

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE	AGENDA ITEM: 8
DATE OF MEETING:	3rd DECEMBER 2015	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/2015/3 December
SUBJECT:	BUDGET AND FINANCIAL MONITORING 2015/16	REF
WARD (S) AFFECTED:	ALL	TERMS OF REFERENCE: FM 08

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 (if any) 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 half-yearly report for the financial year 2015/16. It details performance up to 30th September 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
Total Estimated Spending	£10,996,356
Financing	-£11,087,545
Estimated Surplus	-£91,189

Position as at September 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 half-year.
- 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

Committee	Budget £	Projected £	Variance £	Transfer to / from (-) Earmarked Reserves	Net Effect on General Reserve
Environmental and Development Services	3,575,123	3,171,827	-403,295	-2,212	-405,507
Housing and Community Services	2,365,821	2,221,686	-144,135	155,081	10,947
Finance and Management Services	5,003,282	5,366,820	363,539	-335,483	28,056
Total General Fund Projected Out-turn 2015/16	10,944,225	10,760,334	-183,891	-182,614	-366,505

- 3.7 The preceding table shows that based on current spending and after adjusting for transfers between earmarked reserves, there is a projected decrease in net expenditure of £366,505 compared to the Budget for the year.
- 3.8 This compares with a figure of £194,393 at the end of the first quarter reported in September. An analysis by main service area is shown in the following table.

Performance against Budget 2015/16 as at September 2015 (by Service)

Summary by Main Service Area	Budget £	Projected Actual £	Projected Variance £	Earmarked Reserves £	General Reserve £
Transport Account	855,557	849,354	-6,203	0	-6,203
Economic Development	236,636	215,782	-20,855	0	-20,855
Environmental Education	69,104	42,316	-26,788	26,788	0
Environmental Health Services	513,831	493,663	-20,168	0	-20,168
Highways	5,347	6,317	970	0	970
Licensing and Land Charges	-53,571	-69,124	-15,553	0	-15,553
Planning	322,462	-76,991	-399,453	-29,000	-428,453
Town Centre	58,617	68,136	9,519	0	9,519
Waste Collection & Street Cleansing	1,567,139	1,642,374	75,235	0	75,235
Community Development and Support	646,613	622,318	-24,295	36,671	12,376
Leisure and Recreational Activities	156,553	146,929	-9,624	714	-8,909
Leisure Centres and Community Facilities	486,789	361,006	-125,782	155,041	29,259
Parks and Open Spaces	698,818	667,152	-31,667	-16,334	-48,001
Private Sector Housing	377,048	424,281	47,233	-21,011	26,222
Central and Departmental Accounts	3,311,116	3,427,770	116,655	-36,101	80,554
Concessionary Travel	0	-380	-380	0	-380
Corporate and Democratic Costs	677,852	652,533	-25,320	0	-25,320
Electoral Registration	276,104	276,104	1	0	1
Payments to Parish Councils	324,340	333,333	8,992	-8,992	0
Pensions, Interest Payments and Receipts	205,820	516,630	310,809	-290,390	20,419
Property and Estates	-150,153	-175,540	-25,387	0	-25,387
Revenues and Benefits	358,203	336,371	-21,832	0	-21,832
TOTAL	10,944,225	10,760,334	-183,891	-182,614	-366,505

Overview of Spending To-date

- 3.9 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.
- 3.10 The Budget for the year is £600,000, with actual fees generated as at 31st October 2015 of £716,000. The current projection is £1m for the year, an increase of £400,000 as detailed in Appendix 1.
- 3.11 A list of all of the major variances is shown in the following table.

Favourable Variances	£'000
Additional Planning Income	-400
Vacant Posts	-292
Offset by costs of Temporary Cover and Recruitment	196
Additional income from collection of Trade Waste	-27
Additional income from Estates lettings	-15
Additional grant income	-14
Elected Members Cost's	-11
Additional income from Land Charges	-10
Other income	-18
Adverse Variances	
Income from Recycling credits over-budgeted	110
Indexation on contractual services and grant-aid (see note below)	42
Additional Vehicle Hire	21
Utility Costs at Leisure Centres	20
Repairs at Green Bank Leisure Centre - ACUs	15
Other Variances	16
Total Projected Variance - Positive	<u>-367</u>

Note: this cost is met from the inflation contingency.

