

<b>REPORT TO:</b>	<b>FINANCE AND MANAGEMENT COMMITTEE</b>	<b>AGENDA ITEM: 8</b>
<b>DATE OF MEETING:</b>	<b>3rd SEPTEMBER 2015</b>	<b>CATEGORY: DELEGATED</b>
<b>REPORT FROM:</b>	<b>DIRECTOR OF FINANCE AND CORPORATE SERVICES</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>KEVIN STACKHOUSE (01283 595811)</b> <a href="mailto:Kevin.stackhouse@south-derbys.gov.uk">Kevin.stackhouse@south-derbys.gov.uk</a>	<b>DOC:</b> u/ks/financial monitoring reports/2015/2 September
<b>SUBJECT:</b>	<b>BUDGET and FINANCIAL MONITORING 2015/16</b>	<b>REF</b>
<b>WARD (S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: FM 08</b>

## **1.0 Recommendation**

- 1.1 That the latest budget and financial monitoring figures for 2015/16 are considered and approved.

## **2.0 Purpose of the 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 substantive monitoring report for the financial year 2015/16. It details performance up to 30<sup>th</sup> June 2015, unless otherwise stated.

### 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 deficit being financed from the Council's General Reserve.
- 3.2 The original budget, which was approved in February 2015, estimated a budget surplus of £91,189 for 2015/16. As in previous years, the Budget includes contingent sums set-aside for inflation, growth and the implementation of the local pay and grading review.
- 3.3 The Budget is summarised in the following table.

Net Expenditure on Services	£10,944,858
Depreciation and Capital Charges (in above)	-£645,650
Minimum / Voluntary Revenue Provisions	£342,444
Contingent Sums	£354,704
<b>Total Estimated Spending</b>	<b>£10,996,356</b>
Financing	-£11,087,545
<b>Estimated Surplus</b>	<b>-£91,189</b>

#### Position as at June 2015

- 3.4 **Appendix 1** details the projected out-turn in respect of the Net Expenditure on Services for 2015/16, compared to the Budget, based on financial performance and known variations during the first quarter.
- 3.5 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.
- 3.6 A summary of services by each policy committee is shown in the following table.

#### Projected Net Expenditure 2015/16

Policy Area / Committee	Budget £	Projected £	Variance £
Environmental and Development Services	3,563,422	3,417,715	-145,707
Housing and Community Services	2,365,821	2,336,683	-29,138
Finance and Management Services	5,015,615	4,996,067	-19,548
<b>Total General Fund Projected Out-turn 2015/16</b>	<b>10,944,858</b>	<b>10,750,465</b>	<b>-194,393</b>

- 3.7 The above table shows that based on current spending, there is a projected decrease in net expenditure of £194,393 compared to the Budget for the year.

## Overview of Spending To-date

- 3.8 The main reason for this variance is the continuing increase in planning fee income compared to the Budget; this follows the large increase in 2014/15.
- 3.9 The Budget for the year is £600,000, with actual fees generated and known to-date of approximately £360,000. The current projection is £740,000 for the year, an increase of £140,000.
- 3.10 At this stage, there are no other major variances to report. Generally, most areas are projected to be within budget with extra income currently being achieved in Environmental Health and Estate Management.
- 3.11 Overall, the costs of Direct Services (Waste, Street Cleansing, Grounds Maintenance, etc.) are currently operating within budget. There is expected to be an increase in transport and plant maintenance, although not at the level incurred in 2014/15.
- 3.12 Expenditure on tyre replacements, repairs and maintenance, together with fuel and vehicle replacements, will be subject to procurement exercises over the remainder of the financial year.
- 3.13 Although several spending areas and those relating to maintenance of facilities in particular, are currently below their profiled budget, there may be pressure to incur expenditure over the remainder of the year.
- 3.14 It is expected that staffing and support costs in Planning will increase due to demand and the Local Plan; these costs will be met from earmarked reserves set up over the last two years (as approved).
- 3.15 In addition, a major upgrade of the IT network is currently taking place. Any costs that cannot be met from the in-year IT Budget will be met from the ICT Reserve.

