deficit being financed from the Council's Reserves.
- 3.2 The original budget, which was approved in February 2013, estimated a budget deficit of £109,357 in 2013/14 to be financed from general reserves. As in previous years, the Budget included contingent sums set-aside for inflation, growth and the implementation of the local pay and grading review. The Budget is summarised in the following table.

Net Expenditure on Services	£11,435,942
Depreciation and Capital Charges (in above)	-£689,023
Minimum Revenue Provision	£250,000
Contribution to Bad Debts Provision	£20,000
Contingent Sums	£375,265
Total Estimated Spending	£11,392,184
Financing	-£11,282,827
Deficit	£109,357

- 3.3 In accordance with budget monitoring arrangements, the position on Net Expenditure on Services is the main area that is subject to on-going review. This is the amount (£11,435,942) that is directly managed and controlled by the various budget holders across the Council.

Latest Monitoring Figures

- 3.4 The Budget, together with major variances identified as at June 2013 is summarised in the tables which follow. A full analysis of each service area at cost centre level with variances across each policy committee is detailed in **Appendices 1 to 3**.
- 3.5 These appendices also show actual spend to-date, budget remaining, together with narrative on any assumptions, risks and reasons for major variances.

Performance against Budget 2013/14 as at June 2013 (by Committee)

Summary by Policy Committee	Approved Budget £	Projected Actual £	Projected Variance £	Earmarked Reserves £	General Reserve £
Environmental and Development Services	3,900,966	3,852,339	-48,626	2,925	-51,551
Housing and Community Services	2,495,096	2,464,647	-30,448	19,175	-49,624
Finance and Management	5,039,881	4,890,857	-149,024	0	-149,024
TOTAL	11,435,942	11,207,844	-228,098	22,100	-250,199

Performance against Budget 2013/14 as at June 2013 (by Service)

Summary by Main Service Area	Approved Budget £	Projected Actual £	Projected Variance £	Earmarked Reserves £	General Reserve £
Economic Development	278,742	259,972	-18,770	0	-18,770
Environmental Health Services	543,651	520,479	-23,171	0	-23,171
Highways	22,152	21,185	-967	0	-967
Licensing and Land Charges	-35,755	-40,133	-4,378	0	-4,378
Planning	599,870	589,677	-10,194	0	-10,194
Town Centre	71,466	71,465	-0	0	-0
Waste Collection & Street Cleansing	1,523,416	1,529,345	5,929	0	5,929
Environmental Education	69,774	72,699	2,925	2,925	0
Transport Account	827,650	827,650	0	0	0
Community Development and Support	547,537	558,893	11,356	8,366	2,990
Leisure and Recreational Activities	113,497	117,242	3,745	5,211	-1,466
Leisure Centres and Community Facilities	639,713	626,434	-13,279	-10,662	-2,617
Parks and Open Spaces	708,315	697,803	-10,512	14,731	-25,242
Private Sector Housing	486,034	464,275	-21,759	1,529	-23,288
Central and Departmental Accounts	3,325,324	3,225,585	-99,739	0	-99,739
Revenues and Benefits	294,819	294,819	-0	0	-0
Electoral Registration	106,754	105,772	-982	0	-982
Corporate and Democratic Costs	867,498	816,445	-51,053	0	-51,053
Payments to Parish Councils	311,182	311,182	0	0	0
Concessionary Travel	3,000	2,370	-630	0	-630
Property and Estates	-79,724	-79,724	0	0	0
Pensions, Grants and Interest	211,027	214,408	3,381	0	3,381
TOTAL	11,435,942	11,207,844	-228,098	22,100	-250,199

3.6 The variances reflect the latest situation and although projected to out-turn at this level, could change during the remainder of the year. Areas of projected overspend are kept under review in order to mitigate the effects on the overall budget.

3.7 The previous tables show that based on current income and expenditure, there will be a decrease in net expenditure on services of £228,098 compared to the Budget for the year. After allowing for some additional expenditure to be financed from earmarked reserves, the overall decrease is forecast at £250,199.

Main Variances

3.8 The main reasons that account for the projected variance are summarised in the following table. They show services where current spending is expected to vary compared to the Budget as at June 2013. This could change over the remainder of the year and all areas are kept under review.

	£'000
Senior Management Restructure	-136
Staff Vacancies - Environmental and Development Services	-26
Staff Vacancies - Community and Leisure Services	-20
Additional income on Licensing, Land Charges and Building Control	-19
Democratic and Members Costs	-17
Additional income from Leisure and Recreational Facilities	-15
Corporate Training	-10
Corporate and Central Services	-9
Other Variances (net)	2
TOTAL - OVERALL PROJECTED VARIANCE	<u>-250</u>

3.9 The largest variance is the confirmed savings relating to the Senior Management Restructure approved in March 2013. The associated one-off costs were accounted for in 2012/13 and reported to the Committee in May.

Contingent Sums

3.10 The Revised budget continues to include the following contingent sums totaling approximately £375,000

- Pay and Grading - additional on-going resources £130,000
- Provision for Inflation and General Growth £160,000
- Waste Collection - Provision for Growth of the District £85,000

3.11 Over recent years, there has been a limited need to draw on these sums. The additional resources for the local pay model depend on implementation of the pay and grading review.

3.12 Provision of 1% is included for a local government pay award in 2013/14. Following consultation between the employers and trade unions, a 1% increase has been accepted and approved for the year. This will cost the Council approximately £68,000 and will be drawn down from the above provision.

3.13 It is anticipated that no other sums for inflation will be required at this stage.

Kerbside Recycling

3.14 As part of financing the extension to the dry recyclables service, it was approved that a sum of £33,000 would be temporarily taken from the growth contingency, pending savings still to be made in the overall Waste Collection service.

Municipal Mutual Insurance

3.15 As reported to the Committee on 22nd May 2013, a payment of £12,247 is due in accordance with the Scheme of Arrangement.

Business Rates Collection

- 3.16 Included in the Financing amount is an estimated figure of £2,204,773 for retained Business Rates (BR).
- 3.17 As previously reported, under the new Rates Retention System, the Council's BR Baseline Income has been set at £8,172,603 for 2013/14. This is the target amount against which retained growth, together with any tariff, levy and safety net contribution is measured.
- 3.18 The BR Baseline represents the Council's 40% estimated share of net business rate income in the District after allowing for 50% to be paid to the Government and 10% to the County Council/Fire Authority.
- 3.19 The financing figure of £2,204,773 is much lower than the BR Baseline income amount of £8,172,603. The difference of £5,967,830 is the Tariff that is being paid to the Government under the redistribution part of the system.
- 3.20 It is important to note that these are estimated figures and the actual business rates collected, together with retention and levy amounts, etc will not be known until the year end. However, income from Business Rates is monitored and as the year progresses, the actual situation can be tracked against that estimated.
- 3.21 This is important, as any changes between the actual and estimated figures in setting the Budget will have an impact on General Fund resources – this part of the Council's core funding is not fixed.
- 3.22 As at 31st July 2013, the actual position is looking favourable compared to that estimated, as shown in the following table.

Business Rates Income 2013/14	Estimate	Jul-13	Variance
Number of Businesses	2,113	2,131	18
Rateable Value (RV)	£54,249,510	£54,910,535	£661,025
Multiplier (rate in the £)	0.462	0.462	0
Gross Yield before Adjustments	£25,063,274	£25,368,667	£305,394
Mandatory Reliefs and Exemptions	-£2,604,565	-£2,543,169	£61,396
Discretionary Rate Reliefs	-£2,386	-£12,015	-£9,629
Rates to be Billed and Collected	£22,456,323	£22,813,483	£357,161
Provision for Bad and Doubtful Debts	-£1,651,751	-£1,020,777	£630,974
Allowance for Collection (transferred to the General Fund)	-£90,901	-£91,741	-£840
Net Yield	£20,713,671	£21,700,965	£987,295
Rate Retention Adjustments			
Change in Receipts year to year due to RV adjustments	£628,885	£152,696	-£476,189
Change in Receipts year to year due to Appeals	-£911,048	-£911,048	£0
Net Yield - for Distribution	£20,431,508	£20,942,613	£511,106
Net cost of Transitional Relief (paid separately)	£27,185	£43,168	£15,983
	<u>£20,458,693</u>	<u>£20,985,781</u>	<u>£527,089</u>

Distribution / Share

Government (50%)	£10,215,754	£10,471,307	£255,553
South Derbyshire District Council (40%)	£8,172,603	£8,377,045	£204,442
Derbyshire County Council (9%)	£1,838,836	£1,884,835	£45,999
Derbyshire Fire and Rescue Authority (1%)	£204,315	£209,426	£5,111
	£20,431,508	£20,942,613	£511,106

3.23 The main reason for the favourable position at this stage is the collection losses being less than estimated. There has been a small increase in the number of business paying Rates with no major additions or reductions in business growth during the year to-date.

3.24 The overall Rateable Value has increased. However, this is mainly due to revaluations, rather than growth, which are excluded from the distribution system.

3.25 The above table shows a projected additional net yield of approximately £1/2m compared to that estimated. The Council's share of this amount is £204,000, although this will be subject to a levy of around 50%. Therefore, based on the position to-date, the Council will generate an additional £100,000 in rates income on the General Fund compared to the Budget.

Other Financing and Grants Received

3.26 An additional sum of £18,688 has been received for the year under the New Homes Bonus scheme. This follows the final allocation of overall resources set-aside by the Government for 2013/14.

3.27 In addition, the Council has received the following ring-fenced grants for 2013/14:

- To meet costs associated with the Community Right to Bid (£7,855)
- To meet costs associated with the Community Right to Challenge (£8,547)
- To implement system changes for the Local Council Tax Support Scheme and Welfare Reform (£49,603)
- To implement Individual Electoral Registration (£6,330) with a further amount due later in the year. This will enable on-line registration from June 2014.

3.28 Any grant remaining unspent at the year end, will be transferred to an earmarked reserve in accordance with Council policy. At this stage, no costs are foreseen for either of the "Community Right" funding grants in 2013/14; some additional costs will be incurred for Welfare Reform and Electoral Registration.

COLLECTION FUND

- 3.29 The Collection Fund is a separate ring-fenced account that has to be statutorily maintained. It accounts for the collection of Council Tax and Business Rates and shows how that income has been distributed to the Government and other Preceptors on the Fund, including this Council.
- 3.30 Any surplus or deficit on the Fund is transferred to the General Funds of the Preceptors, with the proportion for South Derbyshire being approximately 11.5%.
- 3.31 The current estimated position on the Fund for 2013/14 is detailed in **Appendix 4**. This shows that the overall Fund is projected to achieve a surplus for the year of approximately £266,000.
- 3.32 This is mainly due to the increase in Council Tax collectable. As previously reported, the cost of the Local Council Tax Support Scheme is lower than estimated, with additional income being collected from empty properties, together with an increase in new properties.
- 3.33 The latest estimate includes a slightly lower collection rate than previous years (97.4% compared to 97.9%) to include the effects of collecting Council Tax from households previously in receipt of benefit.

HOUSING REVENUE ACCOUNT (HRA)

- 3.34 The Council is required to account separately for income and expenditure in providing Council Housing.
- 3.35 The approved HRA Budget was set with a deficit to finance from reserves of **£118,530**. Performance on the HRA as at June 2013 is summarised in the following table.

Summary HRA as at June 2013	Approved Budget £	Projected Actual £	Projected Variance £
Supervision and Management Costs	1,404,969	1,389,267	-15,701
Housing Repairs	3,209,959	3,213,657	3,698
Interest on Debt	1,614,677	1,614,677	-0
Supported Housing	362,976	357,488	-5,488
Rent and other Income	-11,974,050	-11,950,791	23,259
Transfer to Capital Works Reserve	5,500,000	5,500,000	0
TOTAL	118,530	124,297	5,767

- 3.36 This shows that the HRA is forecast to achieve a slightly higher deficit of £124,297. This is mainly due to the level of council house sales in 2012/13, being greater than assumed in the base budget for 2013/14, which has reduced rent income.

- 3.37 This is being offset to some extent by void properties being relet at Formula Rent levels, together with staffing vacancies which are currently being filled.

CAPITAL EXPENDITURE and FINANCING 2013/14

3.38 The Programme has been updated following the approved out-turn for 2012/13 and includes an amount of £2.4m brought forward from the previous year. It also includes a further government allocation of £108,000 for Disabled Facility Grants. The updated programme is detailed in **Appendix 5**.

3.39 Progress to-date is summarised in the following table.

Capital Spending 2013/14 (as at June 2013)	Updated Budget £	Actual £
Council House Improvements	6,247,527	956,915
Private Sector Housing and DFGs	541,641	98,224
Leisure and Community Development	3,531,937	302,064
Environmental Schemes	44,439	0
Property Maintenance	106,794	48,233
	<u>10,472,338</u>	<u>1,405,436</u>

Leisure and Community Development

3.40 An update on progress on the main schemes is summarised in the following sections.

Green Bank Leisure Centre

3.41 Following the successful wet side changing accommodation project an application was made to Sport England for £150,000 towards further refurbishment works. This application has now been successful.

3.42 This grant will support a £499,000 package of works which will include refurbishment of public areas and provision of exercise studio space, extension of the gym and replacement of the current sauna. The design of the refurbishment and the Procurement Framework are being finalised with a start date expected in the autumn of 2013.

3.43 A further issue for determination on the Green Bank works is to settle on the compensation figure for the loss of income during the completed and future refurbishment works. The Council is responsible for this compensation payment and historical usage patterns are being used to agree a figure.

