
REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE (SPECIAL)	AGENDA ITEM: 8
DATE OF MEETING:	25th JULY 2019	CATEGORY: RECOMMENDED
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
MEMBERS' CONTACT POINT:	KEVIN STACKHOUSE 01283 595811 Kevin.stackhouse@southderbyshire.gov.uk	DOC: s/finance/committee/2018-19/July/budget outturn report 2019
SUBJECT:	BUDGET OUT-TURN and FINAL ACCOUNTS 2018/19	REF:
WARD (S) AFFECTED:	ALL	TERMS OF REFERENCE: FM 08

1.0 Recommendations

1.1 To approve the final out-turn position for:

- The General Fund Revenue Account 2018/19
- The Housing Revenue Account 2018/19
- Capital Expenditure and Financing 2018/19
- The Collection Fund 2018/19
- The Balance of Reserves and Provisions at 31st March 2019.

1.2 That a net appropriation of £2,951,610 in 2018/19 is made from the General Fund Reserve to other Earmarked Reserves as detailed in the report.

1.3 That the Committee note the following contributions and adjustments have been made to Bad Debt and Appeal Provisions in 2018/19:

Sundry Debtors	114,960	General Fund
Temporary Accommodation	-7,872	General Fund
Housing Benefit Overpayments	39,033	General Fund
Council Tax Arrears	27,975	General Fund
Business Rates Arrears	163,853	General Fund
Business Rates Appeals	169,324	General Fund
Planning Appeals	-37,500	General Fund
Housing Rent Arrears	17,113	HRA

2.0 Purpose of Report

2.1 To detail the final out-turn position for 2018/19 on the Council's main revenue and capital accounts. The report also details the financial position on these

accounts as at 31st March 2019 compared to that estimated in the Council's Medium-Term Financial Plan (MTFP).

Background – The Accounts Process

- 2.2 The Council's Draft Statement of Accounts (prior to Audit) was signed-off by the Chief Finance Officer for External Audit on 31st May 2019 and published on the Council's website.
- 2.3 In accordance with the Accounts and Audit Regulations 2015, the Accounts are audited during June and July with an opinion reported to the Audit Sub Committee and Finance and Management Committee by 31st July 2019.
- 2.4 During the interim period, the draft (unaudited) accounts are available for inspection with the External Auditors who are available to receive questions and comments from the public for the period commencing 3rd June to 10th July 2019. This "public right" is advertised on the Council's website and in the reception area of the Civic Offices.
- 2.5 Due to attrition of staff, the External Auditors have reported that they are unable to resource the audit during the specified period; therefore the Council will not achieve the regulatory deadline for publication of the audited accounts by 31st July 2019. However, the Public Sector Auditor Appointments (PSAA) Body, the Government Agency who oversee the work of external auditors, have confirmed that they will ensure that the Council is not responsible for the delay. At this stage, the Accounts are now due to be Audited in September 2019.
- 2.6 The Statement of Accounts is prepared and reported to fulfil statutory requirements and is based on approved accounting standards. The Statements provide detail regarding the Council's assets and liabilities and analyse income and expenditure for the year.
- 2.7 This budget out-turn report summarises the financial performance against the Council's approved budgets on the General Fund, Housing Revenue and Capital Accounts. It also provides details of the Collection Fund position, together with details of provisions and reserves.
- 2.8 This report is divided into the following sections:
 - Section 3 – General Fund Revenue Account and Collection Fund 2018/19
 - Section 4 – Housing Revenue Account 2018/19
 - Section 5 – Capital expenditure and financing 2018/19
 - Section 6 – Provisions and reserves as at 31st March 2019

 - Appendix 1 - General Fund Account 2018/19
 - Appendix 2 – The Collection Fund 2018/19
 - Appendix 3 – Earmarked reserves 2018/19
 - Appendix 4 – Service Plan Financial Indicators 2018/19

3.0 **GENERAL FUND REVENUE ACCOUNT**

3.1 Apart from Council Housing, day-to-day income and expenditure on Council services is accounted for in the General Fund. The net expenditure is financed by:

- General Government Grant
- Retained Business Rates
- New Homes Bonus
- Council Tax

3.2 The Budget for 2018/19, which was approved in February 2018, estimated a budget deficit of £161,270 for 2018/19. Following the update of the Medium-term Financial Plan (MTFP) in February 2019, this was revised to a surplus of £832,258 as summarised in the following table

	£
Base Budget	12,070,316
Reverse out Depreciation	-871,666
Minimum / Voluntary Revenue Provisions	336,861
Contingent Sums	592,593
Total Estimated Spend	12,128,104
Financing	-12,960,362
Estimated Surplus	-832,258

Final Budget Out-turn 2018/19 - Summary

3.3 **Appendix 1** details the final out-turn on the General Fund for 2018/19 with a comparison to the approved budget.

3.4 The appendix shows that the General Fund achieved a surplus, after appropriations, of £1,782,692 for the year. This was approximately £950k greater than budgeted.

3.5 This level of variance was higher than expected and previously reported, and was mainly due to salary savings offset in part by interim support (£397k) and higher levels of unbudgeted income from grants, Business Rates, investments and fees (£592k). The third quarter's monitoring reported to the Committee in March 2018 forecast a surplus of £937k.

3.6 There are several items that are accounted for in the General Fund's income and expenditure account, but are then adjusted through earmarked reserves. This includes additional expenditure associated with Parks and Open Spaces, Homelessness Prevention and receipts from asset sales.

Overview of Income and Expenditure 2018/19

3.7 Although there was an overall surplus, this was after meeting some additional cost pressures. Many of the variances have been reported in monitoring reports during the year, with actual figures now finalised. An analysis of the

major variances is shown in the following tables with further commentary in the sections that follow.

Summary of main variances compared to the budget

Favourable variances	£'000
Salary savings (vacancies, maternity etc.)	-687
Unbudgeted grant income received	-187
Additional Investment income	-148
Additional unbudgeted income across the Council	-130
Additional Business Rates income	-127
Reduced Benefits costs - detailed in the report	-103
Professional fees underspend	-86
Lettings from Industrial and Commercial Units	-76
Lower Transport costs	-42
Housing benefit repayments	-32
Contingent Sum savings	-26
Members allowances and expenses	-24
Reduced External Audit fee	-23
Total Favourable Variances	-1,691
Adverse variances	
External Legal support unbudgeted	22
Processing charges for Revenues and Benefits	29
Additional Bin Purchases due to Growth	38
Bad Debt Provision unbudgeted	46
Other Local Authority support - Building Control and GIS	48
Business Rates Rateable Value finder fee	48
Business Rates costs	62
Reduced HRA recharges	73
Vehicle Hire	83
Agency and consultancy staff	290
Total Adverse Variances	739
Total Major Variances - Favourable less Adverse	-952
All Other Variances	2
Total Net Variance - Overall Reduction	-950

Variances

- 3.8 Salary savings were made in the year due to a number of vacancies and maternity leave but these were partially offset by agency cost and interim support.