3.12 The other large variance relates to vacant posts, although the reduction is partly offset by the costs of temporary cover and recruitment.

Recycling Credits

3.13 The main adverse variance relates to income from Recycling credits. This budget was increased in in 2015/16 based on an expected increase in tonnage being recycled.

3.14 Since 2012/13, income has increased, due mainly to the introduction of the kerbside recycling scheme. Income was £296,000 in 2012/13, rising to £358,000 in 2013/14 and £405,000 in 2014/15. This trend was expected to continue in 2015/16.

3.15 However, over the last year, the tonnages recycled have not increased at the same rate as the previous two years. They are now fairly consistent and it is likely that the income will out-turn in 2015/16 broadly in line with 2014/15 at approximately £400,000. There will be an on-going effect in future years.

Procurement Savings

3.16 In addition to the above variances, the following procurement savings were achieved in the year-to-date:

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.

Renewal of Insurance Premiums

- 3.18 The 5-year contract for the provision of insurance premiums was retendered in October. Following a competitive tendering exercise, which was subject to European Procurement Regulations, the contract was awarded to the existing insurers, Zurich Municipal Insurance.
- 3.19 The value of the contract is £347,000 per year, compared to the current value of £353,000. Unfortunately, only a small reduction in price was achieved. The Council's brokers advised that this was due to a hardening in the insurance market since the last tendering exercise due to the amount of outstanding liabilities and perceived risk in the public sector generally.
- 3.20 The Council's own claims experience, apart from motor vehicles, has improved in the last 5-years. Compared to many authorities, the Council's risk is not perceived to be as great and there are no large claims outstanding on the Public and Employer's Liability policies; these are generally the greatest risk and costly areas.
- 3.21 There was a potential for the Council to have made a further saving of £8,000 by splitting the various policies across 2 or 3 different insurers. However, it was considered that the additional administration and brokerage involved would exceed this saving.

Long Term Agreement (LTA)

- 3.22 By entering into a Long Term Arrangement (LTA) for 5 years, the Council retains some certainty and control over future costs. This is because the cost of the overall premiums can only be changed where the Council's claims experience differs significantly from that on which the tender was based, or the Council wishes to alter its cover.
- 3.23 This is reviewed on the anniversary date in October each year and the premiums are updated if necessary on an annual renewal.
- 3.24 If the insurers were to change the cost of premiums outside of the LTA, for example, because there was a hardening in the insurance market, then the Council has the option of retendering.

Insurance Premium Tax

- 3.25 In addition to the cost of premiums, Insurance Premium Tax (IPT) is paid to the Government at a rate of 6%. From November 2015, this was increased to 9.5% and applies to premium renewals after that date.
- 3.26 This will apply to the Council's premiums from October 2016, the anniversary date of the annual renewal. This will increase the cost by £12,000 per year and will need to be included in the Base Budget for 2016/17.

Other Costs

- 3.27 As previously reported, additional costs of approximately £23,000 have been incurred in demolishing Church Gresley Memorial Club, as a dangerous structure. This one-off cost will be financed from the General Fund Reserve.
- 3.28 In addition, the MTFP includes a budget of £100,000 to meet the costs of undertaking the current job evaluation exercise, including the appointment of the external facilitator.

Recycling Service

- 3.29 The Council has been notified that there may be additional costs associated with the Recycling Service. The Council is currently working with the main contractor to ascertain the issues and potential costs involved. This will be kept under review and when further details are known, they will be reported to the Committee.
- 3.30 Although the additional costs may not impact immediately in 2015/16, they are likely to have an impact on the MTFP.

Contingent Sums

- 3.31 The original Budget included the following contingent sums totaling £354,700

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

Pay and Grading

- 3.32 In accordance with the approved timetable, the outcome of the current job evaluation exercise will not be implemented until 2016/17. Therefore, the contingent sum to meet on-going pay costs arising out of the review, of £165,000 per year, will not be required in 2015/16. This has been reflected in the updated MTFP approved by the Committee in October 2015.

Inflation

- 3.33 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.
- 3.34 As highlighted earlier in the report which detailed the variance analysis, indexation costs of approximately £42,000 will be met from this contingency.