Etwall Leisure Centre

3.44 The project to install a full size Artificial Grass Pitch has been completed and officially launched. The cost was £490,000 with £239,000 from the Football Foundation - John Port School and the District Council each providing £100,000 with the Centre's sinking fund and Hilton Harriers providing the balance. Full community use started in May.

- 3.45 A further project is being developed that will look at the potential of a larger gym area along with minor enhancements to other areas of the Centre. Over £200,000 has already been secured for this project and further options are being examined.

Rosliston Forestry Centre

- 3.46 The Forestry Commission is undertaking a revised tendering process to build toilet facilities adjacent to the 'Glade in the Forest Arena'. Work will commence in the autumn after the summer wedding and performance season is complete.
- 3.47 In addition, Derbyshire County Council Aiming High funds of £87,710 have been secured for improving facilities and opportunities for young disabled users.
- 3.48 The project was due to be completed by the end of August 2013 and will result in new play equipment, an access friendly archery shelter, a nursing bed, an improved bird hide, new laser games equipment and a revamped crazy golf facility on site. The total project spend will be £193,000.

Eureka Park

- 3.49 The Project is to restore and repair the heritage features of Eureka Park and deliver a community engagement programme for which a successful Heritage Lottery Fund application has received £547,316 towards a scheme with a total value of £828,830.
- 3.50 This includes revenue funding for a Community Engagement post who has been appointed. In addition, a Landscape Consultant has been appointed and a Project Steering Group set up to oversee the works.

Melbourne Sporting Partnership (MSP)

- 3.51 This £2.5m multi sports club project has been further supported with a £600,000 grant from the Football Foundation and £150,000 from Sport England. A further application has been submitted to the Rugby Football Union. A consultation event has been held and final planning conditions satisfied.

Melbourne Leisure Centre

- 3.52 An initial lease for the Centre (now known as Melbourne Assembly Rooms) has been transferred to Melbourne Community Group, who is developing funding bids with a view to enhancing and developing the facility for increased community use.
- 3.53 Discussions are underway in relation to a longer lease that would support additional grant applications where a long lease is a pre-requisite. The Heads of Terms have been previously approved by the Committee.

Hilton Village Hall

3.54 Phase one of the extension to Hilton Village hall was opened on the 12th of June. Event bookings have commenced the project has been well received by the local community.

Replacement of Vehicles

3.55 2013/14 is an intensive year for the replacement of vehicles and other major items of plant and equipment, such as mowers. Approximately £400,000 will be spent in the year, financed from the Asset Replacement Reserve.

3.56 During the procurement of a new Channel Sweeper for the Street Cleansing Service, an option became available to purchase an ex-demonstration model. Normally, a full tendering process would take place as the cost of a new sweeper was estimated at £130,000.

3.57 Given that ex-demonstration models only stay on the market for a limited time, 4 manufacturers, from a recognised framework agreement, were asked to quote (and not submit formal tenders) for ex-demonstrators.

3.58 Approval for this was given by Director of Finance, together with the Chief Executive in consultation with the Leader of the Council, acting under delegated powers within Section 4 of the Contract Procedure Rules.

3.59 Formal quotations were received with the cheapest of £89,000 being accepted. The ex-demonstrator met all technical requirements and included a full warranty agreement.

Capital Receipts

3.60 The following receipts were in the first quarter to June 2013.

- Approved sale of Garden Land - £6,250
- Sale of HRA Land - £70,000
- 1 Council House Sales - £49,000

3.61 Three further Council House Sales have recently been completed and are subject to pooling; the amount retained for the New Build Reserve, will be updated in the next quarterly report when this has been confirmed through the Government's half yearly return.

TREASURY MANAGEMENT

3.62 An analysis of the Council's borrowing and short-term investments/bank deposits is summarised in the tables, below. This shows the position at 30th June 2013.

3.63 Debt outstanding is split between the HRA and the General Fund and this represents the "two pool" approach adopted for debt management with the implementation of self-financing in the HRA.

Debt Outstanding - HRA	01/04/2013 £'000	30/06/2013 £'000	Change £'000
Self-financing Debt (Average rate 2.7%)	57,423	57,423	0
Market Loan (4.875% fixed)	1,000	1,000	0
Transferred Assets (<i>SEE NOTE BELOW</i>)	279	0	-279
Total Debt Outstanding - HRA	58,702	58,423	-279

Capital Financing Requirement - HRA	62,860	62,581	-279
Debt Cap (Fixed on Self-Financing)	66,853	66,853	0
Borrowing Headroom (Cap Less Debt o/s)	8,151	8,430	279

Debt Outstanding - General Fund			
Actual Loans o/s	0	0	0
Capital Financing Requirement (CFR)	6,315	6,065	-250
Borrowing Headroom (CFR Less Debt o/s)	6,315	6,065	-250

Temporary Investments and Borrowings			
Temporary Bank and other Deposits	4,500	12,545	8,045
Less Parish Council Deposits	-32	-32	-0
Less Temporary Debt	0	0	0
Total - Short-term Cash Position	4,468	12,512	8,044

Average Interest Rate Earned (Cumulative)	0.31%	0.40%	0.09%
Target - Average 7-Day Local Authority Rate	0.51%	0.48%	-0.04%

Debt Outstanding

3.64 This is largely fixed and no repayments are anticipated during the financial year. £10m of the HRA Self-financing Debt is at variable rates. These rates continue to remain historically low (0.6%) and therefore, it is unlikely that any revisions to the Treasury Management Strategy will be required as far as managing this part of the debt portfolio.

Repayment of Debt on Transferred Assets

3.65 This relates to debt transferred on Local Government Re-organisation in 1974. This was in respect of capital expenditure on council houses incurred under a previous capital accounting system. The debt was administered by a

neighbouring local authority who took over the management of the assets and the associated debt in 1974.

- 3.66 As this debt was owed to the Government and for administrative ease, the debt was transferred between the authorities with the Council making annual contributions to the other Authority.
- 3.67 Due the relatively small amount involved, the 2 authorities agreed for the Council to repay the debt early without incurring any penalty. This was completed in April 2013. The effect on the Council's accounts has been to reduce the CFR and the debt outstanding by equal amounts, i.e. £279,000. On an on-going basis, the Council will save interest costs in the Housing Revenue Account.

Short-term Investments

3.68 The funds are currently invested as follows:

Other Local Authorities	£5.0m	0.31%
UK High Street Banks	£7.5m	0.45%

- 3.69 The amounts on deposit with Banks are in instant access reserve accounts. The average interest rate earned (0.4%) has improved during the first quarter of the financial year and is much closer to the average market rate, although still slightly below that estimated of 0.45%.
- 3.70 Total interest earned to-date totals approximately £11,000 which is in line with that budgeted due to a greater level of balances on deposit (£9.5m compared to £7.5m).

Co-operative Bank

- 3.71 The Co-op is the Council's Bank for operational day to day financial transactions; they operate and maintain the Council's Current Account. It has been widely reported that they have been experiencing financial difficulties and require £1.5bn worth of Capital to bolster their financial resilience.
- 3.72 The Co-op has submitted a broad plan to the Banking Regulator in order to generate the necessary Capital. This has been approved by the Regulator and the Co-op is currently seeking to deliver this plan and raise the required Capital by the end of 2014.
- 3.73 A key part of this plan needs the agreement of the Bank's bondholders, whose approval will be required; following a period of consultation and a ballot, their decision is expected in November 2013.
- 3.74 Due to its financial position, the Co-op's credit rating has been severely downgraded. As regards investments, the Council does not have any exposure; the Co-op's credit rating has not been adequate for some time to allow it to be included on the Council's counterparty list as set out in the Lending Policy.

- 3.75 There are no indications currently to suggest that day to day financial transactions (payments and income collection) through the banks clearing system will be affected. However, additional precautions are being taken on large daily transactions to ensure that they clear the system and no balances remain in accounts overnight. The situation is being kept under constant review.
- 3.76 The Co-op Bank is part of the Co-operative Group of Companies and this does offer some protection. The Co-op provides banking services to around one third of local authorities (130) in England and Wales. Although some authorities have withdrawn their deposits with the Co-op, there is no indication that any authorities have transferred their day to day business.
- 3.77 The Council's current contract with the Co-op ends in March 2014. A tendering exercise is currently underway to let a new banking contract in April 2014. The Co-op is likely to tender along with other UK High Street Banks. As part of the evaluation, financial standing and financial resilience will be assessed.

OTHER FINANCIAL INDICATORS

- 3.78 These are reported to monitor the efficiency of financial services. In addition, the collection rates are targets that form part of the Income Guarantee arrangement under the Corporate Services Partnership. The processing of benefit claims are also key performance indicators which are subject to default conditions if they are not achieved.
- 3.79 The indicators are detailed in the following table.

	Estimated Annual Volumes	2012/13 Actual	Yearly target	Actual June 2013	Actual June 2012	At Risk
Collection Rates						
Council Tax in-year Collection	£44.1m	97.90%	97.40%	30.20%	30.40%	Yes
Council Tax Arrears Collection	£3.8m	23.40%	26.70%	8.90%	7.40%	No
Business Rates Collection	£22.8m	98.30%	96.10%	29.40%	29.00%	No
Recovery of Housing Benefit Overpayments	£0.5m	39.50%	34.20%	16.70%	9.10%	No
Sundry Debtor Collection (incl. Arrears)	£4.5m	90.60%	82.60%	60.00%	46.70%	No
Benefits Processing (Average Time)						
New Claims	1,000	16 Days	18 Days	18 Days	12 Days	No
Change of Circumstances	14,000	7 Days	8 Days	15 Days	7 Days	Yes
Financial Efficiency						
Percentage of Invoices paid within 30-days	5,100	98.20%	97.50%	96.40%	98.80%	No
Percentage of Invoices paid within 10-days	5,100	80.60%	65.00%	71.20%	80.70%	No
Number of Payments made Electronically	46,200	93.70%	90.00%	96.30%	92.30%	No

- 3.80 The table shows 2 indicators currently at risk of falling below target. Firstly, in-year council tax collection is slightly below the level achieved in the first quarter of the previous year (2012/13). However, the greatest deterioration in performance is in benefits processing and in particular, processing change of circumstances.

- 3.81 This is due to an increase in the amount of information that is being sent automatically to local authorities, from the DWP, in a format that allows direct loading into council systems. This is part of a major project, which commenced in July 2011, to provide councils with automatic notification of tax credit awards and other DWP benefits which are included in the assessment of housing benefit.
- 3.82 The aim of the project is to ultimately increase the speed of benefits processing as information is more readily available for local authorities; it should also reduce the risk of an incorrect benefit being made as information is up to date.
- 3.83 Since July 2011, there have been instances where a substantial amount of data has been sent out by the DWP for validation. As every item initially needs to be checked, this slows down the processing of each claim, but is only a temporary situation.
- 3.84 During the first quarter, additional information was sent from the DWP regarding a tax credit review. Much of the information did not change benefit awarded but needed initial verification.
- 3.85 The Council's software provider is due to issue an upgrade to the benefits system which will make it easier for information to be handled more efficiently when there are peaks in the data sent out.

Collection Rate Comparisons

- 3.86 The following tables compare the most recent performance in Council Tax and Business Rates in-year collection between the Council, the average in Derbyshire, the average in the Council's "family group" of authorities as per the Audit Commission and the average across shire districts.

Council Tax Collection Rates	2009/10	2010/11	2011/12	2012/13
South Derbyshire	97.3%	97.5%	97.9%	97.9%
Derbyshire Average	97.5%	97.8%	97.9%	97.9%
Family Group Average	98.2%	98.2%	98.3%	98.3%
English Shire Districts	98.1%	98.2%	98.2%	98.1%

NNDR Collection Rates	2009/10	2010/11	2011/12	2012/13
South Derbyshire	97.3%	97.4%	97.0%	98.3%
Derbyshire Average	97.4%	97.9%	98.0%	98.1%
Family Group Average	98.1%	98.5%	97.9%	98.4%
English Shire Districts	98.2%	98.4%	98.3%	98.1%

- 3.87 The tables show that NNDR (Business Rates) Collection has improved and was above average in 2012/13 and virtually on par with the family group average. Although there has been a steady improvement in Council Tax collection, it was still below the average in 2012/13.