3.9 Additional Benefit Administration Grant (£48k) and Council Tax Annex Grant (£5k) plus Discretionary Housing Benefit (£121k) and New Burdens funding (£13k) were received in year but were unbudgeted.

3.10 The Council achieved a significantly better return on investments than forecast due to having more funds on deposit with the CCLA, Money Markets, other Local Authorities and the DMO than in previous years.

3.11 A large favourable variance was achieved through additional income retained from Business Rates. This is explained in more detail at 3.14.

3.12 Additional income was generated through fees, detail of which is listed below:

	£'000	
Recycling	-30	Higher income receipt per tonne than budgeted
Service Charge	-25	Derbyshire County Council charge for use of Civic Offices
Land Charges	-24	
Food Safety	-24	Food export licences and audits
Court Fees	-18	Council Tax
Planning fees	-17	
Trade Waste	-16	
Indoor Sports and Recreation	-13	Artificial grass pitch and vending machine surplus
Cemetery fees	-10	
Housing Standards	-8	Recovery of enforcement works
Planning Policy	-7	Recharge of staff time to other local authorities
Street Naming and Numbering	-6	
Street Cleansing	-6	Income for dog bins from Parishes
Licensing	44	Prepayment of income due to IFRS 15 updates*
Building Regulations	46	Market share reduction
	-114	
Other income	-16	Numerous income variances less than £5k
TOTAL VARIANCE	-130	

**IFRS15 Revenue from contracts with customers – from 2018/19, an update has been implemented to ensure that all income is recognised over the period it relates to. A thorough review of all income streams has been undertaken and amendments were required to Licensing income in year. Receipts of cash payments for Licences have not reduced but the accounting treatment of the receipt has been amended.*

General Grants and Business Rates Income

3.13 This is detailed in the following table.

Analysis of General Grant Income	Estimate £'000	Actual £'000	Variance £'000
Transitional Grant	-49	-49	0
Business Rates Retention	-4,985	-5,112	-127
New Homes Bonus	-2,702	-2,702	0
Council Tax Income	-5,224	-5,224	0
New Burdens funding	0	-13	-13
	-12,960	-13,100	-140

Retained Business Rates

3.14 An analysis of income retained directly in the General Fund is shown in the following table.

	£'000
Approved Precept	13,338
Tariff paid to the Derbyshire Pool	-8,242
S31 Grants - Business Rates Relief	537
Payment to Derbyshire Economic Prosperity Board	-138
Business Rates Deficit 18/19	-474
Net amount received in retention system	5,021
Add: Declared deficit 2017/18	-383
Add: Reversal of deficit 2018/19 (as above)	474
Total Business Rates Retained	5,112

3.15 Business rates generated a deficit in 2018/19, of which the Council's share was approximately £474k as shown in the previous table. This was due to an increase in the appeals provision and a lower than forecast growth in income; *this is detailed later in the report from paragraph 3.43.*

Estates Income

3.16 The high level of property lettings during the year, with very little incidence of empty units, generated additional income of approximately £76k overall compared to that budgeted.

Professional Fees

3.17 The Council budgets for the use of external organisations to support with professional services. During 2018/19 the need for support was lower than in previous years and the savings are listed below:

	£'000	
Planning Policy	-39	Unrequired Local Plan support
Planning appeals	-34	Release of 17/18 provision plus lower costs
Estate Management	-17	Lower costs from the Valuation Office
	-90	
Other variances	4	All small favourable and adverse variances
TOTAL VARIANCE	-86	

Contingent Sums

3.18 The amount set-aside as a contingent sum in the year to meet growth was not utilised. The growth provision acts as a safeguard against unforeseen matters arising in the year, i.e. to mitigate "budget risk."

3.19 The total amount set-aside is highlighted in the following table.

Waste Collection and Recycling	£100,000
Growth	£315,000
Senior Management Restructure costs	£38,716
Apprenticeship Levy	£28,877
Rateable Value finder fee	£100,000
Off-payroll payments	£10,000
Total contingent sum 2018/19	<u>£592,593</u>

3.20 In year, the £415k for growth, waste collection and recycling has been transferred to an earmarked reserve (as previously approved by the Committee) to help guard against future liabilities and is therefore a cost, as budgeted, to the General Fund.

3.21 A proportion of the Senior Management Restructure costs (£26k) has been utilised in year for payment of the DMA review and implementation of the structure.

3.22 The Rateable Value finder fee provision has been fully utilised in year with only £3k remaining on the Apprenticeship Levy provision and there has been no requirement to utilise the off-payroll provision. The total saving on contingent sums for the year is £26k as noted in Appendix 1.

Provision for Bad Debts

3.23 Under accounting regulations, the Council has to provide for debts that may become uncollectable and which may need to be written-off. Provisions are based on a calculation that takes into account the risk of a debt becoming uncollectable.

3.24 The provisions made in 2018/19 are shown in the following table.

Sundry Debtors	£114,960
Temporary Accommodation	-£7,872
Housing Benefit Overpayments	£39,033
Total	<u>£146,121</u>

3.25 The total contribution of £146,121, as shown in the above table, was greater than that budgeted of £100,000. An increase was required in the provision for sundry debts as the level of outstanding debt has increased alongside the age of the debt resulting in a higher percentage being applied.

3.26 In November 2018 the sundry debt responsibility was transferred into the Finance department and a number of write-offs of older, irrecoverable debt

were reported in March 2019. Work is being progressed to reduce debtor days due to the focus on sundry debt being heightened after the transfer and it is expected that this provision will reduce during 2019/20.

Temporary Accommodation - Bed and Breakfast Charges

3.27 These charges arise where the Council has to incur costs under its duties to provide temporary accommodation for homeless persons. The Council is entitled to recover the costs but this is generally difficult as people concerned are unlikely to have the means to pay.

3.28 The Council is responsible for pursuing recovery of the amount owed and this is generally difficult. However, a reduction in the provision has now been achieved due to write-offs of irrecoverable debt in year.

3.29 In addition, the Council has an earmarked reserve, which relates to Government grants not fully utilised from previous years, to fund initiatives to prevent the incidence of homelessness occurring. This is overseen by the Housing and Community Services Committee.

Housing Benefit Overpayments

3.30 These relate to overpayments whether they have occurred through processing error, claimant misinformation or fraud. The recovery is usually slow and may take several years where an overpayment is being deducted from on-going benefit. Depending on how the overpayment occurred, on average, around 40% is reimbursed through the housing benefit subsidy system in the year that the overpayment occurred.