## Procurement Savings

- 3.16 During the first quarter, the following procurement savings were achieved:

Contract	Budget £	Price £	Savings £
Provision of Christmas Lights	31,300	22,725	-8,575
Gulley Cleaning Services	107,000	72,700	-34,300
			<u>-42,875</u>

- 3.17 These savings will be on-going. In addition, a one-off saving of £6,300 has been made following the replacement of print room equipment.

## Future Contracts

- 3.18 There are some fairly significant services and contracts that will be subject to procurement exercises in 2015/16 and 2016/17. These are listed in the following table.

<b>Contract</b>	<b>Budget £</b>
ICT Hardware	150,000
ICT Maintenance Agreements	150,000
ICT Licences	45,000
ICT Software	40,000
Telecommunications	87,000
Mobile Phones	20,500
Energy - Gas	56,000
Energy - Electricity	157,000
Fuel (Diesel)	200,000
Refuse Vehicles	720,000
Vans	100,000
Sweepers	130,000
Dog Control	20,000
Advertising	43,700
Scaffolding	14,000
Tyres	41,500
Market Management	25,000

- 3.19 The 5-year contract for the provision of insurance premiums, valued at approximately £300,000 per year, has recently been retendered. Responses are currently being evaluated with a new contract to be let on 1<sup>st</sup> October.

### **Other Costs**

- 3.20 In March 2015, it was reported that additional costs of £30,000 would need to be incurred to remove a dangerous structure, i.e. the Church Gresley Memorial Club.
- 3.21 Following a tendering exercise, the cost of the works was £20,500, plus some additional security costs of around £2,500. As there is no separate budget for these works, as previously reported, they will be financed from the General Fund Reserve.

### **Efficiency Dividend**

- 3.22 This was paid in July 2015 as planned. As reported in the Budget Out-turn Report (June 2015) the total cost of £270,000 was accounted for in the Council's Accounts for 2014/15.

### **Contingent Sums**

- 3.23 The Budget includes the following contingent sums totaling £354,700

<b>Contingent Sums</b>	<b>£</b>
Pay and Grading Review	165,000
Inflation/Provisions	89,700
Growth	100,000
<b>Total</b>	<b><u>354,700</u></b>

## Pay and Grading

- 3.24 Following the Committee's approval in February 2015, Job Evaluation has commenced with an implementation date of April 2016. Therefore, the contingent sum to meet on-going pay costs arising out of the review will not be required in 2015/16.

## Inflation

- 3.25 The contingent sum for inflation does not include pay. The pay award approved nationally in January 2015, which will run until March 2016, was included in the Base Budget.

## Provisions

- 3.26 The following provisions were made in the Council's accounts in 2014/15 for liabilities due in 2015/16.

Provision For	Provision Made
Refund of Personal Searches	£156,000
Business Rates Appeals	£272,00
Planning Appeal	£172,000
<b>TOTAL PROVISIONS</b>	<b>£600,000</b>

- 3.27 The final costs for business rates and planning appeals are still to be determined. Payments for the refund of personal searches are being made and the overall figure of £156,000 (including fees) has been confirmed.

## General and Specific Grants Receivable 2015/16

- 3.28 The following grants have been confirmed for the year.

	Estimate £	Actual £	Variance £
<b>General Grants</b>			
New Homes Bonus (NHB)	2,322,405	2,322,404	-1
NHB – Additional Funding	0	7,420	7,420
Revenue Support Grant	1,811,467	1,811,467	0
Council Tax Freeze Grant	50,794	50,018	-776
<b>Total General Grants</b>	<b>4,184,666</b>	<b>4,191,309</b>	<b>6,643</b>

<b>Specific Grants</b>			
Business Rate Reliefs (Section 31)	0	414,822	414,822
Welfare Reform – New Burdens	0	19,057	19,057
Individual Electoral Registration	0	22,391	22,391
<b>Total Specific Grants</b>	<b>0</b>	<b>456,270</b>	<b>456,270</b>

## Business Rate Reliefs – Section 31 Grant

- 3.29 The figure for Business Rate Relief is confirmed after the Budget has been set. This is based on those businesses qualifying for the various concessions under the Government's Scheme to support small businesses and to bring empty units back into use. The various reliefs are broken down as follows:

	£
Cost of 2% cap on 2015/16 Rates Multiplier	37,798
Cost of Doubling Small Business Rate Relief	288,227
New Empty Property Relief	8,493
Long Term Empty Property Relief	12,906
Retail Relief	67,398
	<b><u>414,822</u></b>

- 3.30 The Grant is paid to reimburse councils who, by granting relief, lose income in the Collection Fund. It is paid so as to ensure that the Billing Authority is no worse off overall.
- 3.31 The Grant is only temporary and the Government's Scheme will end on 31<sup>st</sup> March 2016. Following approval by the Committee in April 2015, local businesses currently qualifying for these reliefs, have been given notice of the Scheme ending.

## Other Specific Grants

- 3.32 Specific grants are not budgeted for as they vary from year to year and are used to fund one-off expenditure. They are set-aside to deal with additional costs of implementing Government proposals under the "New Burdens Doctrine."
- 3.33 Anything not spent in the year is transferred to an earmarked reserve to meet future costs associated with each area. The funding received for Welfare Reform and Individual Electoral Registration is likely to be used during the year.

## Overall General Fund Position

- 3.34 After allowing for all variances and adjustments, the projected overall position on the General Fund for 2015/16, compared to the Budget, is shown in the following table.

	£'000
Lower Net Expenditure	-194
Use of Contingent Sums Lower	-165
Procurement Savings	-42
Demolition Costs – Dangerous Structure	23
Lower General Fund Grants	6
<b>Projected Reduction in Net Expenditure</b>	<b><u>-372</u></b>

- 3.35 This position is subject to change, although at this stage, there is likely to be an overall reduction in net expenditure for 2015/16.
- 3.36 However, it is recommended that this is not assumed or included in the MTFP until it is certain and reported in the Budget Out-turn for the year. This is in accordance with the financial policy followed in previous years.

### **The Medium-Term Financial Plan (MTFP)**

- 3.37 A full review of the MTFP position will be reported to the Committee at its meeting in October 2015. This will include the possible impact of changes arising from the Government's Budget in July 2015.
- 3.38 The current MTFP for 2015 to 2020 was approved in February 2015. This showed that the unallocated General Fund Reserve was forecast to be £2.160m by March 2020. This compares to a minimum level of £1m.
- 3.39 Following the Budget out-turn for 2014/15, the balance on the Reserve stood at over £6m. However, some of this the Reserve shows it being utilised over the planning period to meet anticipated reductions in Government funding and other capital commitments, such as vehicle replacements.
- 3.40 Since then, additional spending has been approved by the Committee and the Budget out-turn for 2014/15 has been confirmed. The following table shows the overall impact on the General Fund Reserve as it currently stands.

#### **Projected General Fund Reserve Balance**

	<b>£'000</b>
Projected Balance as at 2020	2,160
Add: Increase in Reserve - 2014/15 Accounts	277
Purchase of Town Centre Land	-230
Restructure in Electoral Services	-58
Melbourne Sporting Partnership (Section 106)	-213
External Facilitator - Pay and Grading Review	-100
<b>Projected Balance as at 2020 - Updated</b>	<b><u>1,836</u></b>

## Budget 2015

- 3.41 The main changes likely to have an impact on the General Fund, arising from the Government's Emergency Budget in July 2015, are set out in the following table. A more detailed assessment will be reported as part of the MTFP review in October.