4.0 Financial Implications

4.1 As detailed in the report.

5.0 Corporate Implications

5.1 None directly

6.0 Community Implications

6.1 None directly

7.0 Background Papers

7.1 None

Budget Monitoring - June 2013

Environmental and Development

APPENDIX 1

£'s	BUDGET			FORECAST		ANNUAL		RESERVES		COMMENTARY
	YTD ACTUAL	BUDGET	BUDGET OUTTURN	ADJUSTMENTS	PROJECTED OUTTURN	BUDGET	PROJECTED VARIANCE	EARMARKED	GF	
PSX90 Transport Services	148,824	663,690	812,514	15,136	827,650	827,650	(0)	0	(0)	Savings on vacant Mechanic post offset by Agency fees, Increase in spare parts due to age of vehicles (Adj:Actuals Recharged at end of year)
Central & Departmental Accounts	148,824	663,690	812,514	15,136	827,650	827,650	(0)	0	(0)	
CCF00 Tourism Policy, Marketing & Development	24,788	27,339	52,127	0	52,127	52,528	401	0	401	(Adj: grants profiling 9k Payment made in June to NFC plus
CPH70 Promotion and Marketing of the Area	51,865	169,161	221,025	(13,181)	207,844	226,214	18,370	0	18,370	£13.8k restructure saving+£0.6k salary increase)
Economic Development	76,653	196,500	273,153	(13,181)	259,972	278,742	18,770	0	18,770	
CPE10 Environmental Education	32,433	40,266	72,699	0	72,699	69,774	(2,925)	(2,925)	0	
Environmental Education	32,433	40,266	72,699	0	72,699	69,774	(2,925)	(2,925)	0	
CEE00 Food Safety	28,894	98,468	127,362	0	127,362	131,290	3,928	0	3,928	Export Licensing Fees Higher than budgeted for
CEE10 Pollution Reduction	42,506	176,146	218,652	7,000	225,652	234,861	9,209	0	9,209	(Adj:Profiling on Fees 90% of income is received in Q1, £6k Fav on Pollution control licensing fees, 2)
CEE30 Health and Safety at Work	137	0	137	0	137	0	(137)	0	(137)	
CEE50 Pest Control	3,174	6,802	9,976	0	9,976	9,069	(906)	0	(906)	
CEE80 Public Conveniences	2,637	40,590	43,227	5,000	48,227	48,509	282	0	282	(Adj: 2K R & M 2K Utilities, 1K TPP other)
CEH00 Community Safety (Safety Services)	19,185	88,816	108,001	0	108,001	118,421	10,420	0	10,420	£6k saving on vacant post, £4k fav on kennel fees due to a reduction in strays
KGW00 Welfare Services	0	1,125	1,125	0	1,125	1,500	375	0	375	
Environmental Services	96,533	411,946	508,479	12,000	520,479	543,651	23,171	0	23,171	
HTK10 Environmental Maintenance (Other Roads)	(4,291)	(4,163)	(8,454)	2,904	(5,550)	(5,550)	(0)	0	(0)	(Adj: Gully cleaning under spend not expected by year end)
NAC60 Public Transport	2,958	20,777	23,735	3,000	26,735	27,702	968	0	968	(Adj: adhoc spend on r&m £2K & Contract cleaning)
Highways	(1,333)	16,614	15,281	5,904	21,185	22,152	967	0	967	
ACL00 Local Land Charges	(5,345)	9,182	3,837	2,000	5,837	12,243	6,406	0	6,406	£6k fav fees (Adj:Services fees & charges)
CEE70 Licensing	(9,972)	(35,999)	(45,970)	0	(45,970)	(47,998)	(2,028)	0	(2,028)	£7k fav salaries due to vacancy, £7k adv on fees & 3K adv Material Other, 1k Fav small variances
Licensing and Land Charges	(15,316)	(26,817)	(42,133)	2,000	(40,133)	(35,755)	4,378	0	4,378	
ACG00 Emergency Planning and Works	0	375	375	0	375	500	125	0	125	
CCA20 Heritage	2,855	16,778	19,634	1,875	21,509	22,371	862	0	862	(Adj: grants profiling)
CPB00 Building Regulations	(10,861)	(2,800)	(13,661)	4,000	(9,661)	(3,733)	5,928	0	5,928	Increased fees £5k Adj: £1.5k Pro fees, Depends on structural app claims, £2.5 Profiling on staffing costs Training etc
CPB10 Building Control Enforcement	24,727	61,027	85,755	(3,451)	82,304	81,370	(934)	0	(934)	(adj:Salary posted to incorrect costc + £0.9k salary increase)
CPB20 Other Building Control Work	3,711	27,166	30,877	2,500	33,377	36,222	2,845	0	2,845	Favourable £1.5k prof fees, £1k fees (adj: Salary miscodings to investigate)
CPC00 Development Control Advice	10,655	13,333	23,988	(6,103)	17,885	17,777	(108)	0	(108)	(adj:Salary posted to incorrect costc + £0.1k salary increase)
CPC10 Dealing with Development Control Applications	(18,128)	(46,649)	(64,777)	4,805	(59,972)	(61,199)	(1,227)	0	(1,227)	£7k Adv on Planning Applications, £8k Fav on salary costs due to one vacant post and two on maternity leave £10k Ex gratia payment not budgeted for
CPC20 Development Control Enforcement	34,454	88,947	123,401	(4,183)	119,218	118,596	(622)	0	(622)	(adj:Salary posted to incorrect costc + £0.6k salary increase)

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APPENDIX 1

£'s	BUDGET			FORECAST		ANNUAL		RESERVES		COMMENTARY
	YTD ACTUAL	BUDGET	BUDGET OUTTURN	ADJUSTMENTS	PROJECTED OUTTURN	BUDGET	PROJECTED VARIANCE	EARMARKED	GF	
CPD10 Structure and Local Planning	79,386	271,900	351,286	33,356	384,642	387,967	3,325	0	3,325	£5k fav on salary costs due to vacancies (Adj: £18k Subscription paid early to Derbyshire Wildlife trust, £3k Profiling on professional fees + £1.4k salary increase) (adj: Profiling of income received at end if year) Income received not budgeted for (Adj: wages week 9 not accrued £5k & £5k furniture adhoc spend) (Adj: £1.4k salary increase) 6K adverse Materials (adj: Trade waste prepayment not accrued) Small 2k Fav Variance on County Contributions (Adj: tools & equip & mats, printing, tools, waste management profiling)
Planning	126,800	430,078	556,878	32,799	589,677	599,870	10,194	0	10,194	
HTP10 Off-Street Parking	3,391	55,647	59,037	12,428	71,465	71,466	0	0	0	
Town Centre	3,391	55,647	59,037	12,428	71,465	71,466	0	0	0	
CEE60 Public Health	(225)	0	(225)		(225)	0	225	0	225	
CES00 Street Cleansing (not chargeable to highways)	48,881	177,944	226,825	10,000	236,825	237,258	434	0	434	
CEW00 Household Waste Collection	282,689	886,718	1,169,407	1,399	1,170,806	1,168,642	(2,165)	0	(2,165)	
CEW10 Trade Waste Collection	(36,398)	(92,811)	(129,209)	12,000	(117,209)	(123,748)	(6,538)	0	(6,538)	
CEW20 Recycling	22,700	180,948	203,648	35,500	239,148	241,264	2,116	0	2,116	
Waste Collection & Street Cleansing	317,647	1,152,799	1,470,446	58,899	1,529,345	1,523,416	(5,929)	0	(5,929)	
	785,631	2,940,723	3,726,354	125,985	3,852,339	3,900,966	48,626	(2,925)	51,551	

Budget Monitoring - June 2013

Housing & Community

APPENDIX 2

£'s

	BUDGET			FORECAST		ANNUAL		RESERVES		COMMENTARY
	YTD ACTUAL	BUDGET	BUDGET OUTTURN	ADJUSTMENTS	PROJECTED OUTTURN	BUDGET	PROJECTED VARIANCE	EARMARKED	GF	
ACT00 General Grants, Bequests & Donations	125,041	170,387	295,429	(15,602)	279,827	251,826	(28,000)	(28,000)	0	Payments to Voluntary Groups from Reserve Funding (Adj: grants profiling)
CCD00 Community Centres	7,468	28,179	35,647	(2,977)	32,670	33,364	693		693	£1k under on fees (Adj: £3k trf licence cost to KJE70)
CEG00 Community Safety (Crime Reduction)	53,879	103,516	157,395		157,395	177,030	19,634	19,634		
CEK00 Defences Against Flooding	9,808	27,192	37,001	(2,068)	34,933	34,802	(130)		(130)	(Adj: waste disposal profiling, Service Professional Fees profiling)
CPH20 Market Undertakings	(282)	(74)	(356)	(1,000)	(1,356)	(1,512)	(156)		(156)	(adj: Awaiting Payment from Geraud Markets April to June)
CPL00 Community Development	15,955	25,021	40,976	8,161	49,137	45,027	(4,109)		(4,109)	Adv on training £1k & prof fees £2k (Adj: grants & training profiling + £0.9k salary increase)
CCF10 Village Halls	1,038	5,250	6,287		6,287	7,000	712		712	(Adj: Trf of costs from CCD00)
Community Development and Support	212,908	359,471	572,378	(13,486)	558,893	547,537	(11,356)	(8,366)	(2,990)	
CCA10 Arts Development & Support	16,575	15,512	32,086		32,086	26,875	(5,211)	(5,211)	0	Funded from Arts Earmarked Reserves
CCA40 Festival of Leisure	(145)	23,575	23,430	3,500	26,930	28,846	1,916		1,916	Increase in festival income 1.5K (adj: for professional fees profiling £3.5K)
CCA30 Christmas Lights	5,991	52,235	58,226		58,226	57,776	(450)		(450)	Lights ordered in 12/13 but not accrued
Leisure and Recreational Activities	22,421	91,321	113,742	3,500	117,242	113,497	(3,745)	(5,211)	1,466	
CCD20 Sports Development & Community Recreation	54,025	93,634	147,659	622	148,281	147,141	(1,141)	(1,141)		(Adj: £0.6k salary increase)
CCD30 Indoor Sports & Recreation Facilities	49,646	383,029	432,675	934	433,609	434,781	1,172		1,172	Adv £1.5k Active Nation payments & £1k fee income. (Adj: £0.9k salary increase)
CCD40 Outdoor Sports & Recreation Facilities (SSP)	24,103	(0)	24,103	(22,724)	1,379	(0)	(1,379)	(1,379)		(Adj: Budget profile for grant income)
CCA00 Melbourne Leisure Centre	(1,525)	(240)	(1,765)		(1,765)	(320)	1,445		1,445	
CCD10 Get Active in the Forest	12,467	13,470	25,938		25,938	26,081	143	143		
CCD50 Play schemes	3,112	15,881	18,993		18,993	32,031	13,039	13,039		
Leisure Centres and Community Facilities	141,828	505,775	647,602	(21,168)	626,434	639,713	13,279	10,662	2,617	
CCE00 Ground Maintenance	70,755	287,532	358,287	10,185	368,472	378,167	9,695		9,695	Fav £2k on overtime, £4k fees, 4k Tools & Materials (Adj: week 9 wages not accrued £7k & maintenance not accrued £1k + £0.6k salary increase)
CCE10 Countryside Recreation & Management	2,759	10,770	13,529	172	13,701	14,360	659		659	
CCE20 Allotments	(1,563)	900	(663)		(663)	(725)	(62)		(62)	Increase in Wedding and Cabin Hire Income & Car parking Income higher due to better weather. (Adj: 40% to Forestry Commission + £0.3k salary increase)
CCF20 Rosliston Forestry Centre	(2,991)	97,072	94,081	7,314	101,395	111,590	10,195		10,195	
CEA00 Cemeteries	(5,531)	4,052	(1,479)	6,000	4,521	9,277	4,756		4,756	Increase in income £3k (Adj: R&M to be spent during year)
CEA30 Closed Churchyards	3,608	0	3,608	652	4,260	4,260	0		0	(Adj: Grants profiling)
KJE70 Community Parks & Open Spaces	64,074	139,329	203,403	2,713	206,116	191,386	(14,731)	(14,731)		(Adj: Licence fee to be recharged from CCD00)
Parks and Open Spaces	131,112	539,655	670,767	27,036	697,803	708,315	10,512	(14,731)	25,242	
CEE20 Housing Standards	22,088	68,229	90,317		90,317	90,972	655		655	
KGA00 Housing Strategy	7,449	70,850	78,299	4,675	82,974	94,466	11,492		11,492	Fav £11k salary costs due to vacant post (Adj: subs, prof fees, training)
KGD00 Housing Advice	27,017	79,538	106,555	(264)	106,291	106,051	(240)		(240)	Small Saving of advertising (ADJ: £2.2k Contributions other organisations + £1.9k salary increase)
KGE10 Administration of Renovation & Improvement Grants	21,295	69,664	90,959	3,455	94,414	92,885	(1,529)	(1,529)		(Adj: TPP-agency profiling) (Post funded by reserves)
KGH10 Bed / Breakfast Accommodation	9	7,500	7,509		7,509	10,000	2,491		2,491	Fav £15k on Income 12.5 Adv on costs
KGH40 Homelessness Administration	35,158	84,146	119,303	(16,000)	103,303	112,194	8,891		8,891	Fav £7k salary costs 1k Prof Fees (Adj: grant income profiling)
KGT00 Travellers' Sites	7,561	(15,401)	(7,840)	(12,694)	(20,534)	(20,534)	(0)		(0)	(Adj: DCC funded)
Private Sector Housing	120,577	364,526	485,103	(20,828)	464,275	486,034	21,759	(1,529)	23,288	
	628,846	1,860,747	2,489,593	(24,946)	2,464,647	2,495,096	30,448	(19,175)	49,624	