Net Cost of Housing Benefits

3.31 In addition, the cost of Housing Benefits decreased overall by £135k as shown in the following table.

	Estimate £'000	Actual £'000	Variance £'000
Rent Allowances Paid	10,045	10,148	103
Rent Allowances Subsidy	-9,752	-9,954	-202
Net Cost of Rent Allowances	293	194	-99
Rent Rebates Paid	6,523	6,067	-456
Rent Rebates Subsidy	-6,458	-6,006	452
Net Cost of Rent Rebates	65	61	-4
Net Cost of Benefits Paid	358	255	-103
Overpayments Recovered (Rent Allowances)	-150	-182	-32
Overall Cost of Housing Benefit	208	73	-135

3.32 The cost of benefits falling on the Council is sensitive to small changes given the amount involved. It is important that the Council maximises its subsidy through robust processing. The total cost of benefits paid and administered across over 9,000 claims was approximately £16m in 2018/19. Even a ½% variation in subsidy equates to nearly £100,000.

3.33 The previous table shows that the net cost of benefits paid was approximately £103k less than that estimated.

3.34 Overpayments recovered were budgeted at £150k against an actual recovery of £182k. Any overpayments recovered are a direct benefit to the General Fund.

Other Variances

3.35 Vehicle hire was higher than budget in year due to later delivery of the new vehicle fleet than initially forecast. The cost of hire was partially offset by savings on spare parts and fuel.

3.36 Due to savings generated within Central Support cost centres within the General Fund, the recharge of support to the HRA is lower. The HRA is recharged an average of 23% of specific support services.

3.37 Business Rates costs in year were higher than budgeted due mainly to the new depot. In year, the former depot on Darklands Road and the new depot on Boardman Industrial Estate both incurred charges which were not fully budgeted.

3.38 The Rateable Value finder fee charged by Analyse Local was originally budgeted at £100k. The over spend in year is due to more businesses than forecast being under charged for Business Rates in previous years. This cost will be offset by additional Business Rates income and will not be incurred in future years due to employing an Inspector in the Revenues team.

3.39 Local Authority support has been received from Lichfield District Council for Building Control services and North Lincolnshire for the LLPG. These costs were incurred to offset vacancies in these services.

3.40 Growth in the District has resulted in additional bins being required. This has not been drawn down from the Growth Provision in year.

Transfers to/from Earmarked Reserves

3.40 This is split between expenditure that is incurred and financed from earmarked reserves, together with amounts received in advance and capital receipts,

which need to be transferred into earmarked reserves to meet future expenditure.

- 3.41 In addition, certain budget managers have made requests to transfer underspends from budgets in the year into 2018/19, to meet on-going commitments. Several of these have already been approved by the Committee. All proposed transfers are detailed in the following table.

Transfers between General Reserve and Other Reserves 2018/19

Transfers from General Reserve to other reserves	£'000
Economic Regeneration Fund	1,000
District Growth	415
Vehicle Replacement Fund	270
Civic Offices planned maintenance - revenue contribution	130
ICT contribution for future upgrade works	98
Government Funding - Homelessness Prevention	75
Public Buildings repairs under spend	52
Health Partnership contribution	39
Finance resource cost	30
Planning - Government grant for future resource cover	30
Safer Communities	20
Building Control transition costs	20
Government Funding - EU Exit	17
Get Active in the Forest contribution	17
Government Funding - Parks Improvement	16
Corporate training under spend	12
New Town Centre reserve top up	12
Transfer of turnover share from Rosliston Forestry Centre Café	11
Planning - future District Conservation works	10
Welfare Reform, Fraud and Compliance	8
	2,282

Transfers from other reserves to the General Reserve	£'000
Garden Village - Government funding drawdown by Derby City	-65
Community Right to Bid, Challenge and Property Records Data	-44
Sport and Health external funding	-34
Repton - former Depot site drawdown	-33
Parks and Open Spaces drawdown	-31
Drawdown for repairs at Green Bank Leisure Centre and Caretaker house (Melbourne Assembly Rooms)	-24
Environmental Education	-24
Dilapidation Works - Factory Site as per Lease Agreement	-2
Strategic Partnership costs in year	-1
	-258
	2,024

- 3.42 These amounts are adjusted through reserve transfers as detailed in **Appendix 4**. The overall effect on the General Reserve following the surplus on the General Fund, together with these transfers to earmarked reserves, is detailed in Section 6.

THE COLLECTION FUND

- 3.43 The Collection Fund is the statutory account that records 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.
- 3.44 During the year, Council Tax continued to perform better than estimated, mainly due to the continuing increase in properties. Although receipts from Business Rates continued to increase, the forecast for anticipated growth was far greater than achieved. The final out-turn on the Fund for 2018/19 is detailed in **Appendix 2**.

Council Tax collectable

- 3.45 Overall collection generated a surplus in the year of £898k. This maintained a cumulative fund balance of £1,820k as at 31st March 2019 – an increase of £365k compared to that estimated. This was mainly due to an increase in Council Tax collectable from a greater number of properties compared to that estimated.
- 3.46 The amount due to South Derbyshire is approximately £193k (*10.6% of £1,820k*). This amount remains in the Collection Fund pending the 2020/21 budget round, when the surplus on the Fund has to be declared in setting the Council Tax for the following year. Depending on the on-going performance of Council Tax, at this point any surplus due to the General Fund will be included in the MTFP.

Business Rates

- 3.47 As highlighted earlier in the report, this part of the Fund generated a deficit in 2018/19 of £949k, compared to an estimated surplus of £2k. This was due to a lower than forecast growth in collectable rates offset in part by a release of the appeals provision.

Business Rates Appeals

- 3.48 Under accounting regulations, the Council has to provide against a certain amount of appeals being successful.
- 3.49 During 2018/19, a number of the larger appeals dating back to 2010 have now been settled. The provision made against these appeals was higher than required and has therefore resulted in a release of part of the provision.

3.50 The provision for appeals bought forward from 2017/18 was £2.05m. This was reduced to £1.98m after a review of the remaining outstanding appeals on file.

4.0 HOUSING REVENUE ACCOUNT (HRA)

4.1 The Council is required to account separately for income and expenditure in providing Council Housing. The approved HRA Budget for 2018/19 was set with a surplus of £1,099k.

4.2 This surplus was revised to a reduced surplus of £293k in February 2019, following a review of capital expenditure for major repairs, depreciation charges and a change in the profile of revenue reserve contributions to the Debt Repayment Reserve. At the end of the third quarter, the surplus was projected to be higher at £670k.