National Budget Proposal	Assumptions in Current MTFP	Possible Impact
To extend the period for reducing the national budget deficit by 1 year.	Assumes reductions in overall government funding to 2020.	This could spread the impact of reductions, although this will depend on the expenditure limit set for the DCLG. However, the impact on local government could be more severe as some government departments will remain "protected." The detailed impact will not be known before December 2015.
Welfare Changes	No direct impact; reductions are met by benefit claimants.	There may be implications for the Local Council Tax Support Scheme in that more claimants may become eligible or fall out of protection as other entitlements, such as tax credits, are reduced. Any additional cost may not be affordable, and the Local Scheme may need to be reviewed. This may be offset by a reduction in the "backdating period" together with the implementation of the National Living Wage – this may reduce the cost of the Local Scheme. In addition, the Government is due to set-aside a greater amount nationally for Discretionary Housing Payments. As the effects are known, this will be reported to the Committee later in the year. Any changes to the Local Scheme may need to be subject to consultation.
Business Rates Review	Assumes that the current Rates Retention System remains in place.	Not known. A separate report is due from the Government later in the year. Whether any changes will affect the funding system for councils is not known.
Introduction of a National Living Wage of £7.20 per hour, rising to £9.00 per hour by 2020.	Introduction of the current "Living Wage" was subject to the Pay and Grading Review currently taking place.	There are around 12 part-time posts currently earning slightly less than 7.20. There are a further 10 posts earning less than £9. Although the cost initially will be small (£1,200 in 2016/17) this will rise cumulatively by 2020 to a cost currently estimated at £14,000 per year. Cumulatively, between 2016 and 2020, the cost is estimated at approximately £32,000.



1% Public Sector Pay rises	2.5% increase per year on the pay bill from 2016/17.	The local government pay award is subject to annual negotiation. However, the 1% policy direction will be a key factor in negotiations. If say the MTFP assumption is reduced to 1.5% per year, this will <u>increase</u> projected resources in the General Fund by approximately £70,000 per year
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**Note:** these are the possible changes on the General Fund. Other changes affecting the Housing Revenue Account (HRA) are detailed later in the report.

## THE COLLECTION FUND

- 3.42 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 Preceptors on the Fund, including this Council.
- 3.43 Any surplus or deficit on the Fund is transferred to the General Funds of the Preceptors, in proportion to precepts levied each year. The projected position on the Fund for 2015/16, based on transactions up to 30th June 2015, is detailed in **Appendix 2**.
- 3.44 The projected position on the Fund as at 31<sup>st</sup> March 2016 is currently £142,000 for Council Tax and £470,000 for Business Rates. Based on these amounts, the Council's share is approximately £15,000 Council Tax (11.2%) and £188,000 for Business Rates (40%).
- 3.45 The actual surplus to be declared on the Fund for 2015/16 will be included in the budget setting for 2016/17. This will then be paid to the Preceptors.

### Business Rates Pool

- 3.46 The position for Business Rates will also be subject to the Derbyshire wide pooling arrangements, the first year of the Pool. It is likely that this will be positive for the Council as it will benefit from a share of the growth in Business Rates across the County, in addition to any surplus on the Fund declared above.
- 3.47 An estimate of the amount involved should be available following the first half-year analysis for 2015/16. This will be provided by the Administering Authority (Derby City Council).

### Council Tax

- 3.48 The Council declared a surplus on the Collection Fund in 2014/15 of £500,000 and this is being repaid to the Preceptors, including £57,000 to the Council, in 2015/16. Depending on the number of new properties in the remainder of 2015/16, the current projected surplus on the Fund by March 2016 of £142,000 could increase further.

- 3.49 The cost of the Local Council Tax Support Scheme continues to reduce, although it has started to level off. In 2013/14, it reduced from £4.95m to £4.65m and was £4.5m in 2014/15. It is currently forecast to be approximately £4.45 in 2015/16.

### **Business Rates**

- 3.50 The figures for Business Rates are based on the statutory return to the Government; this reports estimated figures in January 2015.
- 3.51 The current rates being collected is in excess of the £21.98m shown in Appendix 2. However, the estimated figure allows for some large premises becoming vacant and the relocation of another large business in the area.
- 3.52 This will reduce the amount of Business Rates collectable. In April 2015, the Committee agreed to support the business involved in by granting discretionary relief in accordance with Rating Regulations.

### **HOUSING REVENUE ACCOUNT (HRA)**

- 3.53 The Council is required to account separately for income and expenditure in providing Council Housing.
- 3.54 The approved HRA Budget for 2015/16 was set to achieve a surplus of £188,000. Performance on the HRA as at June 2015 is summarised in the following table.