Budget Monitoring - June 2013

Finance & Management

APPENDIX 3

£'s		BUDGET			FORECAST		ANNUAL		RESERVES		COMMENTARY
		YTD ACTUAL	BUDGET	BUDGET OUTTURN	ADJUSTMENTS	PROJECTED OUTTURN	BUDGET	PROJECTED VARIANCE	EARMARKED	GF	
PSX40	Senior Management	96,584	294,951	391,535	(104,918)	286,617	393,268	106,651		106,651	(Adj:Salary increase cost of £13k plus restructure saving of £118k)
PSX50	Reprographic/Print Room	20,317	61,399	81,716		81,716	81,865	150		150	
PSX55	Financial Services	89,272	280,397	369,669	9,967	379,636	373,862	(5,773)		(5,773)	Fav £2k tools & equip & periodicals (Adj: £2k Subscriptions plus £8.4k salary increase)
PSX56	Internal Audit	30,660	91,980	122,640		122,640	122,640	0		0	
PSX57	Merchant Banking Services	10,656	36,302	46,958	1,444	48,402	48,402	0		0	(Adj: services professional fees)
PSX60	ICT Support	164,998	491,109	656,107		656,107	654,812	(1,295)		(1,295)	
PSX65	Legal Services	7,218	26,486	33,704	9,858	43,562	35,314	(8,248)		(8,248)	Books (Adj:£9.8k salary increase)
PSX75	Personnel/HR	50,217	178,709	228,926		228,926	238,279	9,353		9,353	No spend on training
PSX76	Policy & Communications	60,473	181,440	241,913		241,913	241,920	7		7	
PSX77	Customer Services	141,285	423,995	565,280		565,280	565,327	47		47	
PSX78	Health & Safety	9,503	25,550	35,053		35,053	34,067	(986)		(986)	Medical fees & training
PSX81	Admin Offices & Depot	31,782	255,220	287,003	25,225	312,228	312,228	0		0	(Adj: Business Rates)
PSX95	Procurement Unit	40,350	120,551	160,901		160,901	160,735	(166)		(166)	Protective Clothing
PSX99	Corporate Services Partnership	20,061	0	20,061	(20,061)	0	0	(0)		(0)	(Adj: Recharge to Northgate)
KJE40	Caretaking	21,300	46,953	68,253	(5,649)	62,604	62,604	0		0	(Adj: Recharge to DCC (service costs))
Central and Departmental Accounts		794,677	2,515,042	3,309,719	(84,134)	3,225,585	3,325,324	99,739	0	99,739	
HTT00	Concessionary Fares	(130)	2,500	2,370		2,370	3,000	630		630	Income for replacement bus passes
Concessionary Travel		(130)	2,500	2,370	0	2,370	3,000	630	0	630	
AAD00	Democratic Representation & Management	128,973	445,884	574,857	(35,963)	538,894	592,656	53,763		53,763	£8k DCC forum not budgeted, numerous other fav variances £9k (Adj: £36k restructure saving)
AAM00	Corporate Management	23,792	65,175	88,967	(2,067)	86,900	86,900	(0)		(0)	(Adj: subscriptions profiling)
AAM01	Corporate Finance Management	19,117	49,231	68,348		68,348	65,642	(2,706)		(2,706)	Local Government Employers payment
KJW00	Debt Management Costs	30,578	91,725	122,303		122,303	122,300	(3)		(3)	
Corporate and Democratic Costs		202,460	652,016	854,475	(38,030)	816,445	867,498	51,053	0	51,053	
ACE00	Registration of Electors	(6,389)	14,058	7,669	10,080	17,749	18,743	994		994	(Adj: postage profiling, £6k IER funding to be spent later in year)
ACE10	Conducting Elections	100,015	66,008	166,023	(78,000)	88,023	88,011	(12)		(12)	Adj: election fees to reclaim 64K & 10K Purchase new polling booths profiling)
Electoral Registration		93,626	80,066	173,692	(67,920)	105,772	106,754	982	0	982	
ACT01	Parish Councils	93,580	233,386	326,966	(15,784)	311,182	311,182	(0)		(0)	(Adj: TPP profiling)
Payments to Parish Councils		93,580	233,386	326,966	(15,784)	311,182	311,182	(0)	0	(0)	
ABP00	Funded Pension Schemes	33,365	174,028	207,393	24,645	232,038	232,037	(0)		(0)	(Adj: enhanced pension profiling)
ABQ00	Planning Agreements	46,243	0	46,243	(46,243)	(0)	0	0		0	(Adj: section 106 monies drawdown)
W4A00	Interest & Investment Income (GF)	(4,745)	(24,375)	(29,120)		(29,120)	(32,500)	(3,380)		(3,380)	Reduced interest income
W7A00	External Interest Payable (GF)	0	8,618	8,618	2,873	11,491	11,490	(1)		(1)	(Adj: Budget Profiling)
Pensions, Grants Interest Payments and Receipts		74,862	158,270	233,133	(18,725)	214,408	211,027	(3,381)	0	(3,381)	
PSX85	Estate Management	(77,841)	(57,293)	(135,134)	55,410	(79,724)	(79,724)	(0)		(0)	(Adj: rent paid at year end, prof fees & business rates profiling, rental income profiling)
Property and Estates		(77,841)	(57,293)	(135,134)	55,410	(79,724)	(79,724)	(0)	0	(0)	
ACA00	Council Tax Collection	36,591	(26,783)	9,809	(45,519)	(35,710)	(35,710)	0		0	(Adj: income for court fees profiling £27k, £5k trf to W2A00)
ACA10	Council Tax Benefits Administration	0	450	450	150	600	600	0		0	(Adj: budget profiling, actuals at year end)
ACA30	Council Tax Benefits	0	(10,500)	(10,500)	(3,500)	(14,000)	(14,000)	0		0	(Adj: budget profiling, actuals at year end)
ACA40	Non Domestic Rates Collection	29,278	28,177	57,455	(19,885)	37,570	37,570	(0)		(0)	(Adj: budget profiling, actuals at year end)
KGL00	Rent Allowances Paid	(3,868)	121,500	117,632	44,368	162,000	162,000	(0)		(0)	(Adj: budget profiling, actuals at year end)
KGL10	Net cost of Non-HRA Rent Rebates	0	36,000	36,000	12,000	48,000	48,000	0		0	(Adj: budget profiling, actuals at year end)
KGN00	Net cost of Rent Rebates Paid	0	51,000	51,000	17,000	68,000	68,000	0		0	(Adj: rebates to be updated in P4 YTD)

APPENDIX 3

£'s

	BUDGET			FORECAST		ANNUAL		RESERVES		COMMENTARY
	YTD ACTUAL	BUDGET	BUDGET OUTTURN	ADJUSTMENTS	PROJECTED OUTTURN	BUDGET	PROJECTED VARIANCE	EARMARKED	GF	
KGP00 Housing Benefits Administration	170,853	21,269	192,122	(163,763)	28,359	28,359	0		0	(Adj: £59k additional exp incurred to be funded from a grant, £104k profiling of grant income due in year end)
Revenues and Benefits	232,854	221,114	453,968	(159,149)	294,819	294,819	0	0	0	
	1,414,088	3,805,102	5,219,189	(328,332)	4,890,857	5,039,881	149,024	0	149,024	
W2A00 Taxation & non specific grant income (GF)	(2,318,706)	0	(2,318,706)	2,318,706	0	0	0		0	
W6A00 IAS19 Pensions Adjustment (GF)	0	0	0		0	0	0		0	
W8A00 Other Operating Income & Expenditure (GF)	(333,039)	0	(333,039)	333,039	0	0	0		0	
Other Operating Income & Expenditure	(2,651,745)	0	(2,651,745)	2,651,745	0	0	0	0	0	
	(1,237,657)	3,805,102	2,567,444	2,323,413	4,890,857	5,039,881	149,024	0	149,024	

Total outturn is £184k under budget, during June the outturn has improved by £63k (£31k under budget in Apr 13, £121k under in May.) The following explains these variances.

Environmental and Development

Outturn is £52k under budget as a result of restructure savings of £19k, partially offset by £5k salary increase. Savings on staff costs due to vacancies £26k, professional fees £4k and increased fee income £26k which has been partially offset by adverse fee income on licensing (£7k), Tools & Materials (£10k), Other small variances (£1k)

Income is £26k favourable against budget due to increased Land charges £6k, Pollution Reduction licenses £9k, Food Export Licensing 4k, Building regs £6k and other Building Control fees £1k

- Staff savings are due to vacancies in Community Safety £6k, Licensing £7k, Structure & Local Planning £5k. Development Control £8K
- Professional fees savings are visible in Community Safety £4k,
- Materials adverse variance £6k Trade Waste due to bin purchases, Licensing £3k Licensing plates

During June the outturn has improved by (£12k) which is mainly due to;

- savings from restructure

Housing & Community

Outturn is projected to be £50k under budget as a result of favourable variances on staff costs £18K, Overtime 2k, increased income £30k, Training £3k, Professional Fees £7k, tools & equipment and materials £6k Favourable variances are partially offset by adv Accommodation costs of (£12k): Further detail below;

- There is a saving of approximately £20k on staff costs due to vacancies and under spends on overtime.
- Additional income includes Burial fees £3k and Bed & Breakfast £15k, Festival of Leisure 2k, Wedding and log Cabins 10k,
- Tools & equipment and materials have a number of small under and over spends over a number of cost centres resulting in a £6k favourable variance.
- Training of £3k on 2 cost centres.
- Professional fees 7k under spend are made up of small variance over a number of cost centres
- Accommodation costs partially offset the B&B income by (12k) adverse.

During June the outturn projection has improved by £26k which is due to B&B income £5k, Wedding & Log Cabin Income 10k, materials and tools & equipment £4k, professional fees and training £7k.

Finance & Management

Outturn is £149k under budget detailed below;

- £154k savings due to restructure partially offset by pay increases of £32k
- DCC forum income received of £8k in Democratic that hasn't been budgeted for
- Training savings of £10k
- Democratic Representation savings on Allowances, conference expenses, subsistence and public civic functions £5k, non-staff advertising £2k, catering £1k and rent and room hire £1k
- Books saving in Legal of £2k
- Tools Equipment periodicals £2k
- Northgate costs relating to printing of election forms unbudgeted - adverse variance of (£5k)

During June the outturn has improved by (110K) which is due mainly to the savings made due to the restructure.

Housing Revenue Account

Outturn is projected to be (£66k) over budget as a result of a decreased rental income (£75k) rechargeable repairs income lower than budget (£3k), Favourable variances off set the decrease in rental income by salary saving of 9K and other various favourable variance on 5k further details below;:

- Actual rental income received for Council housing is lower than budgeted due to ???
- Housing Department & Support Staff have staff cost savings of £9k due to 2 vacancies
- Rechargeable Repairs lower income received than budgeted (£3k)
- Other Special Services - Computer Maintenance 2k, Professional Fees 3k

During June the outturn has decreased by £80k due mainly to decreased rental income.

Summary by Policy Committee	Approved Budget £	Projected Actual £	Projected Variance £
Environmental and Development Services	3,900,966	3,852,339	-48,626
Housing and Community Services	2,495,096	2,464,647	-30,448
Finance and Management	5,039,881	4,890,857	-149,024
TOTAL	11,435,942	11,207,844	-228,098

Summary by Main Service Area	Approved Budget £	Projected Actual £	Projected Variance £
Economic Development	278,742	259,972	-18,770
Environmental Health Services	543,651	520,479	-23,171
Highways	22,152	21,185	-967
Licensing and Land Charges	-35,755	-40,133	-4,378
Planning	599,870	589,677	-10,194
Town Centre	71,466	71,465	-0
Waste Collection & Street Cleansing	1,523,416	1,529,345	5,929
Environmental Education	69,774	72,699	2,925
Transport Account	827,650	827,650	0
Community Development and Support	547,537	558,893	11,356
Leisure and Recreational Activities	113,497	117,242	3,745
Leisure Centres and Community Facilities	639,713	626,434	-13,279
Parks and Open Spaces	708,315	697,803	-10,512
Private Sector Housing	486,034	464,275	-21,759
Central and Departmental Accounts	3,325,324	3,225,585	-99,739
Revenues and Benefits	294,819	294,819	-0
Electoral Registration	106,754	105,772	-982
Corporate and Democratic Costs	867,498	816,445	-51,053
Payments to Parish Councils	311,182	311,182	0
Concessionary Travel	3,000	2,370	-630
Property and Estates	-79,724	-79,724	0
Pensions, Grants and Interest	211,027	214,408	3,381
TOTAL	11,435,942	11,207,844	-228,098

Earmarked Reserves	£	General Reserve	£
2,925		-51,551	
19,175		-49,624	
0		-149,024	
22,100		-250,199	

Earmarked Reserves	£	General Reserve	£
0		-18,770	
0		-23,171	
0		-967	
0		-4,378	
0		-10,194	
0		-0	
0		5,929	
2,925		0	
0		0	
8,366		2,990	
5,211		-1,466	
-10,662		-2,617	
14,731		-25,242	
1,529		-23,288	
0		-99,739	
0		-0	
0		-982	
0		-51,053	
0		0	
0		-630	
0		0	
0		3,381	
22,100		-250,199	

	£'000
Senior Management Restructure	-136
Staff Vacancies - Environmental and Development Services	-26
Staff Vacancies - Community and Leisure Services	-20
Additional income on Licensing, Land Charges and Building Control	-19
Democratic and Members Costs	-17
Additional income from Leisure and Recreational Facilities	-15
Corporate Training	-10
Corporate and Central Services	-9
Other Variances (net)	2
TOTAL - OVERALL PROJECTED VARIANCE	-250

-250

Summary HRA as at June 2013	Approved Budget £	Projected Actual	Projected £ Variance £
Supervision and Management Costs	1,404,969	1,389,267	-15,701
Housing Repairs	3,209,959	3,213,657	3,698
Interest on Debt	1,614,677	1,614,677	-0
Supported Housing	362,976	357,488	-5,488
Rent and other Income	-11,974,050	-11,950,791	23,259
Transfer to Capital Works Reserve	5,500,000	5,500,000	0
TOTAL	118,530	124,297	5,767