Final Out-turn 2018/19

4.3 Final performance on the HRA is shown in the following table.

Summary HRA 2018/19	BUDGET	ACTUAL	VARIANCE
	£000	£000	£000
Total Income	-12,626	-12,590	36
Contribution to Capital	2,543	1,933	-610
Responsive & Planned Maintenance	3,143	2,710	-433
Interest on Debt and Investments	1,798	1,484	-314
Supervision & Management	1,907	1,751	-156
Supported Housing & Careline Services	795	839	45
Provision for Bad Debts	100	64	-36
Asset Replacement contribution	45	45	0
Contingent Sums	11	0	-11
Surplus	-2,285	-3,764	-1,480
Transfer to Debt Repayment Reserve	1,992	1,992	0
HRA General Reserve Increase	-293	-1,772	-1,480

4.4 The table shows that the HRA generated a surplus greater than that estimated, although there were some more significant variances within the overall variance figure of £1,480k as shown in the above table.

4.5 A number of these variances were known but not to the full extent realised and were reported to the Committee as part of the third quarter's monitoring report in March 2019.

4.6 Interest on debt was lower due to the interest rate on the variable element of the debt portfolio (£10m) having been settled at 0.92% compared to that budgeted of 2.50%. Interest received from investments was also significantly higher than budgeted due to the Council having more funds on deposit than in previous years.

Other Variances

- 4.7 The main favourable variances related to supervision and management and repairs and maintenance. Some of this arose due to staff vacancies and a review is in progress regarding current vacancies and future service requirements.
- 4.8 Due to the vacancies and the finish of all major contracts for the HRA, repairs and maintenance were significantly underspent in year but is expected to be on budget in 2019/20.
- 4.9 Capital expenditure in year was lower than budgeted. The contribution to capital from revenue resources is a statutory requirement through a depreciation charge. Depreciation charged to revenue is then reversed in reserves but can only be used to fund capital items. In year, the depreciation was lower than initially forecast due to an increase in asset life as recommended by the valuer. Although not required, a contribution of £700k has still been made to fund future capital projects.
- 4.10 The provision for bad debts is based on the level of rent arrears at each year-end. The level of arrears and associated bad debts provision is shown in the following table.

	2017	2018	2019
Debt outstanding	£	£	£
Leaseholders	1,764	1,706	6,071
Current Tenants	221,844	255,424	300,512
Former Tenants	107,648	129,389	100,527
	331,256	386,519	407,110
Bad debt provision	194,312	234,127	251,240

- 4.11 The level of arrears has increased by £21k in the year. The bad debt provision required has increased from £234k to £251k, with an increase of £64k after write-offs (compared to an estimate of £100k) required as shown in the following table.

	£
Bad debt provision b/fwd	234,127
Less write-offs in 2018/19	-46,613
Remaining provision	187,514
Provision required	251,240
Top-up required to HRA	63,726

- 4.12 Overall, the effect of the HRA surplus on the HRA's General Reserve is detailed in **Section 6**.

5.0 **CAPITAL EXPENDITURE and FINANCING 2018/19**

5.1 The final out-turn is summarised in the following table.

Capital spending final out-turn 2018/19

	Budget	Actual	Variance
	£	£	£
Council House Improvements	2,543,000	1,347,814	-1,195,186
Council New Build and Acquisition	754,000	516,633	-237,367
Private Sector Housing Renewal	1,675,307	499,195	-1,176,112
Community Services	552,564	117,181	-435,383
Environmental Development	182,000	221,129	39,129
Property, Plant and Equipment	1,788,510	1,635,938	-152,572
Total spending	7,495,381	4,337,890	-3,157,491

Council House Improvements

5.2 The expenditure also included disabled facility adaptations. The overall expenditure in the year was lower than estimated due to a review of some contracts regarding how they are packaged, for example, combining the heating replacement and servicing contracts.

5.3 A new contract under a framework has now been agreed and an updated schedule of works has been reported to Housing and Community Services Committee for expected capital works in 2019/20 and £700,000 has been contributed to the Major Repairs Reserve for future works.

Council House New Build and Acquisition

5.4 Phase 2 New Build of 6 dwellings at Lullington Road is due to be completed during the first quarter of 2019/20. A Homes England grant of £180,000 has been secured and is paid in stages during the development.

Private Sector Housing Renewal

5.5 Funding has been received from Derbyshire County Council as part of the Better Care Fund (BCF) allocation during 2018/19 totalling £734,320. An additional one-off sum of £88,434 from MHCLG for Disabled Adaptations was also received in the year.

5.6 An under spend of £792,553 from BCF in 2017/18 was carried forward into 2018/19 and projects have since been approved by the BCF board and the Council. A number of these projects are still in the planning stages and have yet to have any committed expenditure against them.

5.7 Expenditure totalled £499,195 during 2018/19 and funded the administration of Disabled Facility Grants (DFG) (£451k), a Dedicated Mental Health Worker (£13k), an Additional Technical Officer for DFG (£32k) and a Countywide Stock Modelling Report (£3k). The balance of funding has been carried forward into 2019/20 to be utilised within the District during the coming year.

Community and Leisure Schemes

- 5.8 The Community Partnership Scheme grants are now fully committed but were unclaimed at the year-end showing an under spend of £239,005. Expenditure is expected to be incurred during the course of 2019/20.
- 5.9 General Fund bids for the Rosliston Forestry Centre Play project and Swadlincote Woodlands Nature Reserve project had not started during 2018/19. Swadlincote Woodlands has now secured grant funding and the project should be underway in 2019/20. Rosliston Forestry Centre will not progress until after the tender of the site during 2019/20. The under spend for these two projects is £167,000.
- 5.10 Eureka Park is in the late stages of completion and expenditure incurred of £35,750 is funded by S106 and the Heritage Lottery Fund. The Town Hall refurbishment of the windows cost £15,076 in year and was funded through earmarked reserves.
- 5.11 A budget of £450,000 for drainage works at the Melbourne Sports Park was approved in July 2018 being set-aside from the General Fund. Costs in year totalled £17,102 with the remaining budget being carried forward into 2019/20.

Environmental Development

- 5.12 The budget under spend is due to profiling of grant payments for the Townscape Project, which is now nearing completion with final grant payments due during the first half of 2019/20.

Property, Plant and Equipment

- 5.13 Expenditure was incurred for a number of different projects during the year, the most expensive being the replacement of refuse freighters and vans totalling £1,385,411. All vehicles were fully funded through earmarked reserves set-aside in previous years.
- 5.14 The demolition of the former Council depot on Darklands Road was budgeted to cost £75,000 and was due to be funded through Capital Receipts. However, the final cost of the works have totalled £65,006 and grant funding of £55,255 has been secured from the D2 Business Rates Retention Programme and will be received during the first half of 2019/20 reducing the drawdown required from the Capital Receipts Reserve.
- 5.15 Land sales at Staley Close and Oversetts Road, which totalled £790,960, have incurred costs totalling £95,064 which have been funded from the capital receipts from the land sales. Purchase of land at Pinfold Close, Repton costing £14,000 was approved at Committee in June 2018 and was funded through the General Fund.
- 5.16 A final charge for the refurbishment of the new Council depot on Boardman Industrial Estate of £46,764 has been funded from capital receipts in year.