<b>Summary HRA 2015/16</b>	<b>Budget £'000</b>	<b>Projected Out-turn £'000</b>	<b>Projected Variance £'000</b>
Rent and Other Income	-13,039	-13,018	21
Contribution to Major Repairs	5,075	5,075	0
Responsive and Cyclical Maintenance	3,395	3,359	-36
Supervision and Management	2,417	2,429	12
Interest on Debt	1,677	1,677	0
Contribution to New Build	287	287	0
<b>Surplus (-) / Deficit</b>	<b>-188</b>	<b>-191</b>	<b>-3</b>

- 3.55 The table shows that overall the HRA is currently within Budget.
- 3.56 A reduction in rent income is forecast due to the amount of council house sales possibly exceeding that estimated; to-date there have been 7 sales compared to an estimate of 8 for the year (*the estimate being based on Government assumptions set following the implementation of self-financing*).

## Budget 2015 - HRA

3.57 The main changes likely to have an impact on the HRA, arising from the Government's Emergency Budget in July 2015, are set out in the following table. A more detailed assessment will be reported as part of the MTFP review in October.

National Budget Proposal	Current Business Plan	Possible Impact
Reduction in social rents of 1% for 4 years	Is based on an <u>increase</u> in rents of 1% per year in accordance with the Government's rent policy that existed before the budget.	This could have a significant impact on the HRA's Plan. Moving from a 1% increase to a 1% reduction, effectively a 2% shift per year over 4 years, would reduce available resources (cumulatively) by approximately <b>£1.4m</b> by 2020; the base position for future years would also be much lower. Although details of how the policy will apply are awaited, this could have a severe impact on current investment plans in the HRA.
Tenants earning over £30,000 per year to pay market rents	Not recognised.	No direct impact expected on the HRA as the additional rent will be transferred over to the Government. However, additional administration involved could incur some costs.
Welfare Changes	No direct impact; reductions are met by benefit claimants.	Where affordability for individual tenants becomes an issue, this may increase rent arrears. However, the Government intends to increase the Discretionary Housing Payments (DHP) Budget nationally, to support those in greatest need. Overall, the effect on the HRA is considered to be less significant.
Introduction of a National Living Wage of £7.20 per hour, rising to £9.00 per hour by 2020.	Introduction of the previous "Living Wage" was subject to the Pay and Grading Review currently taking place.	There are 2 part-time posts in the HRA currently earning slightly less than 7.20. There are a further 5 posts earning just less than £9. The overall cost to the HRA is negligible and is estimated at £7,000 per year by 2020.
1% Public Sector Pay rises	2.5% increase per year on the pay bill from 2016/17.	The local government pay award is subject to annual negotiation. However, the 1% policy direction will be a key factor in negotiations. If say the MTFP assumption is reduced to 1.5% per year, this will increase projected resources in the HRA by approximately £16,000 per year.

## CAPITAL EXPENDITURE and FINANCING 2015/16

3.58 Progress in 2015/16 to-date is summarised in the following table.

Capital Spending 2015/16 (as at June 2015)	Approved Budget £	Actual £
Council House Improvements	11,030,869	1,573,886
Private Sector Housing and DFGs	471,436	54,770
Leisure and Community Development	3,343,154	126,947
Vehicles, Property and Plant	1,249,191	157,183
<b>Total</b>	<b>16,094,650</b>	<b>1,912,786</b>

### Council House Improvements

3.59 The budget includes £5.2m for major improvements in accordance with contracts let in the previous year, 2014/15. In addition, it includes £5.4m for New Build to provide 50 homes. As the main contracts have recently commenced, expenditure will be incurred over the remainder of the year.

3.60 The remainder of the budget (approximately £400,000) is for Disabled Facility improvements.

### Leisure Schemes

3.61 The main schemes in 2015/16 are shown in the following table:

Melbourne Sporting Partnership (MSP)	£1.365m
Grove Hall Redevelopment	£0.5m
Community Partnership Scheme	£0.3m
Etwell Leisure Centre – Fitness Suite	£0.3m

3.62 The amounts in the above table are the Council's contributions towards the projects. The budget for the MSP includes an additional amount of £213,000 as approved by the Committee in June. The main contract has been let and the main site works have commenced.

3.63 This is also the case with the other schemes and significant expenditure will be incurred over the remainder of the year.