Provisions

3.35 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
TOTAL PROVISIONS	£600,000

3.36 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.

3.37 However, the Council has received a Government contribution in the form of a New Burdens Payment, totalling £105,000. This can be offset against the above provision.

General and Specific Grants Receivable 2015/16

3.38 The following grants have been confirmed for the year.

	Estimate £	Actual £	Variance £
General Grants			
New Homes Bonus (NHB)	2,322,405	2,322,404	-1
NHB - Returned Funding	0	7,420	7,420
Revenue Support Grant	1,811,467	1,811,334	-133
Council Tax Freeze Grant	50,794	50,012	-782
Total General Grants	4,184,666	4,191,170	6,504
Specific Grants			
Business Rate Reliefs (Section 31)	0	411,833	411,833
Welfare Reform – New Burdens	0	22,101	22,101
Total Specific Grants	0	433,934	433,934

Business Rate Reliefs – Section 31 Grant

3.39 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	37,791
Cost of Doubling Small Business Rate Relief	287,253
New Empty Property Relief	6,492
Long Term Empty Property Relief	12,903
Retail Relief	67,394
	411,833

- 3.40 These grants are 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. The overall effect is shown in the Collection Fund monitoring update detailed later in the report.
- 3.41 The Grant is only temporary and the Government's Scheme will end on 31st 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

- 3.42 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."
- 3.43 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 is likely to be used during the year.

Overall General Fund Position

- 3.44 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	-367
Use of Contingent Sums Lower	-148
Procurement Savings	-43
Insurance Premiums	-6
Demolition Costs – Dangerous Structure	23
New Burdens Funding - Personal Search Refunds	-105
Higher General Fund Grants	-6
Projected Reduction in Net Expenditure	<u>-652</u>

- 3.45 This position is subject to change, although at this stage, there is likely to be an overall reduction in net expenditure for 2015/16.
- 3.46 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 COLLECTION FUND

- 3.47 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.
- 3.48 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 September 2015, is detailed in **Appendix 2**.
- 3.49 The projected position on the Fund as at 31st March 2016 is currently £195,000 for Council Tax and £1.3m for Business Rates. Based on these amounts, the Council's share is approximately £22,000 Council Tax (11.2%) and approximately £1/2m for Business Rates (40%).
- 3.50 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 all Preceptors in accordance with their relevant share.

Council Tax

- 3.51 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 £195,000 could increase further.
- 3.52 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 still currently forecast to be approximately £4.42 in 2015/16 broadly in line with that reported at the end of the first quarter.

Business Rates

- 3.53 The position for Business Rates continues to remain positive. Following the deficit in the first year (2013/14) of the Rates Retention System, surpluses in 2014/15 and 2015/16 will mean a projected surplus on the Collection Fund as at March 2016 of £1.3m. This allows a provision for bad debts, further appeals anticipated, together with the relocation of a major business in the area that will qualify for rate relief.
- 3.54 The General Fund position will directly benefit in both 2015/16 and 2016/17 as these surpluses are released from the Collection Fund (if approved). This is currently projected to be approximately £3/4m in 2015/16 and £1/2m in 2016/17. The MTFP allows for further benefits of £100,000 from 2017/18 onwards.

- 3.55 The position in 2015/16 is much now better than budgeted due to the Section 31 grants (as highlighted earlier in the report) together with a benefit likely to accrue from the Derbyshire Pool.

Derbyshire Business Rates Pool

- 3.56 2015/16 is the first year of the Pool. The benefit of pooling is that growth in business rates receipts across Derbyshire are not subject to the 50% Government levy but are shared between pool members.
- 3.57 Based on performance of the Pool in the first half-year, the Council's share of growth in 2015/16 is estimated at £267,000. The actual amount will be paid at the year end when actual figures have been finalised.

HOUSING REVENUE ACCOUNT (HRA)

- 3.58 The Council is required to account separately for income and expenditure in providing Council Housing.
- 3.59 The approved HRA Budget for 2015/16 was set with a deficit of £240,000, to be financed from the HRA General Reserve. Performance on the HRA as at September 2015 is summarised in the following table.