- 5.17 The budget for repairs to village halls has been partially spent in year with costs incurred for Walton Village Hall. Expenditure totalled £22,625 with £9,075 remaining in the budget for future works.
- 5.18 Smaller costs were incurred for the Midway Community Centre Extension for initial design works (£4,988) and works on factory premises (£2,080). These were funded from capital receipts and earmarked reserves respectively.

Financing Capital Expenditure

- 5.19 The expenditure was financed as summarised in the following table.

Financing capital expenditure 2018/19

	Budget	Actual	Variance
	£	£	£
Capital Resources	3,594,452	2,043,239	-1,551,213
External Grants and Contributions	1,910,607	830,979	-1,079,628
General and Earmarked Reserves	1,990,322	1,462,222	-528,100
S106 Contributions	0	1,450	1,450
Total funding	7,495,381	4,337,890	-3,157,491

- 5.20 The variance reflects expenditure outstanding and this will be drawn down as schemes are progressed and external funding is received.

6.0 RESERVES, BALANCES AND PROVISIONS

Provisions

- 6.1 In accordance with accounting standards, provisions are made in the accounts by charging the income and expenditure account in the year that a potential liability becomes known.
- 6.2 A provision is made where a known liability exists that has arisen from normal day-to-day operations. The liability will normally be one-off and is more than likely to occur. However, the timing and amount may not be certain, but can be reasonably estimated.
- 6.3 In these circumstances, accounting standards direct that it is prudent to make a provision in the accounts.

Bad Debt Provisions

- 6.4 These are made based on the age and profile of debt outstanding. The provisions are made based on a formula that calculates a percentage on the likelihood of a debt or category of debt being collected.
- 6.5 The longer the debt has been outstanding or where no account has had any transactions for some time, the greater the provision that has to be made. Provisions were made in 2018/19 as shown in the following table.

Sundry Debtors	114,960	General Fund
Temporary Accommodation	-7,872	General Fund
Housing Benefit Overpayments	39,033	General Fund
Council Tax Arrears	27,975	General Fund
Business Rates Arrears	163,853	General Fund
Business Rates Appeals	169,324	General Fund
Planning Appeals	-37,500	General Fund
Housing Rent Arrears	17,113	HRA

- 6.6 An additional provision was required for sundry debtors due the age and volume of debt increasing during 2018/19 as explained earlier in the report.
- 6.7 The provision for Council Tax arrears was increased due to an increase in the age of the debt. The increase in the provision for 2018/19 is contained within the overall surplus balance on the Collection Fund, as detailed earlier in the report in Section 3.
- 6.8 The reasons for the amounts calculated for business rate appeals and housing rent arrears have also been detailed earlier in the report, in Sections 3 and 4 respectively.
- 6.9 In addition to on-going provisions for bad debts and business rates appeals, further provisions continue to be made as shown in the following table.

Analysis of Other Provisions

	Provision b/fwd April 2018 £'000	Increased during the year £'000	Utilised during the year £'000	Released £'000	Provision c/fwd March 2019 £'000
Planning Appeal	-107	-71	8	100	-70
NNDR Appeals	-823	-510	180	162	-991
Termination Benefits	-64	0	64	0	0
Total Provisions 2017/18	-1,109	-581	252	262	-1,061

- 6.10 The amounts released during the year arose due to the liability being lower than estimated when the provision was originally established. These amounts, together with the increases are re-credited or debited (respectively) to the General Fund.

General Fund Reserve

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

General Fund Reserve	Budget £'000	Actual £'000	Variance £'000
Balance b/fwd 1st April 2018	-10,044	-10,044	0
Add Surplus for year	-832	-2,621	-1,789
Add: Accounting Adjustments	0	-590	-590
Less: Contribution to Asset Replacement Fund	400	400	0
Less: Contribution to Capital Works	435	54	-381
Less: Contribution to the District Economic Development Fund	1,000	1,000	0
Net Contribution to Earmarked and Capital Reserves	0	1,375	1,375
Closing Balance as at 31st March 2019	-9,041	-10,426	-1,385

6.12 The table shows that the level of general reserves was greater than estimated at March 2019 by around £1,385k, after allowing for the transfer to earmarked reserves as detailed in Section 3 of the report. This improved position is due to the better out turn as detailed in Section 3.

6.13 The remaining contributions towards capital works will be maintained in the Reserve. They will be drawn down as expenditure is incurred to complete the relevant schemes in 2019/20. After allowing for this, the General Fund is £1,004k more favourable (£1,385k - £381k) when compared to the MTFP.

Earmarked Reserves

6.14 The Council maintains earmarked reserves that are held, at the Council's discretion, for specific purposes. These are to meet one-off items of expenditure, together with areas where costs are incurred over several years, for example, vehicle and ICT replacements together with repairs and maintenance and where external funding may be received in advance of expenditure.

6.15 Annual contributions are made to these reserves from other accounts and reserves and they are drawn-down to finance expenditure in revenue and capital accounts as required.

6.16 Once established, earmarked reserves can only be used for that specific purpose. Other reserves may be established through a legal agreement or contractual commitment.

6.17 The Council's earmarked reserves are detailed in **Appendix 3**. This shows the overall change on individual balances during 2018/19, including the appropriations detailed earlier in the report in Section 3.

Housing Revenue Account (HRA) Reserve

6.18 Section 4 detailed the final account of the HRA and this highlighted a surplus for 2018/19 of £1,772k.

6.19 The HRA reserve balance totals £6.91m as at 31st March 2019. This is £1,579k higher than estimated - mainly due to the lower overall expenditure in 2018/19.

6.20 The reserve balance is shown in the following table.

HRA General Reserve	Budget £'000	Actual £'000	Variance £'000
Balance b/fwd 1st April 2018	-5,147	-5,147	0
Contribution to Earmarked Reserves	100	0	-100
Add Surplus for year (section 4)	-293	-1,772	-1,479
Closing Balance as at 31st March 2019	-5,340	-6,919	-1,579

General Fund Capital Receipts Reserve

6.21 The position on this reserve during 2018/19 is shown in the following table.

General Capital Reserve	£'000
Balance b/fwd 1st April 2018	505
Add: Land Sales - Oversetts Road	291
Add: Land Sales - Staley Close	433
Less: Contribution to Capital Works	-156
Closing Balance as at 31st March 2019	1,073

6.22 Within the balance on the reserve is £734k in relation to the overage payment for property sales in Midway.

HRA Capital Receipts Reserve

6.23 This is the reserve that is being used to finance the New Build and Acquisition programme. In accordance with Council policy, all proceeds (net of any pooling payment) from the sale of existing council houses and HRA land are transferred to this reserve.