### Vehicles, Property and Plant

3.64 The budget includes an amount of approximately £900,000 for vehicle replacements which are due to take place later in the year. It also includes an amount £230,000 for the purchase of town centre land as approved by the Committee in April.

## Capital Receipts

- 3.65 As highlighted earlier in the report, there were 7 council house sales in the first quarter of 2015/16. These generated gross receipts of £336,515, of which £104,793 was pooled. The net amount retained of approximately £231,000 has been transferred to the New Build Reserve.

## Council House New Build

- 3.66 Including the amount brought forward from 2014/15 (£2.05m) the accumulated balance on this Reserve is now approximately £2.3m.

## Financial Target

- 3.67 Under an agreement with the Government, which allows a greater share of HRA asset sales to be retained locally, the following New Build targets (in financial terms) need to be achieved otherwise retained sums would be reclaimed by the Treasury.

### ***New Build Targets***

Sep-15	£191,058
Dec-15	£324,056
Mar-16	£628,347
Jun-16	£628,347
Sep-16	£686,430
Dec-16	£1,112,561
Mar-17	£1,112,561
Jun-17	£1,296,447
Sep-17	£1,550,961
Dec-17	£1,594,226
Mar-18	£1,594,226

- 3.68 The Council is currently ahead of these targets, with Phase 1 of the New Build programme underway. Expenditure on the 3 schemes approved is estimated to be in excess of £3m by March 2016 and £5.4m by March 2018.

## General Fund Receipts

- 3.69 No receipts have so far been generated in 2015/16. The next receipt due is associated with the sale of the second phase of land for the William Nadin Way development.

## TREASURY MANAGEMENT

3.70 An analysis of the Council's borrowing and bank deposits is summarised in the tables, below. These show the position at 31<sup>st</sup> July 2015.

3.71 Debt outstanding is split between the HRA and the General Fund and this represents the "two pool" approach adopted for debt management.

	01/04/15 £'000	31/07/15 £'000	Change £'000
<b>Housing Revenue Account</b>			
Debt Outstanding (Average Rate 2.7%)	57,423	57,423	0
Capital Financing Requirement (CFR)	61,584	61,584	0
Statutory Debt Cap	66,853	66,853	0
Borrowing Capacity (Cap Less Debt o/s)	9,430	9,430	0
<b>General Fund</b>			
Debt Outstanding	0	0	0
Capital Financing Requirement (CFR)	6,532	6,532	0
Borrowing Capacity (CFR Less Debt o/s)	6,532	6,532	0
<b>Temporary Deposits and Short Term Borrowing</b>			
Temporary Bank and other Deposits	12,000	15,500	3,500
Less Parish Council Deposits	-28	-28	0
<b>Total - Short-term Cash Position</b>	<b>11,972</b>	<b>15,472</b>	<b>3,500</b>
Average Interest Rate Earned (Cumulative)	0.31%	0.35%	0.04%
Target – Average 7-Day Money Market Rate	0.50%	0.53%	0.03%

### Short-term Deposits

3.72 The deposits of £15.5m are currently invested as follows:

Debt Management Office (DMO)	£7.5m	0.25%
Other Local Authorities	£8.0m	0.44%

3.73 Money on deposit with other local authorities tends to be for longer periods of up to 6 months; deposits with the DMO are for shorter periods to manage cash flow and to avoid the need for short-term borrowing.

3.74 Total interest earned is forecast to be around £50,000 for the year. This compares with a budget estimate of £39,000.

### Lending Policy and Counterparty List

3.75 No changes are required to the approved list. The credit ratings of parties within the Council's Policy have remained stable and unchanged in the year to-date.