Summary HRA 2015/16	Budget £'000	Projected Out-turn £'000	Projected Variance £'000
Rental Income	-12,618	-12,618	0
Contribution to Major Repairs	5,500	5,500	0
Planned Maintenance	2,253	2,551	298
Responsive Repairs	1,142	1,162	20
Supervision and Management	1,531	1,527	-4
Supported Housing and Careline Services	420	366	-54
Interest on Debt	1,681	1,633	-48
Provision for Bad Debts	44	44	0
Contribution to New Build	287	287	0
Surplus (-) / Deficit	240	452	212

Planned Maintenance

- 3.60 The main variance at this stage is the projected overspend on planned maintenance. To-date, approximately £1.5m has been spent or committed. Housing Officers have requested that £150,000 of the planned budget for 2016/17 in the HRA Business Plan is brought forward to allow planned works to be continued without a break.
- 3.61 This will mean that the 2015/16 and 2016/17 programme will run over 18 months and not two years, terminating in October 2016.
- 3.62 The reduction in Supported Housing is due vacant posts and additional income. The reduction in interest is due to the rate on the variable element of the debt, remaining lower than expected.

CAPITAL EXPENDITURE and FINANCING 2015/16

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

Capital Spending 2015/16 (as at September 2015)	Approved Budget £	Actual £
Council House Improvements	11,030,869	4,083,281
Private Sector Housing and DFGs	701,579	110,739
Leisure and Community Development	1,533,453	1,206,331
Vehicles, Property and Plant	1,481,809	391,606
Total	14,747,710	5,791,957

Council House Improvements

3.64 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.

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

Community and Recreational Projects

3.66 Apart from the Melbourne Sporting Partnership project, where construction is well underway, a substantial part of the programme is already complete, i.e. the Grove Hall and Etwall Leisure Centre projects. The expenditure on these projects is currently showing gross and income from external funders is awaited to offset costs where this is applicable. This mainly relates to the projects at Green Bank and Etwall Leisure Centres.

Vehicles, Property and Plant

3.67 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, together with £250,000 to refurbish the Council's main factory site, as previously approved by the Committee. These projects are being funded by Reserves.

Capital Receipts

3.68 There were 11 council house sales in the first half of 2015/16. These generated gross receipts of £518,615, of which £172,913 was pooled. The net amount retained of approximately £345,000 has been transferred to the New Build Reserve. A further sale has been completed in the last month.

Council House New Build

3.69 Including the amount brought forward from 2014/15 (£2.05m) the accumulated balance on this Reserve is now approximately £2.4m.

Financial Target

- 3.70 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

Note: These figures are cumulative.

- 3.71 The Council is currently ahead of these cumulative 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

- 3.72 A further £165,000 has been received associated with the next phase for the sale of the land at the William Nadin Way development. This receipt has been set-aside as a contribution to the cost of relocating the Council Depot.

TREASURY MANAGEMENT

3.73 An analysis of the Council's borrowing and bank deposits is summarised in the tables, below. These show the position at 31st October 2015.

3.74 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	31/10/15 £'000	Change £'000
Housing Revenue Account			
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
General Fund			
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
Temporary Deposits and Short Term Borrowing			
Temporary Bank and other Deposits	12,000	18,000	6,000
Less Parish Council Deposits	-28	-28	0
Total - Short-term Cash Position	11,972	19,972	8,000
Average Interest Rate	0.31%	0.38%	0.07%
Average 7-Day Money Market Rate	0.50%	0.51%	0.01%

Short-term Deposits

3.75 The deposits of £18m are currently invested as follows:

Debt Management Office (DMO)	£4m	0.25%
Other Local Authorities	£14m	0.42%

3.76 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.

3.77 Total interest paid in the first half year was £29,000 and is forecast to be approximately £60,000 for the year. This compares with a budget estimate of £39,000.

Lending Policy and Counterparty List

3.78 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. This is being kept under review.