6.24 The position on this reserve during 2018/19 is shown in the following table.

Housing Capital Reserve	Budget £'000	Actual £'000	Variance £'000
Balance b/fwd 1st April 2018	1,529	1,529	0
Add: Retained Receipts from Council House Sales	733	1,268	535
Add: Deed of Release	45	45	0
Add: Grant income	185	135	-50
Less: New Build Costs in year	-754	-517	237
Closing Balance as at 31st March 2019	1,738	2,460	722

6.25 The table shows that the balance on the Reserve is higher than estimated at the end of the year which is due to additional Right to Buy Retained income receipts.

Other Capital Reserves

- 6.26 Other Capital Reserves consist of Major Repairs and Debt Repayment. The balance stands at £8.50m as at 31st March 2019. This has increased in year due to contributions from the HRA. This reserve will receive annual contributions from HRA surpluses in future years in order for debt to be repaid from 2022 and to allow for provision of major capital works in the future. This is in accordance with the HRA Financial Plan.

7.0 Financial Implications

- 7.1 As set out and detailed in the report.

8.0 Corporate Implications

- 8.1 As detailed in the report.

9.0 Community Implications

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

10.0 Background Papers

- 10.1 None

GENERAL FUND INCOME AND EXPENDITURE - APPENDIX 1

		ACTUAL	BUDGET	VARIANCE	
AAD00	Democratic Representation & Management	79,765	80,008	-243	
AAM00	Corporate Management	55,625	45,909	9,716	Legal support
AAM01	Corporate Finance Management	51,197	56,227	-5,030	Favourable EY fee £23k; adverse GDPR £11k, HRA recharge £7k
ABP00	Funded Pension Schemes	252,290	262,116	-9,826	Pension fee
ABU00	Increase/Decrease in Provision for Bad or Doubtful Debts (GF)	146,120	100,000	46,120	Sundry debt £115k, benefits £39k, B&B -£8k
ACA00	Council Tax Collection	-32,194	20,140	-52,335	Favourable salaries £30k, court fees £18k, grant income £4k
ACA40	Non Domestic Rates Collection	108,091	60,010	48,081	Rateable Value finder fee
ACD00	Elected Members	285,501	312,350	-26,850	Favourable training £4k, Member expenses £20k, insurance £6k; adverse HRA recharge £4k
ACE00	Registration of Electors	60,689	49,473	11,216	Print/post £11k
ACE10	Conducting Elections	103,580	157,759	-54,179	Favourable salaries/wages £34k, room hire £5k, print/post £15k
ACT00	General Grants, Bequests & Donations	292,915	296,047	-3,132	
ACT01	Parish Councils	358,566	359,832	-1,266	
HTT00	Concessionary Fares	-9,695	0	-9,695	County contributions
KGF00	Revenues & Benefits Support & Management	-61,423	36,744	-98,166	Favourable salaries £39k, admin grants £53k, prof fees £6k
KGL00	Rent Allowances Paid	11,562	142,561	-130,999	Benefit overpays £32k, clawback of 98% but budgeted 97% £99k
KGN00	Rent Rebates	60,086	64,584	-4,497	
KGP00	Housing Benefits Administration	220,158	288,105	-67,947	Favourable salaries £5k, disc HB unbudgeted £121k; adverse agency £29k, processing support £29k
KGR00	Corporate Fraud	25,536	25,536	0	
KJE40	Caretaking	73,227	107,706	-34,479	Favourable salaries £55k, service chg income £17k; adverse agency £37k

KJW00	Debt Recovery	50,247	50,348	-101	
PSX40	Senior Management	427,979	425,469	2,510	Favourable HRA recharges £9k; adverse legal support/dismissal £12k
PSX50	Reprographic/Print Room	233,384	242,167	-8,783	Favourable salaries £6k, printing £3k, stationary £5k, postage £5k; adverse agency £10k
PSX55	Financial Services	312,248	315,174	-2,926	
PSX56	Internal Audit	105,693	103,115	2,578	
PSX57	Merchant Banking Services	63,476	68,666	-5,190	Lower bank charges
PSX60	ICT Support	740,649	740,649	-0	
PSX65	Legal Services	170,219	192,997	-22,778	Favourable salaries £43k, fee income £11, prof fees £4k; adverse agency £30k, HRA recharge £6k
PSX75	Personnel/HR	226,302	226,302	-0	
PSX76	Policy & Communications	110,891	153,140	-42,249	Favourable salaries £51k, prof fees £7k, fee income £2k, comp main £5k; adverse agency £17k, HRA recharge £6k
PSX77	Customer Services	256,666	256,582	84	
PSX78	Health & Safety	24,119	28,279	-4,160	Salaries £2k, prof fees £2k
PSX81	Admin Offices & Depot	431,161	386,743	44,418	Favourable salaries £41k, utilities £16k, service chg income £8k, refuse coll £3k; adverse agency £40k, NNDR £47k, HRA recharges £25k
PSX85	Estate Management	-244,181	-166,027	-78,154	Favourable salaries £7k, prof fees £17k, rental income £68k, rent cost £8k, HRA recharge £3k; adverse agency £25k
PSX95	Protective Clothing	21,871	19,800	2,071	Protective clothing
PSX96	Procurement	6,817	-24,592	31,409	HRA recharge budget too high
SSX70	Other Management Costs	14,500	14,500	0	Japan visit
W4A00	Interest & Investment Income (GF)	-190,809	-42,818	-147,992	Investment income
W7A00	External Interest Payable (GF)	771	700	71	
W8A00	Other Operating Income & Expenditure (GF)	43,627	43,627	0	
Finance and Management		4,887,227	5,499,930	-612,703	

ACG00	Emergency Planning	14,847	15,600	-753	
ACL00	Local Land Charges	8,155	20,989	-12,834	Favourable salaries £7k, fee income £24k; adverse agency £18k
CCF00	Tourism Policy, Marketing & Development	58,758	58,758	0	
CEE00	Food Safety	51,562	75,930	-24,368	Fee income
CEE10	Pollution Reduction	240,973	271,288	-30,315	Salaries
CEE50	Pest Control	12,079	12,050	29	
CEE60	Public Health	-2,600	200	-2,800	Fines unbudgeted £2k
CEE70	Licensing	22,329	-21,627	43,956	IFRS15 adjusts to prepaid income
CEE80	Public Conveniences	36,967	36,135	832	
CEH00	Community Safety (Safety Services)	130,690	119,170	11,520	Adverse body cams £4k, stray dogs £4k, signage £4k
CES00	Street Cleansing (not chargeable to highways)	387,058	340,067	46,991	Favourable training £2k, fee income £6k; adverse vehicle hire £55k,
CEW00	Household Waste Collection	1,434,612	1,401,797	32,816	Favourable salaries £68k, income £5k; adverse agency £55k, bins & sacks £38k, vehicle hire £13k
CEW10	Trade Waste Collection	-129,584	-113,771	-15,814	Fee income
CEW20	Recycling	356,450	384,120	-27,670	Favourable fee income £30k; adverse signage £2k
CEW50	Direct services central admin	144,905	145,186	-281	
CPB00	Building Regulations	66,341	93,509	-27,168	Favourable salaries £128k; adverse agency £17k, Lichfield support £38k, fee income £46k
CPC10	Planning Delivery	-40,752	27,143	-67,895	Favourable salaries £24k, fee income £17k, planning appeal costs £34k; adverse agency £8k
CPD10	Planning Policy	254,064	309,394	-55,330	Favourable salaries £6k, grants £3k, prof fees £39k, fee income £7k
CPD30	Business Systems and Information Unit	135,927	165,930	-30,003	Favourable salaries £34k, fee income £6k; adverse North Lincs support £10k
CPE10	Environmental Education	78,825	79,052	-227	
CPH70	Promotion and Marketing of the Area	192,481	192,480	0	
CPL00	Community Development	9,940	10,000	-60	
HTK10	Environmental Maintenance (Other Roads)	23,032	20,000	3,032	Gulley cleaning