#### **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

## APPENDIX 1

### General Fund - Projected Out-turn 2015/16 (compared to Budget) as at June 2015

*(Figures in red denote income or net surplus / reduction in variances)*

<b>Environmental and Development Services</b>	<b>Budget £</b>	<b>Projected £</b>	<b>Variance £</b>
Transport Services	855,557	857,572	2,015
Tourism Policy, Marketing & Development	56,624	55,549	-1,075
Promotion and Marketing of the Area	180,013	173,041	-6,972
Environmental Education	69,104	69,104	0
Food Safety	47,453	52,582	5,129
Pollution Reduction	303,139	290,933	-12,206
Pest Control	12,015	11,688	-327
Public Conveniences	35,129	32,836	-2,293
Community Safety (Wardens)	114,295	112,278	-2,017
Welfare Services	1,800	1,350	-450
Environmental Maintenance (Other Roads)	-26,242	-29,636	-3,394
Bus Station and Town Centre Maintenance	31,589	29,225	-2,364
Local Land Charges	-21,921	-26,947	-5,026
Licensing	-43,350	-39,571	3,779
Building Regulations	55,035	54,356	-679
Other Building Control Work	-10,000	-12,794	-2,794
Dealing with Development Control Applications	-74,971	-200,702	-125,731
Structure and Local Planning	352,398	344,129	-8,269
Off-Street Parking	58,617	64,399	5,782
Street Cleansing (not chargeable to highways)	280,717	279,006	-1,711
Household Waste Collection	1,252,875	1,267,105	14,230
Trade Waste Collection	-134,646	-135,887	-1,241
Recycling	168,193	168,100	-93
<b>Total - Environmental and Development Services</b>	<b>3,563,422</b>	<b>3,417,715</b>	<b>-145,707</b>

<b>Housing and Community Services</b>	<b>Budget £</b>	<b>Projected £</b>	<b>Variance £</b>
General Grants in Aid	248,269	247,391	-878
Community Centres	76,001	75,712	-289
Community Safety (Crime Reduction)	109,992	109,992	0
Defences Against Flooding	56,772	56,799	27
Market Undertakings	-11,943	-12,147	-204
Community Development	160,521	160,521	0
Village Halls	7,000	8,145	1,145
Arts Development & Support	21,320	21,227	-93
Festival of Leisure and Christmas Lights	135,233	128,564	-6,669
Sports Development & Community Recreation	120,499	120,499	0
Indoor Sports & Recreation Facilities	316,714	324,297	7,583
Outdoor Sports & Recreation Facilities (SSP)	8,060	8,060	0
Melbourne Assembly Rooms	1,100	2,917	1,817
Get Active in the Forest	26,050	26,050	0
Playschemes	14,365	14,365	0
Ground Maintenance	392,890	366,657	-26,233



Countryside Recreation & Management	11,990	11,560	-430
Allotments	-655	485	1,140
Rosliston Forestry Centre	96,188	84,828	-11,360
Cemeteries	2,617	2,994	377
Closed Churchyards	4,100	6,864	2,764
Community Parks & Open Spaces	191,689	184,589	-7,100
Housing Standards	36,339	33,822	-2,517
Housing Strategy	121,195	123,584	2,389
Housing Advice	53,354	53,414	60
Other Housing Support Costs (GF)	61,843	62,040	197
Administration of Improvement Grants	31,870	30,468	-1,402
Bed / Breakfast Accommodation	0	7,609	7,609
Homelessness Administration	87,911	90,884	2,973
Travellers' Sites	-15,464	-15,508	-44
<b>Total - Housing and Community Services</b>	<b>2,365,821</b>	<b>2,336,683</b>	<b>-29,138</b>