Budget Monitoring - June 2013

Summary by Policy Committee

£'s	BUDGET			FORECAST		ANNUAL		RESERVES	
	YTD ACTUAL	BUDGET	BUDGET OUTTURN	ADJUSTMENTS	PROJECTED OUTTURN	BUDGET	PROJECTED VARIANCE	EARMARKED	GF/HRA
Central & Departmental Accounts	148,824	663,690	812,514	15,136	827,650	827,650	(0)	0	(0)
Economic Development	76,653	196,500	273,153	(13,181)	259,972	278,742	18,770	0	18,770
Environmental Education	32,433	40,266	72,699	0	72,699	69,774	(2,925)	(2,925)	0
Environmental Services	96,533	411,946	508,479	12,000	520,479	543,651	23,171	0	23,171
Highways	(1,333)	16,614	15,281	5,904	21,185	22,152	967	0	967
Licensing and Land Charges	(15,316)	(26,817)	(42,133)	2,000	(40,133)	(35,755)	4,378	0	4,378
Planning	126,800	430,078	556,878	32,799	589,677	599,870	10,194	0	10,194
Town Centre	3,391	55,647	59,037	12,428	71,465	71,466	0	0	0
Waste Collection & Street Cleansing	317,647	1,152,799	1,470,446	58,899	1,529,345	1,523,416	(5,929)	0	(5,929)
Environmental and Development	785,631	2,940,723	3,726,354	125,985	3,852,339	3,900,966	48,626	(2,925)	51,551
Community Development and Support	212,908	359,471	572,378	(13,486)	558,893	547,537	(11,356)	(8,366)	(2,990)
Leisure and Recreational Activities	22,421	91,321	113,742	3,500	117,242	113,497	(3,745)	(5,211)	1,466
Leisure Centres and Community Facilities	141,828	505,775	647,602	(21,168)	626,434	639,713	13,279	10,662	2,617
Parks and Open Spaces	131,112	539,655	670,767	27,036	697,803	708,315	10,512	(14,731)	25,242
Private Sector Housing	120,577	364,526	485,103	(20,828)	464,275	486,034	21,759	(1,529)	23,288
Housing & Community	628,846	1,860,747	2,489,593	(24,946)	2,464,647	2,495,096	30,448	(19,175)	49,624
Central and Departmental Accounts	794,677	2,515,042	3,309,719	(84,134)	3,225,585	3,325,324	99,739	0	99,739
Concessionary Travel	(130)	2,500	2,370	0	2,370	3,000	630	0	630
Corporate and Democratic Costs	202,460	652,016	854,475	(38,030)	816,445	867,498	51,053	0	51,053
Electoral Registration	93,626	80,066	173,692	(67,920)	105,772	106,754	982	0	982
Payments to Parish Councils	93,580	233,386	326,966	(15,784)	311,182	311,182	(0)	0	(0)
Pensions, Grants Interest Payments and Receipts	74,862	158,270	233,133	(18,725)	214,408	211,027	(3,381)	0	(3,381)
Property and Estates	(77,841)	(57,293)	(135,134)	55,410	(79,724)	(79,724)	(0)	0	(0)
Revenues and Benefits	232,854	221,114	453,968	(159,149)	294,819	294,819	0	0	0
Finance & Management	1,414,088	3,805,102	5,219,189	(328,332)	4,890,857	5,039,881	149,024	0	149,024
TOTAL	2,828,565	8,606,572	11,435,136	(227,293)	11,207,844	11,435,942	228,098	(22,100)	250,199
Housing Revenue Account	(1,536,463)	(1,124,943)	(2,661,407)	86,711	(2,574,696)	(2,580,463)	(5,768)	8,168	(13,936)
TOTAL (incl. HRA)	1,292,101	7,481,628	8,773,730	(140,582)	8,633,148	8,855,479	222,330	(13,932)	236,263
Other Operating Income & Expenditure	(2,651,745)	0	(2,651,745)	2,651,745	0	0	0	0	0

Budget Monitoring - June 2013

Summary by Main Service Area

£'s	BUDGET			FORECAST		ANNUAL		RESERVES	
	YTD ACTUAL	BUDGET	BUDGET OUTTURN	ADJUSTMENTS	PROJECTED OUTTURN	BUDGET	PROJECTED VARIANCE	EARMARKED	GF/HRA
Economic Development	76,653	196,500	273,153	(13,181)	259,972	278,742	18,770	0	18,770
Environmental Services	96,533	411,946	508,479	12,000	520,479	543,651	23,171	0	23,171
Highways	(1,333)	16,614	15,281	5,904	21,185	22,152	967	0	967
Licensing and Land Charges	(15,316)	(26,817)	(42,133)	2,000	(40,133)	(35,755)	4,378	0	4,378
Planning	126,800	430,078	556,878	32,799	589,677	599,870	10,194	0	10,194
Town Centre	3,391	55,647	59,037	12,428	71,465	71,466	0	0	0
Waste Collection & Street Cleansing	317,647	1,152,799	1,470,446	58,899	1,529,345	1,523,416	(5,929)	0	(5,929)
Environmental Education	32,433	40,266	72,699	0	72,699	69,774	(2,925)	(2,925)	0
Central & Departmental Accounts	148,824	663,690	812,514	15,136	827,650	827,650	(0)	0	(0)
Community Development and Support	212,908	359,471	572,378	(13,486)	558,893	547,537	(11,356)	(8,366)	(2,990)
Leisure and Recreational Activities	22,421	91,321	113,742	3,500	117,242	113,497	(3,745)	(5,211)	1,466
Leisure Centres and Community Facilities	141,828	505,775	647,602	(21,168)	626,434	639,713	13,279	10,662	2,617
Parks and Open Spaces	131,112	539,655	670,767	27,036	697,803	708,315	10,512	(14,731)	25,242
Private Sector Housing	120,577	364,526	485,103	(20,828)	464,275	486,034	21,759	(1,529)	23,288
Central and Departmental Accounts	794,677	2,515,042	3,309,719	(84,134)	3,225,585	3,325,324	99,739	0	99,739
Revenues and Benefits	232,854	221,114	453,968	(159,149)	294,819	294,819	0	0	0
Electoral Registration	93,626	80,066	173,692	(67,920)	105,772	106,754	982	0	982
Corporate and Democratic Costs	202,460	652,016	854,475	(38,030)	816,445	867,498	51,053	0	51,053
Payments to Parish Councils	93,580	233,386	326,966	(15,784)	311,182	311,182	(0)	0	(0)
Concessionary Travel	(130)	2,500	2,370	0	2,370	3,000	630	0	630
Property and Estates	(77,841)	(57,293)	(135,134)	55,410	(79,724)	(79,724)	(0)	0	(0)
Pensions, Grants Interest Payments and Receipts	74,862	158,270	233,133	(18,725)	214,408	211,027	(3,381)	0	(3,381)
TOTAL	2,828,565	8,606,572	11,435,136	(227,293)	11,207,844	11,435,942	228,098	- 22,100	250,199
Housing Revenue Account	(1,536,463)	(1,124,943)	(2,661,407)	86,711	(2,574,696)	(2,580,463)	(5,768)	8168	(13,936)
TOTAL (incl. HRA)	1,292,101	7,481,628	8,773,730	(140,582)	8,633,148	8,855,479	222,330	(13,932)	236,263

Budget Monitoring - June 2013

Housing Revenue Account

£'s		BUDGET			FORECAST		ANNUAL		RESERVES		COMMENTARY
		YTD ACTUAL	BUDGET	BUDGET OUTTURN	ADJUSTMENTS	PROJECTED OUTTURN	BUDGET	PROJECTED VARIANCE	EARMARKED	HRA	
KGX00	Housing Department Support Staff and Costs (HRA)	308,537	987,494	1,296,031	4,926	1,300,957	1,316,659	15,701	8,168	7,533	Salary under spend due to 2 vacancies (adj: training expenses later in year+ £1.9k salary increase)) (Reserve c/fwd for IT spend of £8k)
KHR20	Rechargeable Repairs (HRA)	(1,551)	(15,750)	(17,301)		(17,301)	(21,000)	(3,699)		(3,699)	Minor repairs recharged
KJA00	Responsive (DLO Trading HRA)	15,563	(0)	15,563	(15,563)	0	(0)	(0)		(0)	(Adj: Overspend to be covered by KJA10)
KJA10	Planned (HRA Revenue)	553,967	2,520,921	3,074,888	156,070	3,230,958	3,230,959	0		0	(Adj: £156k due to slow start on spend with contractor procurement tender)
KJA20	Associated Costs (HRA)- interest	393,699	1,172,104	1,565,803	(2,998)	1,562,805	1,562,805	0		0	Interest receivable - none received to date (Adj: prof fees profiling)
KJC10	Managing Tenancies (HRA)	1,792	28,733	30,525	7,785	38,310	38,310	0		0	(Adj: comp purchase & cont to prov'n profiling)
KJC20	Rent Collection and Accounting (HRA)	(2,867,277)	(6,144,531)	(9,011,807)	(107,977)	(9,119,784)	(9,143,043)	(23,259)		(23,259)	5K additional fees other, 18K Rent Income & £266 garages income
KJR00	Increase/Decrease in Provision for Bad or Doubtful Debts (HRA)	0	15,000	15,000	5,000	20,000	20,000	0		0	(Adj: budget profiling, actuals at year end)
KJE90	Other Special Services (HRA)	58,806	272,182	330,988	26,500	357,488	362,976	5,488		5,488	£5k adv salary saving (Adj: 17.5K R & M Silver Service Contract due later in year + 9K tools & equip purchase/hire, prf fees, comp maint)
KJT00	Depreciation and Impairment - Dwellings (HRA)	0	0	0		0	0	0		0	
KJT10	Depreciation and Impairment - Other HRA Assets	0	0	0		0	0	0		0	
W6A10	IAS19 Pensions Adjustment (HRA)	0	0	0		0	0	0		0	
W7A10	External Interest Payable (HRA)	0	38,904	38,904	12,968	51,872	51,872	0		0	(Adj: budget profiling)
W8A10	Other Operating Income & Expenditure (HRA)	0	0	0		0	0	0		0	
Housing Revenue Account		(1,536,463)	(1,124,943)	(2,661,407)	86,711	(2,574,696)	(2,580,463)	(5,768)	8,168	(13,936)	
		(1,536,463)	(1,124,943)	(2,661,407)	86,711	(2,574,696)	(2,580,463)	(5,768)	8,168	(13,936)	

-2,851,007 Depreciation
 5,500,000 Capital Works
 50,000 Cap Salaries
118,530 Net Deficit

Summary by Policy Committee

Environmental and Development

Housing and Community

Finance and Management

TOTAL

Housing Revenue Account

TOTAL (incl. HRA)**Other Operating Income & Expenditure**

April

May

June

	April	May	June
Environmental and Development	16,016	39,322	51,551
Housing and Community	8,130	28,310	49,624
Finance and Management	26,310	39,042	149,024
TOTAL	50,456	106,673	250,199
Housing Revenue Account	(19,327)	14,201	(13,936)
TOTAL (incl. HRA)	31,129	120,874	236,263
Other Operating Income & Expenditure	0	0	0

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

TOTAL (incl. HRA)

Economic Development	(291)	413	18,770
Environmental Services	7,603	12,085	23,171
Highways	1,261	76	967
Licencing and Land Charges	7,533	10,515	4,378
Planning	(15,200)	23,504	10,194
Town Centre	(683)	(46)	0
Waste Collection & Street Cleansing	15,791	7,110	(5,929)
Environmental Education	0	0	0
Central & Departmental Accounts	0	(14,334)	(0)
Community Development and Support	69	(3,492)	(2,990)
Leisure and Recreational Activities	(2,438)	(237)	1,466
Leisure Centres and Community Facilities	(722)	(1,617)	2,617
Parks and Open Spaces	7,383	9,779	25,242
Private Sector Housing	3,839	23,877	23,288
Central and Departmental Accounts	8,151	13,720	99,739
Revenues and Benefits	270	282	0
Electoral Registration	6,799	(3,646)	982
Corporate and Democratic Costs	5,908	19,634	51,053
Payments to Parish Councils	1,396	0	(0)
Concessionary Travel	(1,870)	575	630
Property and Estates	3,412	10,230	(0)
Pensions, Grants Interest Payments and Receipts	2,246	(1,753)	(3,381)
TOTAL	50,456	106,673	250,199
Housing Revenue Account	(19,327)	14,201	(13,936)
TOTAL (incl. HRA)	31,129	14,201	236,263

Annual Outturn by Month

July	August	September	October	November	December	January
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0	0	0	0	0	0	0
0	0	0	0	0	0	0
0						

0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0

	Let	Void	Total
General purpose	1,991,590.67	21,220.76	2,012,811.43
Sheltered	902,469.53	11,643.78	914,113.31
Sold	152.06	0	152.06
Total	2,894,212.26	32,864.54	2,927,076.80
Garages	20,763.75	9,262.61	30,026.36
Garage Plots	1,294.38	482.46	1,776.84
Total	22,058.13	9,745.07	31,803.20
B&B	22,725.53	0	22,725.53

ESTIMATED COLLECTION FUND ACCOUNT 2013/14

	Actual 2012/13 £'000	Estimate 2013/14 £'000	Variance £'000
INCOME			
Council Tax Collectable	43,013	44,004	991
Business Rates Collectable	21,749	22,814	1,065
Council Tax Benefits	4,952	0	-4,952
Total Income	69,714	66,818	-2,896

EXPENDITURE

County Council Precept	34,643	31,626	-3,017
Police Authority Precept	5,271	4,901	-370
Fire Authority Precept	2,162	1,972	-190
SDDC Precept (incl. Parishes)	5,411	5,014	-397
Distribution Of Business Rates	21,772	21,701	-71
Business Rates Collection Costs	91	92	1
Bad Debts Provision - Business Rates	0	1,021	1,021
Bad Debts Provision - Council Tax	335	225	-110
Total Expenditure	69,686	66,552	-3,134

Surplus for the Year

28	266	238
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FUND BALANCE

Opening Balance 1st April	116	-29
Surplus for Year (as above)	28	266

Less : Previous Year's surpluses paid over

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

Closing Balance as at 31st March

-29	237
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SHARE

Derbyshire County Council	-21	172
Derbyshire Police Authority	-3	27
Derbyshire Fire and Rescue Authority	-1	11
South Derbyshire District Council	-3	27
	-29	237