HTP10	Off-Street Parking	106,454	95,137	11,317	NNDR £5k, fee to County £6k
KGT00	Travellers' Sites	4,266	-14,614	18,879	Trf back to County Feb 18
KGW00	Welfare Services	-271	1,800	-2,071	
NAC60	Public Transport	29,307	24,548	4,758	Repairs £2k, NNDR £3k
PSX90	Transport Services	576,732	619,022	-42,290	Spare parts under spend

Environmental and Development Services

4,203,547 4,369,295 -165,748

CCA00	Melbourne Leisure Centre	6,362	2,327	4,035	Repairs
CCA10	Arts Development & Support	15,594	13,510	2,084	Favourable dance instructor £4k; adverse fee income £6k
CCA40	Events Management	132,140	159,413	-27,274	Favourable salaries £19k, fee income £3k, Civic Func £3k, NNDR £2k
CCA50	Midway Community Centre	22,655	15,798	6,856	Utilities £7k
CCD00	Community Centres	99,169	101,305	-2,136	Fee income
CCD10	Get Active in the Forest	27,612	27,616	-4	
CCD20	Sports Development & Community Recreation	151,958	151,911	48	
CCD30	Indoor Sports & Recreation Facilities	332,581	355,207	-22,627	Favourable utilities £20k, contributions for AGP and vending £13k; adverse repairs Etwall £10k
CCD40	Outdoor Sports & Recreation Facilities (SSP)	137	0	137	
CCD50	Playschemes	27,942	28,054	-112	
CCE00	Grounds Maintenance	468,265	512,096	-43,831	Favourable salaries £15k, grounds recharge £29k
CCE10	Countryside Recreation & Management	13,254	13,213	41	
CCE20	Allotments	-2,170	-2,067	-103	
CCF10	Village Halls	6,630	8,365	-1,735	Repairs
CCF20	Rosliston Forestry Centre	184,410	176,951	7,459	Favourable grounds work £8k, cleaning £8k, refuse £5k, vehicle hire £2k, tools & mats £20k, advertising £7k; adverse salaries £30k, prof fees £6k, income £4k, NNDR £7k, repairs £10k
CEA00	Cemeteries	1,530	10,011	-8,481	Favourable repairs £3k, fee income £10k; adverse grounds £5k
CEA30	Closed Churchyards	7,734	6,816	918	

CEE20	Housing Standards	114,637	79,948	34,689	Favourable fee income £8k; adverse enforcement works £42k
CEG00	Community Safety (Crime Reduction)	132,602	132,315	287	
CEK00	Defences Against Flooding	45,300	48,503	-3,204	Grounds work
CPH20	Market Undertakings	4,621	-7,227	11,847	Favourable income £5k; adverse van hire £17k
KGA00	Housing Strategy	50,236	106,988	-56,753	Favourable salaries £53k, prof fees £3k
KGE10	Administration of Renovation & Improvement Grants	40,550	42,260	-1,711	Professional fees
KGH10	Bed / Breakfast Accomodation	6,500	6,500	0	
KGH30	Pre-tenancy Services	179,116	179,116	-0	
KGX20	Other Housing Support Costs (GF)	22,049	23,830	-1,781	Computer maintenance
KJE70	Community Parks & Open Spaces	291,778	195,921	95,857	Favourable salaries £21k, tools & mats £5k; adverse agency £70k, repairs £13k, grounds £12k, prof fees £22k, sponsorship income £5k
Housing and Community Services		2,383,189	2,388,681	-5,492	

W2A00	Taxation & non-specific grant income (GF)	- 13,100,833	- 12,960,362	-140,471	NNDR £127k , New Burdens £13k
	Other	-155,822	-129,801	-26,021	Senior Management restructure one-off costs £13k, Off-payroll payments £10k, Apprenticeship Levy £3k

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13,256,655 13,090,163 -166,492

Surplus to be transferred to the General Fund

-1,782,692 -832,258 -950,435

Collection Fund Account 2018/19

	Actual 2017/18 £'000	Estimate 2018/19 £'000	Actual 2018/19 £'000	Variance 2018/19 £'000
COUNCIL TAX - INCOME & EXPENDITURE				
Council Tax collectable	53,295	57,026	57,261	235
County Council Precept	-38,345	-41,302	-41,302	0
Police and Crime Commissioner Precept	-5,715	-6,253	-6,253	0
Fire and Rescue Authority Precept	-2,297	-2,427	-2,427	0
SDDC Precept	-4,942	-5,169	-5,169	0
SDDC Parish Precepts	-757	-773	-773	0
Bad Debt Provision Movement	70	-570	-440	130

Surplus for the year	1,309	532	897	365
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COUNCIL TAX BALANCE				
Opening balance as at 1st April	613	1,422	1,422	0
Surplus paid to County Council	-367	-367	-367	0
Surplus paid to Police and Crime Commissioner	-56	-56	-56	0
Surplus paid to Fire and Rescue Authority	-22	-22	-22	0
Surplus paid to SDDC	-55	-55	-55	0
Surplus for the year (as detailed above)	1,309	532	897	365

Closing balance as at 31st March	1,422	1,454	1,819	365
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BUSINESS RATES - INCOME & EXPENDITURE				
NNDR collectable	24,457	26,635	25,225	-1,410
Central Government Precept	-12,402	0	0	0
SDDC Precept	-9,922	-13,338	-13,338	0
County Council Precept	-2,232	-13,071	-13,071	0
Fire and Rescue Authority Precept	-248	-267	-267	0
Cost of Collection	-91	-91	-91	0
Transitional Protection Payments	590	873	771	-102
Increase in Bad Debt Provision	-145	-266	-250	16
Provision for Appeals	428	-473	72	545