	Budget £	Projected £	Variance £
<b>Finance and Management Services</b>			
Senior Management	454,739	453,485	-1,254
Reprographic/Print Room	71,992	71,785	-207
Financial Services	290,880	300,412	9,532
Internal Audit	103,115	103,115	0
Merchant Banking Services	45,935	46,394	459
ICT Support	651,783	659,476	7,693
Legal Services	133,865	139,374	5,509
Personnel/HR	235,916	244,737	8,821
Policy & Communications	239,103	240,062	959
Customer Services	535,600	535,448	-152
Health & Safety	35,218	35,208	-10
Civic Offices & Depot	317,412	316,910	-502
Procurement Unit	103,437	101,595	-1,842
Caretaking and Cleaning	92,122	89,658	-2,464
Democratic Representation & Management	94,229	91,663	-2,566
Elected Members	330,391	323,700	-6,691
Corporate Management	75,400	75,508	108
Corporate Finance Management	64,459	65,080	621
Debt Recovery Costs	125,707	125,471	-236
Registration of Electors	20,122	8,866	-11,256
Conducting Elections	255,981	257,287	1,306
Parish Councils (Concurrent Functions)	324,340	324,340	0
Funded Pension Schemes	241,505	241,317	-188
Interest & Investment Income (GF)	-37,185	-45,485	-8,300
External Interest Payable (GF)	1,500	1,875	375
Estate Management	-150,153	-168,925	-18,772
Council Tax Collection	-66,652	-56,386	10,266
Non Domestic Rates Collection	29,361	29,063	-298
Net Cost of Rent Allowances Paid	214,195	212,640	-1,555
Net Cost of Rent Rebates Paid	56,015	56,015	0
Housing Benefits Administration	125,284	116,380	-8,904
<b>Total - Finance and Management Services</b>	<b>5,015,615</b>	<b>4,996,067</b>	<b>-19,548</b>

## COLLECTION FUND MONITORING 2015/16

	Actual 2014/15	Projected 2015/16	
	£'000	£'000	
<b>COUNCIL TAX - INCOME &amp; EXPENDITURE</b>			
<b>INCOME</b>			
Council Tax Collectable	45,729	47,425	<i>Estimated Debit as at June 2015</i>
<b>EXPENDITURE</b>			
County Council Precept	32,657	34,295	<i>Actual amount due as set in March 15</i>
Police and Crime Commissioner Precept	5,059	5,370	<i>As above</i>
Fire and Rescue Authority Precept	2,034	2,136	<i>As above</i>
SDDC Precept	4,466	4,599	<i>As above</i>
SDDC Parish Precepts	606	668	<i>As above</i>
Increase in Bad Debts Provision	396	411	<i>0.87% of Council Tax Collectable</i>
<b>Total Expenditure</b>	<b>45,218</b>	<b>47,479</b>	
<b>Surplus for the Year</b>	<b>511</b>	<b>-54</b>	
<b>COUNCIL TAX BALANCE</b>			
Opening Balance 1st April 2014	358	696	<i>As per final accounts</i>
Share of Previous Surplus to County Council	-126	-364	<i>Actual amount approved in Jan 2015</i>
Share of Previous Surplus to Police	-19	-56	<i>As above</i>
Share of Previous Surplus to Fire Authority	-8	-23	<i>As above</i>
Share of Previous Surplus to SDDC	-20	-57	<i>As above</i>
Surplus for Year (as above)	511	-54	<i>As above</i>
<b>Closing Balance as at 31st March 2015</b>	<b>696</b>	<b>142</b>	

<b>BUSINESS RATES - INCOME &amp; EXPENDITURE</b>			
<b>INCOME</b>			
Business Rates Collectable	22,737	21,980	<i>Estimate in January 2015</i>
<b>EXPENDITURE</b>			
Central Government Precept	10,540	10,990	<i>Fixed - 50% of estimate in 2015/16</i>
SDDC Precept	8,332	8,792	<i>Fixed - 40% of estimate in 2015/16</i>
Derbyshire County Council Precept	1,897	1,978	<i>Fixed - 9% of estimate in 2015/16</i>
Fire and Rescue Service Precept	211	220	<i>Fixed - 1% of estimate in 2015/16</i>
Cost of Collection	91	92	<i>Amount approved by the Government</i>
Increase in Bad Debts Provision	64	50	<i>Estimate</i>
Provision for Appeals	54	50	<i>Estimate</i>
<b>Total Expenditure</b>	<b>21,189</b>	<b>22,172</b>	
<b>Surplus / Deficit (-)</b>	<b>1,548</b>	<b>-192</b>	

**BUSINESS RATES BALANCE**

Opening Balance 1st April 2014	-886	662
Share of Previous Deficit to Government	0	0
Share of Previous Deficit to SDDC	0	0
Share of Previous Deficit to County Council	0	0
Share of Previous Deficit to Fire Authority	0	0
Surplus / Deficit (-) for the Year as above	1,548	-192
<b>Closing Balance as at 31st March 2015</b>	<b>662</b>	<b>470</b>