Council Tax Arrears - ACTUAL 2012/13

Total Council Tax Arrears as at 1 st April 2012	4,160,783	
Provision for non-collection b/fwd as at 1 st April 2012	2,468,745	
Less: Write-offs in 2012/13 against the Provision	-525,797	
Balance of Provision after write-offs	1,942,948	
Total Council Tax Arrears as at 31 st March 2013	3,816,290	
Provision for non-collection for updated arrears	2,278,234	0.596976
Increase in Provision Required 2012/13	335,286	

Estimate 2013/14

Total Council Tax Arrears as at 1 st April 2013	3,816,290	
Provision for non-collection b/fwd as at 1 st April 2012	2,278,234	
Less: Write-offs in 2013/14 against the Provision	-150,132	Projection Based on Ju
Balance of Provision after write-offs	2,128,102	
Total Council Tax Arrears as at 31 st March 2014	3,941,341	See Below
Provision for non-collection for updated arrears	2,352,886	0.596976 Composite
Increase in Provision Required 2012/13	224,784	

Estimated Collection 2013/14

In-year Debit	44,000,000	
Collection Rate		0.974 Contracted Rate
Cash Collected	42,856,000	
Added to Arrears	1,144,000	
Arrears b/fwd	3,816,290	
Collection Rate		0.267 Contracted Rate
Cash Collected	1,018,949	
Arrears remaining previous years	2,797,341	
Add New Arrears (as above)	1,144,000	
Total Arrears c/fwd 2013/14	3,941,341	

ne's Ops Board Report

Rate as per 2012/13

UPDATED CAPITAL PROGRAMME 2013/14 (as at August 2013)

	Approved Budget 2013/14 £	Approved B/fwd 2012/13 £	Adjs 2013/14 £	Total Budget 2013/14 £
COUNCIL HOUSE IMPROVEMENTS				
Major Improvements under Self-financing	5,500,000	366,739		5,866,739
Sheltered Housing Vision		153,094		153,094
Major Disabled Facilities (former Buxton Close)		26,225		26,225
Major Disabled Facilities		86,957		86,957
Minor Disabled Facilities		114,512		114,512
Total Expenditure	5,500,000	747,527	0	6,247,527

Financed From

Major Repairs Reserve	5,500,000	568,208		6,068,208
Capital Reserve		153,094		153,094
Earmarked Reserve		26,225		26,225
Total Financing	5,500,000	747,527	0	6,247,527

PRIVATE SECTOR HOUSING RENEWAL

Disabled Facility Grants and other Works	250,000		108,597	358,597
Strategic Housing Market Assessment		60,000		60,000
Public Sector Stock Condition Survey	60,000			60,000
Empty Property Landlord Grants	45,000	23,027		68,027
Empty Pproperty First Time Buyer Grants	5,000	-9,983		-4,983
TOTAL EXPENDITURE	360,000	73,044	108,597	541,641

Financed From

Government Grant	250,000		108,597	358,597
External Contributions				0
Derbyshire County Council				0
General Capital Receipts	110,000	73,044		183,044
TOTAL INCOME	360,000	73,044	108,597	541,641

GENERAL FUND INVESTMENT PROGRAMME**COMMUNITY SERVICES**

Community Partnership Scheme		42,978		42,978
Melbourne Sports Partnership	1,000,000	-34,083		965,917
Rosliston Forestry Centre		-20,595		-20,595
Melbourne Leisure Centre	165,000	70,637		235,637
Green Bank Leisure Centre Refurbishment - Phase 2		470,000		470,000
Etwall Lesiure Centre - Fitness / Community Facilities		360,000		360,000
Etwall Leisure Centre - Artificial Grass Pitch		550,000		550,000
Eureka Park - Community Programme	500,000			500,000
Gresley Old Hall	428,000			428,000

ENVIRONMENTAL AND DEVELOPMENT SERVICES

Partnership Schemes in Conservation Areas		28,439		28,439
GIS Software - Land Contamination		16,000		16,000

PROPERTY and OTHER ASSETS

Page 53 of 73

Repairs to Village Halls and Community Facilities		48,762		48,762
Public Buildings - Planned Maintenance Programme		58,032		58,032

UPDATED CAPITAL PROGRAMME 2013/14 (as at August 2013)

	Approved Budget 2013/14 £	Approved B/fwd 2012/13 £	Adjs 2013/14 £	Total Budget 2013/14 £
TOTAL EXPENDITURE - GENERAL FUND	2,093,000	1,590,170	0	3,683,170
General Fund - Financed From				
Derbyshire County Council	250,000			250,000
Sport England	50,000			50,000
Growth Point		70,637		70,637
Trust Funders	40,000			40,000
Section 106		100,000		100,000
External Contributions		75,000		75,000
Leisure Management Contractor		50,000		50,000
Revenue Contributions		30,000		30,000
External Contributions		110,000		110,000
Leisure Management Contractor		105,000		105,000
Renewals (Sinking) Fund		25,000		25,000
External Contributions		430,000		430,000
Section 106		20,000		20,000
Section 106	150,000			150,000
Heritage Lottery	350,000			350,000
Section 106	428,000			428,000
External Contributions		28,439		28,439
General Capital Receipts - Existing Schemes		149,772		149,772
General Capital Receipts - New Schemes	825,000	396,322		1,221,322
TOTAL INCOME - GENERAL FUND	2,093,000	1,590,170	0	3,683,170
TOTAL EXPENDITURE - ALL SCHEMES	7,953,000	2,410,741	108,597	10,472,338
TOTAL INCOME - ALL SCHEMES	7,953,000	2,410,741	108,597	10,472,338
ANALYSIS OF GENERAL CAPITAL RECEIPTS				
Balance b/fwd	2,808,111			2,808,111
Add - New receipts in the Year (Net after Fees)	50,000			50,000
Less - Contribution to Vehicle Renewals Fund	-250,000			-250,000
Less - Amount required to Fund GFund Programme	-825,000	-546,094		-1,371,094
Less - Amount required to Fund Private Sector Housing	-110,000	-73,044		-183,044
Balance c/fwd	1,673,111	-619,138	0	1,053,973
CAPITAL RESERVE (Low Cost Affordable Housing)				
Balance b/fwd	0	153,094		153,094
Less - Amount required to Fund Council Housing	0	-153,094		-153,094
Balance c/fwd	0	0	0	0
HOUSING CAPITAL RECEIPTS				
Balance b/fwd	0	761,810		761,810
Add - New receipts in the Year (Net after Pooling and Fees)	0			0
Less - Amount required to Fund New Build / Affordable Housing	0			0
Balance c/fwd	0	761,810	0	761,810

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE	AGENDA ITEM: 10
DATE OF MEETING:	5th SEPTEMBER 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/general overview/report to Committee Sept 13
SUBJECT:	COUNCIL TAX – OVERVIEW OF LIABILITY, EXEMPTIONS & DISCOUNTS	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: FM 08

1.0 Recommendations

- 1.1 That the various provisions applying to the level of Council Tax are noted and the Committee highlight any local discounts and exemptions for further review.

2.0 Purpose of Report

- 2.1 At its meeting on 27th June 2013, the Committee updated the Council's local discount scheme for levying Council Tax on empty properties. Following discussion at that meeting, this report sets out all discounts and exemptions currently applied and how that affects the total amount of Council Tax income.
- 2.2 The report also provides a brief overview of Council Tax and the Council's obligations regarding its collection.

3.0 Detail

Background

- 3.1 Council Tax is a system of local taxation to help finance local services. Primarily, it is a tax on domestic property (or dwelling) and not a person, although some people do not have to pay whilst others are entitled to discounts. In addition, some properties, meeting certain conditions, are completely exempt.
- 3.2 A Council Tax band can be assigned to a caravan pitch or mooring for a boat if it is occupied by a caravan or boat that is used as the main or sole residence of the occupier and therefore treated as a dwelling.

Valuation Bands

- 3.3 All properties (including those exempt) are categorised into bands depending on the valuation of the property. This exercise is undertaken by the Valuation Office (VO) independent of local councils. The VO also deals with the first stage of any challenges/changes to banding and bands new properties.
- 3.4 The banding is based on the value of a property as at **1st April 1991**. Bands range from **A** (properties valued at up to £40,000 – as at April 1991) to **H** – properties valued at over £320,000.
- 3.5 Each Band is fairly broad and new properties (since 1991) are banded relative to similar properties in the immediate location. The bandings are regionally based and for South Derbyshire, this is the East Midlands.
- 3.6 Although the 1991 valuation is designed to ensure consistency, it may not reflect changes to house prices in individual areas that will have taken place over the last 20 years. Previously, there has been some debate, nationally, on whether there should be a revaluation of Council Tax banding, but this is not currently under consideration.
- 3.7 The lower the band, the lower the amount of Council Tax payable. Areas with a greater number of properties in higher bands potentially have greater tax raising capability, compared to areas with properties in the lower bands.
- 3.8 The profile for South Derbyshire compared to the average across England is shown in the following table.

Percentage of Properties in each Band

	England	SDDC
Band A	22%	28%
Band B	20%	23%
Band C	21%	17%
Band D	18%	16%
Band E	9%	8%
Band F	5%	5%
Band G	4%	2%
Band H	1%	1%

- 3.9 The table shows that the Council has a higher number of properties in the lower bands and a fewer number in the higher bands compared to average of English authorities.

Properties Exempt from Council Tax

- 3.10 Some property is exempt altogether from Council Tax, although this may not be indefinitely if circumstances change. A list of exemptions with the number of Council properties currently classed as exempt is shown in **Appendix 1**.

3.11 There are currently around 41,000 domestic properties in the District potentially liable for Council Tax. Of these, 866 are currently exempt from Council Tax as shown in Appendix 1, of which approximately 50% are empty properties less than 3 months (**Class C**). Many of these properties are due to the turnover in the property market, including those recently built and due to be occupied.

3.12 The Council does have discretion to change this exemption under its local discount scheme, including not having it altogether and/or setting the charge levied from nil to the full amount. In January 2013, the Committee approved to reduce the exemption from the previous statutory term of 6 months to 3 months and levy 100% Council Tax thereafter.

Other Flexibilities

3.13 The Council also has discretion over **Class A** exemptions, i.e. those dwellings undergoing structural repair. Under its local discount scheme, the Council could reduce the period these properties are exempt and/or the level of Council Tax payable. For example, this could include a level of Council Tax below the full amount for the full exemption period.

3.14 The Government have previously reviewed the exemptions for Classes L (repossessed dwellings) and W (granny annexes) but have not changed regulations as yet.

Discounts

3.15 In addition to the exemptions, there is a range of statutory and local discretionary discounts that reduce the amount of Council Tax payable by a certain percentage from the full amount.

Reduction Scheme for Disabled People

3.16 If there is someone living in the household (adult or child) who has been assessed as substantially and permanently disabled, the Council Tax bill for that property will be reduced. This reduction is made by charging Council Tax on the next valuation band down from the one the property is actually in.

3.17 For example, if the property is in Band D, the Bill will be calculated as if it were in Band C, although 100% of Band C is payable. If the property is in Band A, it becomes a Band X and Council Tax is payable at 5/9ths of Band D.

3.18 To be eligible for the reduction, the property has to satisfy at least one of the following criteria:

- An extra kitchen or bathroom has been installed to meet the needs of the disabled person.
- Any other room (except a toilet) is mainly used by a disabled person to meet their needs.

- There is adequate space for a disabled person to use a wheelchair.

3.19 The Council currently has 220 properties that are eligible for this reduction scheme.

Single Person Discount (SPD)

3.20 If only one adult, who is not otherwise, disregarded (see below) lives in a property, they get a 25% discount on their Council Tax liability. There are currently about 12,000 properties in the District that qualify for SPD.

3.21 The SPD has, from time to time, been subject to much debate and lobbying from various groups to enable councils to have some local discretion over this discount. To-date, this has always been resisted by successive Governments.

Discounts for Disregarded Persons

3.22 Some people in a household are not counted for Council Tax and they are disregarded. This may then reduce the remaining occupiers to only one adult, in which case the Council Tax liability is reduced by 25%.

3.23 There are about 20 categories of disregarded persons. They mainly cover people less than 17 years of age who are not liable, mentally impaired persons, people being cared for, full time students, apprentices and people on recognised training courses, such as nurses.

3.24 If everyone who lives in a property is disregarded, there is still a Council Tax liability, but this is discounted by 50%. The Council currently has 242 properties that qualify for the 25% disregard and 29 that qualify for the 50% discount.

Second Homes Discount

3.25 Second homes (unoccupied furnished lets or holiday homes) are subject to Council Tax, but a council has the discretion to apply a discount. Prior to 2009, these properties were subject to a statutory 50% liability.

3.26 Following a change to the Regulations in 2009, the Council reduced the discount to 10%, i.e. second homes in South Derbyshire are subject to 90% Council Tax.

3.27 The Council has the discretion to change this discount, including having no discount at all and charging the full Council Tax rate. The Council currently has 167 properties classed as second homes.

3.28 These properties are typically not the main residence of the owner as they occupy another property elsewhere. Although they may not be occupied on a regular basis, these properties are not classed as empty unless they are unoccupied and unfurnished.

3.29 In special cases, a council has no discretion the level of discount and a 50% charge applies. This is where the second home is owned by someone who cannot live there because they are required to live elsewhere in the UK as a condition of their job.

3.30 There are currently two of these cases in South Derbyshire.

Treatment of Empty Properties

3.31 An empty property is one which is un-occupied and substantially unfurnished. The presence of a bed, table and chair is deemed sufficient for a property to be furnished and therefore liable for Council Tax.