Surplus / Deficit (-) for the year	435	2	-949	-951
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BUSINESS RATES BALANCE				
Opening balance as at 1st April	-1,339	-192	-192	0
Deficit paid by Central Government	356	382	382	0
Deficit paid by County Council	285	306	306	0
Deficit paid by Fire and Rescue Authority	64	69	69	0
Deficit paid by SDDC	7	7	7	0
Deficit for the year (as detailed above)	435	2	-949	-951

Closing balance as at 31st March	-192	574	-377	-951
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APPENDIX 3

List of Earmarked Reserves 2018/19	Balance b/fwd April 2018	Movement 2018/19	Balance c/fwd April 2019
Specific Grants/Earmarked Reserves	£	£	£
Homelessness Prevention	173,598	75,137	248,735
Schools Sport Partnership Project	189,948	38,521	228,469
Rosliston Forestry Centre - Capital Works	149,620	0	149,620
Rosliston Forestry Centre - Café Reserve	11,655	11,425	23,080
IT Reserve	364,131	97,711	461,842
Repton Parish (former Depot proceeds)	33,049	-33,049	0
Community Right to Bid	20,728	-20,728	0
Local Plan - Consultation and Implementation	108,904	0	108,904
Vehicle, Plant and Replacement Fund (incl HRA)	1,069,949	-935,660	134,289
Environmental Education	33,620	-23,911	9,709
Dilapidation Works - Factory Site as per Lease Agreement	12,949	-2,080	10,869
Community Right to Challenge	16,547	-16,547	0
Property Records - Data Sharing	7,131	-7,131	0
Heritage Lottery Grants	18,000	0	18,000
New Town Centre Project Fund	26,397	12,124	38,521
Electoral Registration	4,058	0	4,058
Planning - Staffing and Support Costs	93,775	30,000	123,775
Planning - 20% Fee Increase	33,048	0	33,048
Software upgrades to GIS/LLPG	9,000	0	9,000
Pensions Reserve	138,769	0	138,769
Corporate Training	41,059	11,976	53,035
Welfare Reform, Fraud & Compliance	241,136	8,311	249,447
District Growth	600,000	385,000	985,000
Garden Village Fund	228,570	-65,000	163,570
EU Exit Funding	0	17,484	17,484
Economic Regeneration Fund	0	1,000,000	1,000,000
Building Control Transition	0	20,000	20,000
Public Buildings Maintenance	116,433	13,626	130,059
Asset Replacement and Renewal Fund	0	130,000	130,000
Parks Improvement Fund	0	16,071	16,071
Finance Staffing and Resource Costs	0	30,000	30,000
District Conservation Works	0	10,000	10,000
HRA Software Upgrade	0	120,955	120,955
Swadlincote Woodlands - S106	50,774	0	50,774
South Derbyshire Partnership Reserve	5,027	-790	4,237
Community Safety and Crime Reduction	331,667	20,024	351,691
Young People's Cultural Partnership / Arts Development	7,306	0	7,306
Public Open Space - Commuted Sums	1,263,006	-122,565	1,140,441
Youth Engagement Partnership	637,526	-33,888	603,638
Get Active in the Forest Partnership	43,289	17,239	60,528
Maurice Lea Park NHLF Grant	23,012	0	23,012
Tetron Point Storm Water Basin - S106 UK Coal	53,012	0	53,012
Total	6,156,692	804,255	6,960,947
Section 106 - Earmarked Funds	5,971,517	2,147,354	8,118,871
TOTAL EARMARKED/SPECIFIC RESERVES	12,128,209	2,951,609	15,079,818

APPENDIX 4: SERVICE PLAN PERFORMANCE INDICATORS – CORPORATE RESOURCES

Corporate Plan Aim	Measure	Annual target 2018/19	Performance
Maintain financial health	Deliver a balanced budget in accordance with the statutory timetable	Balanced budget agreed by the Council on 27 th February 2019	Completed
Maintain financial health	Produce regular budget monitoring information	Performance against budget reported to the Council on a quarterly basis	Completed
Maintain financial health	Through better procurement, generate budget savings directly or through supporting other services	Total cashable savings cover the costs of administration and management, estimated at £30,000 for 2018/19	Procurement exercises in the year have related to Capital replacements and one-off projects. No major retendering of on-going supplies and services included in the Base Budget have been undertaken.
Maintain financial health	Collection of Council Tax	In-year Collection Rate of at least 98%	Achieved 98.1%
Maintain financial health	Collection of Business Rates	In-year Collection Rate of at least 98%	Achieved 98%
Maintain financial health	Housing Benefit Subsidy Local Authority Error Rate is below target threshold set by the DWP	Less than 0.48%	Achieved 0.27%
Maintain financial health	Arrears for Council Tax, Business Rates and Housing Benefit Overpayments	Reduction in the annual Provision for Bad Debts	As detailed in Section 6 of the report, Provisions were increased.

Maintain financial health	Identification of Fraud	Value of fraud identified meets service costs of £35,000	As reported to the Audit Sub-Committee on 29 May 2019, £96,000 from Right to Buy and Single Person Discount work achieved.
Maintain financial health	Lettings of Industrial and Commercial Properties	Achieve 90% occupancy of all units and less than 10% of properties with rent arrears greater than 3 months	Almost 99% of units let throughout the year, with 4% of arrears greater than 3 months
Maintain financial health	Income from Land Searches	Service breaks-even	Although income increased from £114k in 2017/18 to £129k in 2018/19, the Service incurred greater costs to cover long term absences. The Service incurred an overall deficit of £8k in 2018/19.
Good Governance	Produce a draft set of Accounts and Financial Statements for Annual Audit and Inspection	31st May 2018	Completed
Good Governance	Completion of Approved Internal Audit Plan and outcomes reported to the Audit Sub-Committee	At least 90% completed (<i>this is monitored by the Audit Sub-Committee</i>)	As reported to the Audit Sub-Committee on 29 May 2019, out of 15 major audit assignments planned for 2018/19, 3 had been completed and signed off, 7 were at draft or final report stage, 2 had completed fieldwork, with only 3 just allocated and yet to commence.
Customer Focus	Minimise downtime of IT	Downtime is less than 1% over the year	Achieved 2% overall, due mainly to virtual desktop server errors. These servers are currently being replaced in accordance with the ICT capital investment programme and all virtual desktops are being decommissioned; this will be completed by December 2019.
Customer Focus	Prompt payment of invoices for goods and services	97% of undisputed invoices paid within 30 days	5,383 invoices from a total of 5,552 (97%) were paid within 30 days.
Customer	Prompt payment of invoices	65% paid within 10 days for	70% (3,908 invoices) were paid within 10 days.

Focus	for goods and services	local suppliers	
Customer Focus	Freedom of Information requests answered within the statutory time limit	98% of requests satisfactorily answered with 20 days	As reported to the Committee in June 2019, 92% and 94% were answered in the six months to March 2018 and March 2019 respectively.