3.32 Prior to this financial year, empty properties were statutorily exempt from Council Tax for a period of 6 months. From April 2013, councils were given full discretion over Council Tax applying to empty properties. Councils are now able to offer a discount (from nothing to 100%), change the exemption period, remove the exemption altogether or any combination.

3.33 In accordance with this discretion, the Council replaced the exemption from the previous statutory term of 6 months to 3 months, but to levy 100% Council Tax thereafter. Effectively therefore, empty properties in South Derbyshire are exempt from Council Tax for 3 months and as previously highlighted, the number is included in **Appendix 1**.

3.34 Some of these properties may be empty due to their condition. If the VO determines a property as being derelict, awaiting demolition or if the Council issues a notice prohibiting occupation due to its poor quality, health or safety issues, they will be exempt under Class G (currently 16 as shown in Appendix 1).

3.35 However, if a property has no running water or electricity for example, and the VO has assigned a Council Tax band to it, it will still be liable for Council Tax after 3 months if it doesn't meet the above conditions. As previously stated, properties undergoing structural repair are exempt under Class A for 12 months.

Empty Homes Premium

3.36 In addition, an empty property is now liable for an additional premium of 50% on its Council Tax if it is empty for longer than 2 years. As previously reported, the Council has discretion to review and change this each year.

3.37 However, any properties which are already exempt from Council Tax cannot be charged the premium, together with the following properties:

- A property which would otherwise be the sole or main residence of a member of the armed forces who is absent from the property as a result of such a service (*Note: members of the armed forces serving overseas have their Council Tax Liability reimbursed by the Ministry of Defence*).

- A property which forms a substantial annex to a dwelling which is being used as part of the main residence in that dwelling, such as “granny” annexes.

Local Discounts

- 3.38 Under Section 13A of the Local Government Act 1992, the Council provides a local discount in respect of properties where exceptional circumstances, beyond the control of the person liable for Council Tax, prevent the use by or sale/let of an empty property to a third party.
- 3.39 Consequently, this scheme applies under two scenarios. Firstly, 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.
- 3.40 Secondly, for 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.
- 3.41 In these cases, after the initial 3 month exemption period, the Council Tax Empty Property charge is reduced from 100% to 50% and no premium is charged where a property is empty for longer than 2 years.

Council Tax Appeals

- 3.42 Initially appeals against the Council Tax band and matters of liability for Council Tax, including discounts and exemptions, are dealt with by the VO and the Council respectively. Thereafter, in both instances, further appeals are dealt with by the Valuation Tribunal.
- 3.43 It should be noted that there is no appeal against the Council’s policy decision to change the level of, or set, a discount. The only way to challenge such a decision is by way of judicial review.

Local Council Tax Support Scheme

- 3.44 Having established the net liability for Council Tax (after applying discounts and exemptions) the Council’s Local Support Scheme, which was implemented in April 2013, provides financial support to persons on low incomes in accordance with a needs assessment.
- 3.45 This scheme provides full protection to pensioners and other groups such as disabled households and is monitored and reviewed separately by the Committee during the year.

Paying Council Tax and Collection

- 3.46 Council Tax bills are raised and sent out at the start of the financial year. Most households pay by 10 monthly instalments but there is an option of paying over 12 months. The collection of Council Tax is a statutory duty of local billing authorities such as South Derbyshire and they are expected under statute to make every effort to ensure that all income due is collected.
- 3.47 When an instalment is not paid, the Council must issue a reminder notice asking for payment within 7-days. If no payment is made, the Council has the right to withdraw paying by instalments and can demand a full year's Council Tax. In practice, this is unlikely to occur if the instalment is paid.
- 3.48 If no payment is made within a further 7-days, the right to pay by instalments is lost and the whole year becomes payable. If no payment is made within 14 days after that, the Council may issue a summons to the liable person and ask the local magistrate to issue a liability order. This allows a council to make arrangements for arrears to be paid by automatic deductions from income (including benefits) or to seize personal goods to the value of the amount owed.
- 3.49 Where arrears are paid on the first reminder but a subsequent instalment is missed a further reminder will be issued. Again, the right to pay by instalments is lost if the arrears are not paid within 7-days and a summons will be issued.
- 3.50 Where a further instalment is missed within the financial year a final notice, requiring payment of the full year's Council Tax, becomes due. The purpose of this is to restrict the number of reminders in the case of persistent late payment.
- 3.51 If arrears remain unpaid after the issue of a summons, the Council will obtain a Liability Order which allows it to take enforcement action such a referral to a bailiff, Bankruptcy, charging order and attachment to earnings and benefits.
- 3.52 In extreme cases, where there is a wilful refusal or culpable neglect to pay, a Magistrate's Court, on application by a council, has the power to send a liable person to prison. This course of action can be time consuming and costly.
- 3.53 Although the Council is statutorily required to pursue non-payment as outlined above, if a person is in contact with the Council, alternative arrangements can usually be agreed to make payment.
- 3.54 This is applicable where a person may be experiencing difficulties in making a full payment; this is considered a better and more cost effective solution to ensure that the liability is eventually paid in full. Additional money advice may also be provided such as assessing entitlement to financial support.
- 3.55 Where collecting payment becomes much more difficult, the Council employs bailiffs to trace people, collect arrears and to enforce Liability Orders.

3.56 The Council’s statutory obligations, including its policies and procedures, regarding debt collection will be subject to a review by the Overview and Scrutiny Committee later in the year as part of their work programme.

4.0 Financial Implications

4.1 The financial implications of the Council’s Tax Base have been included in the Council’s Base Budget. In principle, unless the Council is advised by the VO or a liable person, the system assumes a property is subject to a 100% Council Tax liability.

The Council’s Property Base for Council Tax Purposes

4.2 After allowing for exemptions and discounts, a summary of the Council’s current property base regarding liability for Council Tax is summarised in the following table.

Total number of Domestic Properties	40,149
Exempt Properties	-866
Disabled Reduction (<i>see note</i>)	0
Properties with Single Person Discount	-11,911
Properties with 25% Disregard	-242
Properties with 50% Disregard	-29
Second Homes (10% discount)	-167
Properties Liable for 100% Council Tax	<u>26,934</u>

Note: Properties subject to Disabled Reduction are still liable for 100% Council Tax but in a lower Band as highlighted earlier in the report.

4.3 As previously highlighted, the Council has discretion to cease the current discount (10%) on second homes. This would generate approximately £7,500 additional income (£800 for SDDC).

4.4 Clearly, the biggest discount is that given to single person households. As highlighted earlier in the Report, this is still a national discount (of 25%) which has been subject to much debate and lobbying from various groups to enable councils to have some local discretion over this discount.

4.5 Recent research by the National Fraud Authority highlighted that significant sums across the country are potentially lost due to fraudulent activity around the SPD. Due to the numbers involved, the Council monitors the application of this discount on an annual basis, including an independent check using credit agency data, to verify entitlement.

4.6 The 25% discount in South Derbyshire is worth approximately £3.5m per year (£400,000 for SDDC) in Council Tax collectively across the 11,900 eligible households.

5.0 Community Implications

5.1 None Directly.

6.0 Corporate Implications

6.1 None Directly

7.0 Background Papers

7.1 None

LIST OF EXEMPTIONS (as set out in Regulations)

Class	Description	SDDC Number
A	Undergoing Structural Repair (up to 12 months)	27
B	Owned by a Charity	0
C	Empty for up to 3 months	450
D	Liable person in Detention	2
E	Person in Hospital or Care Home	66
F	Left Empty by Deceased Person – awaiting Probate	130
G	Condemned Dwelling or awaiting Demolition	16
H	Empty Clergy Dwelling	3
I	Person receiving Full Time Care	2
J	Person away providing Care	0
K	Left empty by a Student	0
L	Dwellings legally repossessed by Mortgage Lenders	19
M	Halls of Residence	0
N	All Student Occupiers	63
O	Armed Forces Accommodation	0
P	Visiting Forces Accommodation	0
Q	Property left Empty due to Bankruptcy	2
R	Unoccupied Pitch or Mooring	16
S	All Occupiers Aged under 18	14
T	Unoccupied Annexes	14
U	Occupied solely by a people with severe mental impairment	23
V	Diplomats in Residence	0
W	Self-contained Granny Annexes	19
	TOTAL EXEMPT PROPERTIES	866

REPORT TO:	Finance and Management Committee	AGENDA ITEM: 11
DATE OF MEETING:	5 th September 2013	CATEGORY: RECOMMENDED
REPORT FROM:	Director of Community & Planning	OPEN
MEMBERS' CONTACT POINT:	David Hackforth, 01283 595821 david.hackforth@south-derbys.gov.uk	DOC:
SUBJECT:	Community Infrastructure Levy	REF:
WARD(S) AFFECTED:	All	TERMS OF REFERENCE: FM01 *see below

1.0 Recommendations

- 1.1 That Members authorise the Director of Community & Planning to begin the process of implementing a Community Infrastructure Levy Charging Schedule for South Derbyshire, including the production of an in-house infrastructure delivery plan and to explore the joint commissioning of consultants to produce infrastructure funding gap analyses and CIL viability assessments for Amber Valley, Derby City and South Derbyshire.

2.0 Purpose of Report

- 2.1 To inform the Committee about the recommendation from Environmental and Development Services Committee to seek authority to begin the process of implementing a CIL scheme for South Derbyshire, including the production of an infrastructure needs assessment, funding gap analysis and viability assessment.

3.0 Detail

- 3.1 On 22nd August the Environmental and Development Services Committee considered a report on the introduction of the Community Infrastructure Levy in the District. The report is attached as Annexe No.1. The Finance and Management Committee is requested to authorise Officers to progress the work on the associated Charging Schedule for South Derbyshire, including the production of an in-house infrastructure delivery plan and to explore the joint commissioning of consultants to produce infrastructure funding gap analyses and CIL viability assessments for Amber Valley, Derby City and South Derbyshire.

4.0 Financial Implications

- 4.1 Much of the process for implementing a CIL Charging Schedule for South Derbyshire can be carried out by the Council's officers without additional cost, including the production of an in-house Infrastructure Delivery Plan. However, the necessary infrastructure funding gap analysis and CIL viability assessment will require external consultancy support. Officers will pursue the possibility of commissioning this work jointly with Derby City Council, Amber Valley Borough Council and Derbyshire

County Council, if possible using funding from the Derby HMA budget. In the event that joint commissioning is not possible or the HMA budget is insufficient, a further report will be brought to the Committee. It is anticipated that the cost of the PINS Inspector to examine the draft Charging Schedule can be met from the Planning Policy Professional Services budget head.

5.0 Corporate Implications

5.1 Funding from CIL will help to secure the infrastructure needed to achieve sustainable growth and strengthen South Derbyshire's economic position within a 'clean' and 'sustainable' environment.

6.0 Community Implications

6.1 Funding from CIL will help to secure the infrastructure needed to achieve sustainable development.

7.0 Conclusions

7.1 After April 2014, CIL will be the only effective means by which the Council will be able to secure pooled contributions from developers to address infrastructure needs. The CIL Regulations also limit the extent to which the Council can secure such contributions through planning obligations (S106 agreements). It is therefore in the Council's interests to progress with a CIL scheme as soon as possible.

8.0 Background Papers

8.1 "Section 106 Obligations & the Community Infrastructure Levy" Planning Officers Society Advice Note April 2011

8.2 "CIL & Infrastructure Planning" Planning Officers Society Advice Note October 2011

8.3 "Community Infrastructure Levy: Guidance" Department for Communities & Local Government April 2013

8.4 "Applying the Community Infrastructure Levy" Planning Advisory Service August 2012

REPORT TO:	Environmental & Development Services Committee	AGENDA ITEM:
DATE OF MEETING:	22 August 2013	CATEGORY: RECOMMENDED
REPORT FROM:	Director of Community & Planning	OPEN
MEMBERS' CONTACT POINT:	David Hackforth, 01283 595821 david.hackforth@south-derbys.gov.uk	DOC:
SUBJECT:	Community Infrastructure Levy	REF:
WARD(S) AFFECTED:	All	TERMS OF REFERENCE: *see below

1.0 Recommendations

1.1 That the Finance & Management Committee be recommended to authorise the Director of Community & Planning to begin the process of implementing a Community Infrastructure Levy Charging Schedule for South Derbyshire, including the production of an in-house infrastructure delivery plan and to explore the joint commissioning of consultants to produce infrastructure funding gap analyses and CIL viability assessments for Amber Valley, Derby City and South Derbyshire.

2.0 Purpose of Report

2.1 To inform the Committee about the Community Infrastructure Levy (CIL) and to seek authority to begin the process of implementing a CIL scheme for South Derbyshire, including the production of an infrastructure needs assessment, funding gap analysis and viability assessment.

3.0 Executive Summary

3.1 CIL is a levy that local authorities in England & Wales can choose to charge on new developments in their area to help fund infrastructure improvements. It was first introduced by the previous Government in 2010 but is now a significant element of the current Government's localism agenda.

3.2 Money raised by CIL can be used to support new development by funding necessary infrastructure such as new road schemes, improvements to the capacity of local schools and open space and recreation provision. A "meaningful proportion" of CIL funds must be used for local priorities. The system is intended to be relatively simple and, provided it would not make the development financially unviable, it can be applied to most new building proposals. It will be for the Council to determine and publish how it intends to use CIL.

3.3 The CIL Regulations 2010 currently mean that after 6 April 2014, CIL will be the only effective means by which local planning authorities can secure pooled contributions

from developments to address infrastructure needs. Those Regulations also limit the extent to which the Council can secure such contributions through planning obligations (S106 agreements). The Department of Communities and Local Government (DCLG) has recently consulted on proposed changes to the CIL Regulations which would, amongst other things, defer the pooled contributions deadline to April 2015. It is therefore likely to be in the Council's interests to progress with a CIL scheme as soon as possible.

- 3.4 Derbyshire County Council began a consultation on a refresh of the Derbyshire Infrastructure Plan on 7 August 2013. The document is available on the County Council website and comments are invited on the Plan until the close of the consultation at 5pm on Friday 15 September 2013.

4.0 Detail

- 4.1 CIL is a charge that can be levied on developments to help pay for the infrastructure that is required to mitigate the impacts of development and to support the delivery of growth. CIL was introduced by the Planning Act 2008 and subsequent Regulations. The Coalition Government is committed to continuing with CIL as a fairer and more open way of raising finance for infrastructure necessitated by new development.
- 4.2 Although CIL is intended to contribute to the delivery of infrastructure that local authorities and communities consider to be a priority, it will not generally be sufficient to pay the full costs. CIL will usually be one ingredient in a complex "cocktail" of funding sources needed to cover the cost of infrastructure. A "meaningful proportion" of the money raised by CIL must be passed to the relevant town or parish council (or in un-parished areas, held by the district council for spending on locally determined priorities). Where a neighbourhood plan or a neighbourhood development order is in place, the proportion is 25%. In other areas the proportion is 15%.
- 4.3 This Council currently operates an informal "tariff" approach to planning obligations intended to deal with the cumulative impacts of development. Although the Council's approach is based on a set of formulae and related charges, we can only require developer contributions where the impacts arise as a result of the proposed development. Unlike CIL, the tariff is not a standard fee or "tax" that applies to all development proposals and this limits the Council's ability to secure contributions.
- 4.4 In addition, one consequence of the CIL Regulations 2010 is to strictly limit councils' ability to use existing tariff approaches. After 6 April 2014 (or April 2015 if the DCLG's proposed amendment to the CIL Regulations takes place), pooling planning obligation contributions to fund off-site infrastructure will be limited to contributions from no more than five separate planning obligations and S106 agreements will otherwise be restricted to local, on-site infrastructure, making tariffs largely unworkable. This is deliberate – Ministers and Civil Servants have identified "killing off" tariffs as an explicit intent of the Regulations. It is clear that in the near future CIL will become the only effective tool available to local authorities to secure strategic infrastructure contributions from developers.
- 4.5 The CIL process will be completely separate from the negotiation of planning obligations via S106 agreements. S106 agreements will however still be needed to secure affordable housing and to deal with any on-site mitigation measures.
- 4.6 Officers are not yet able to predict what funds might be raised by a South Derbyshire CIL but the range of developments for which CIL would be payable can be

considerably wider than under the existing tariff arrangements so a generalised levy may produce higher overall contributions.

4.7 The Charging Schedule is the public document that sets out the CIL rates (on a £x per sq. m basis) that the Council intends to apply to different types of development in its area. However, before it can produce a CIL Charging Schedule the Council will need a satisfactory evidence base. Evidence on the following issues will be particularly important:

- The infrastructure funding gap
- The viability of development

4.8 The infrastructure funding gap is the gap between the cost of infrastructure that has committed funds and the cost of infrastructure that does not and it is the existence of a funding gap that justifies the introduction of CIL. CIL is intended to pay (in part) for the provision of identified, necessary infrastructure that would otherwise not be affordable, thus the supporting the delivery of the sustainable growth strategy in the Council's Local Plan.

4.9 An infrastructure needs assessment and/or infrastructure delivery plan are key to determining the infrastructure funding gap. They identify: the long-term infrastructure needed to accommodate the planned growth in South Derbyshire; the indicative costs of that infrastructure; and actual or potential funding sources and delivery mechanisms. Although some local authorities have used external consultants to produce their infrastructure needs assessment, this is not essential. Within Derbyshire, Chesterfield Borough Council, which is at the CIL preliminary draft Charging Schedule stage and Amber Valley Borough Council, which is currently consulting on the pre-publication version of its Local Plan, have both produced infrastructure delivery plans in-house. It may however, be advisable to seek expert assistance in demonstrating the existence of a funding gap, as Chesterfield has done.

4.10 Derbyshire County Council began a consultation on a refresh of the Derbyshire Infrastructure Plan on 7 August 2013. The Plan sets out the County Council's views on current and future needs and spending priorities for infrastructure and service delivery. Local planning authorities should use the Derbyshire Infrastructure Plan to inform their CIL Charging Schedules and associated list of spending priorities. The document is available on the County Council website and comments are invited on the Plan until the close of the consultation at 5pm on Friday 15 September 2013.

4.11 The viability of development is a key consideration in setting the CIL rates in the Charging Schedule. CIL rates must not be set so high that they make development unviable. The Council will have to strike a realistic balance between the desirability of maximising funding from CIL for the infrastructure needed to support the growth of the area (taking into account other potential funding sources) and the potential effect of the imposition of CIL on the economic viability of development across the district.

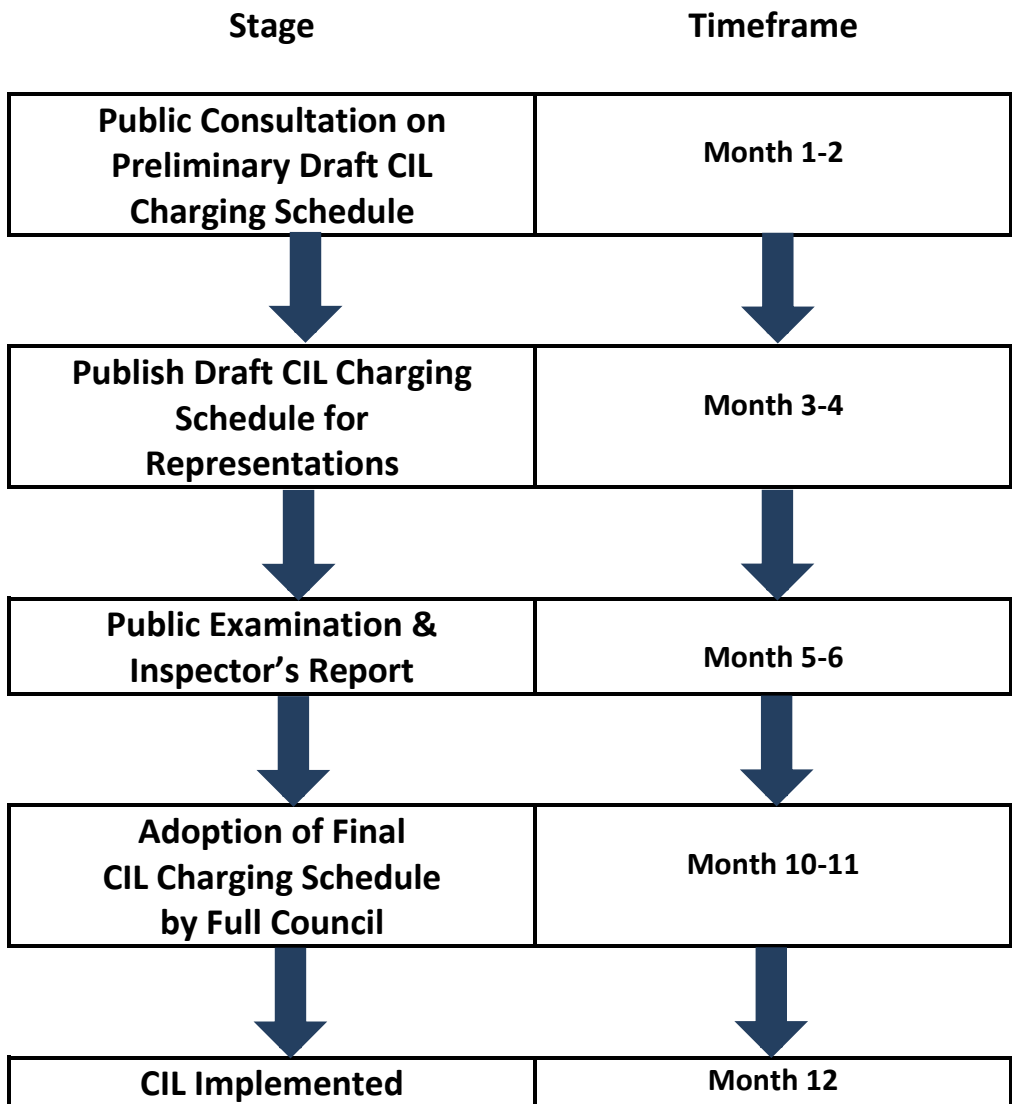
4.12 The reasonableness of the Charging Schedule will be tested via an independent examination. The examiner (normally a PINS Inspector) will have to be convinced that the Council has struck a realistic balance, as described above, so the Council will need to demonstrate that it has taken account of economic viability in setting its CIL rates. This evidence must take account of building costs, land values and property sales prices in different parts of the district and for different uses. This

requires specialist expertise and is likely to require the engagement of a consultancy with a proven track-record in viability assessments.

4.13 The Derby Housing Market Area (HMA) covers Derby City, Amber Valley and South Derbyshire and there is a history of co-operative working by the county, city and district councils, including the joint commissioning of an HMA-wide Strategic Viability Assessment. It would be sensible to explore the possibility of jointly commissioning further consultancy support for the funding gap analysis and carrying out the CIL viability assessment. A joint approach is likely to be cheaper than the three councils proceeding individually.

4.14 The CIL Regulations prescribe the process that local authorities must follow in order to adopt a CIL Charging Schedule. The following flowchart identifies the main stages in adopting CIL, together with estimated timescales. The Final Charging Schedule must be approved by the full Council before it comes into effect.

Implementing the Community Infrastructure Levy



5.0 Financial Implications

5.1 Much of the process for implementing a CIL Charging Schedule for South Derbyshire can be carried out by the Council's officers without additional cost, including the production of an in-house Infrastructure Delivery Plan. However, the necessary infrastructure funding gap analysis and CIL viability assessment will require external consultancy support. Officers will pursue the possibility of commissioning this work jointly with Derby City Council, Amber Valley Borough Council and Derbyshire County Council, if possible using funding from the Derby HMA budget. In the event that joint commissioning is not possible or the HMA budget is insufficient, a further report will be brought to the Committee. It is anticipated that the cost of the PINS Inspector to examine the draft Charging Schedule can be met from the Planning Policy Professional Services budget head.

6.0 Corporate Implications

6.1 Funding from CIL will help to secure the infrastructure needed to achieve sustainable growth and strengthen South Derbyshire's economic position within a 'clean' and 'sustainable' environment.

7.0 Community Implications

7.1 Funding from CIL will help to secure the infrastructure needed to achieve sustainable development.

8.0 Conclusions

8.1 After April 2014, CIL will be the only effective means by which the Council will be able to secure pooled contributions from developers to address infrastructure needs. The CIL Regulations also limit the extent to which the Council can secure such contributions through planning obligations (S106 agreements). It is therefore in the Council's interests to progress with a CIL scheme as soon as possible.

9.0 Background Papers

9.1 "Section 106 Obligations & the Community Infrastructure Levy" Planning Officers Society Advice Note April 2011

9.2 "CIL & Infrastructure Planning" Planning Officers Society Advice Note October 2011

9.3 "Community Infrastructure Levy: Guidance" Department for Communities & Local Government April 2013

9.4 "Applying the Community Infrastructure Levy" Planning Advisory Service August 2012

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE	AGENDA ITEM: 12
DATE OF MEETING:	5TH SEPTEMBER 2013	CATEGORY: DELEGATED
REPORT FROM:	CHIEF EXECUTIVE	OPEN PARAGRAPH NO: N/A
MEMBERS' CONTACT POINT:	KEVIN STACKHOUSE (EXT. 5811)	DOC:
SUBJECT:	WORK PROGRAMME	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: N/A

1.0 Recommendations

1.1 That the Committee receives the updated work programme.

2.0 Purpose of Report

2.1 The Committee is asked to review its work programme.

3.0 Detail

3.1 The updated work programme for the Finance and Management Committee is attached at Annexe 'A'. Members are asked to review this document.

4.0 Financial Implications

4.1 None arising directly from this report.

5.0 Background Papers

5.1 Work Programme.

Work Plan for 2013/14 – Finance and Management Committee Standing and Other Planned Reports

Committee 25th September 2013 - Special

- Accounts and Financial Statements 2012/13
- A Review of the Council's Arrangements for Securing Financial Resilience
- Local Council Tax Support Scheme – Financial Update

Committee 17th October 2013

- Corporate Services Strategic Partnership – Annual Report 2012/13
- A Review of the Council's Financial Strategy
- A Review of the Medium Term Financial Plan 2013 to 2018
- Local Council Tax Support Scheme – Review for 2014/15
- ICT Strategy 2013 to 2016
- A Review of Mandatory and Discretionary Rate Relief (*Exempt under Paragraph 2*)

Committee 5th December 2013

- Corporate Plan 2009 – 2014: Performance Management Report July to Sept. 2013
- Budget and Financial Monitoring 2013/14
- Complaints and Freedom of Information Requests – April to September 2013
- Banking Contract 2014 to 2019

Committee 16th January 2014 - Special

- Service Base Budgets
- Budget Report 2014/15

Committee 27th January 2014 - Special

- Budget consultation with local businesses, community and voluntary groups

Committee 20th February 2014

- Final Budget Proposals 2014/15
- Treasury Management Strategy 2014/15
- Corporate Plan 2009 – 2014: Performance Management Report October to Dec. 2013
- Budget and Financial Monitoring 2013/14

Committee 20th March 2014

- Mortgage Interest Rate
- Corporate Plan – Updated Priorities 2014/15

Committee 24th April 2014

- No planned reports at present

Committee May 2014

- Provisional Budget Out-turn 2013/14