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 SERVICES 2015 /16 PROJECTED POSITION as at SEPTEMBER 2015

ENVIRONMENTAL and DEVELOPMENT SERVICES

	PROJECTED OUTTURN	ANNUAL BUDGET	PROJECTED VARIANCE	RESERVES EARMARKED	GF	COMMENTARY
Transport Services	849,354	855,557	6,203		6,203	Favourable salaries
Central & Departmental Accounts	849,354	855,557	6,203	0	6,203	
Tourism Policy, Marketing & Development	56,624	56,624	(0)		(0)	Profiling
Promotion and Marketing of the Area	159,158	180,013	20,855		20,855	Favourable salaries (£6k) & unbudgeted income (£14k)
Economic Development	215,782	236,636	20,855	0	20,855	
Environmental Education	42,316	69,104	26,788	26,788		Additional income for projects
Environmental Education	42,316	69,104	26,788	26,788	0	
Food Safety	57,622	47,453	(10,169)		(10,169)	Adverse salaries (£4k) & licensing income (£6k)
Pollution Reduction	286,821	303,139	16,317		16,317	Favourable salaries (£13k) & fee income (£4k)
Pest Control	8,325	12,015	3,690		3,690	Fee income
Public Conveniences	35,491	35,129	(362)		(362)	Profiling
Community Safety (Safety Services)	103,603	114,295	10,692		10,692	Favourable salaries (£10k)
Welfare Services	1,800	1,800	(0)		(0)	Profiling
Environmental Services	493,663	513,831	20,168	0	20,168	

Environmental Maintenance (Other Roads)	(26,242)	(26,242)	(0)		(0)	Profiling
Public Transport	32,559	31,589	(970)		(970)	Profiling
Highways	6,317	5,347	(970)	0	(970)	
Local Land Charges	(32,451)	(21,921)	10,530		10,530	Favourable fee income (£12k), Adverse fees & charges (£2k)
Licensing	(36,673)	(31,650)	5,023		5,023	Favourable salaries (£3k) & prof fees (£2k)
Licensing and Land Charges	(69,124)	(53,571)	15,553	0	15,553	
Emergency Planning and Works	279	0	(279)		(279)	
Building Regulations	45,227	55,035	9,809		9,809	Favourable salaries (19k) & fee income (£1k), Adverse prof fees (£11k)
Building Control Enforcement	0	0	0		0	
Other Building Control Work	(13,088)	(10,000)	3,088		3,088	Favourable fee income
Dealing with Development Control Applications	(445,971)	(74,971)	371,000	(29,000)	400,000	Favourable planning fees (£400k) Salary funded through reserves (Appeals provision to be released)
Development Control Enforcement	(0)	0	0		0	
Structure and Local Planning	336,563	352,398	15,835		15,835	Favourable salaries (£13k), other (£3k)
Planning	(76,991)	322,462	399,453	(29,000)	428,453	
Off-Street Parking	68,136	58,617	(9,519)		(9,519)	Rent and fee income
Town Centre	68,136	58,617	(9,519)	0	(9,519)	
Public Health	(605)	0	605		605	

Street Cleansing (not chargeable to highways)	264,435	280,717	16,282		16,282	Favourable salaries (£37k), Adverse vehicle hire (£21k)
Household Waste Collection	1,256,975	1,252,875	(4,100)		(4,100)	Favourable salaries (£64k), Adverse agency (£68k)
Trade Waste Collection	(162,111)	(134,646)	27,465		27,465	Favourable fee income
Recycling	283,679	168,193	(115,486)		(115,486)	Adverse fee income (£110k), printing (£3k), advertising (£2k)
Waste Collection & Street Cleansing	1,642,374	1,567,139	(75,235)	0	(75,235)	
TOTAL - ENVIRONMENTAL and DEVELOPMENT SERVICES	3,171,827	3,575,123	403,295	(2,212)	405,507	

HOUSING and COMMUNITY SERVICES

	PROJECTED OUTTURN	ANNUAL		RESERVES		COMMENTARY
		BUDGET	PROJECTED VARIANCE	EARMARKED	GF	
General Grants, Bequests & Donations	254,269	248,269	(6,000)	(6,000)	0	2% increase in grants covered by reserves
Community Centres	75,334	76,001	668		668	Profiling
Community Safety (Crime Reduction)	67,321	109,992	42,671	42,671	0	
Defences Against Flooding	56,657	56,772	115		115	Profiling
Market Undertakings	(9,639)	(11,943)	(2,304)		(2,304)	Reduced income
Planning Development	170,156	160,521	(9,635)		(9,635)	Adverse grants paid (£15k), fee income (£4k), Favourable salaries (£8k), training (£1k)
Village Halls	8,221	7,000	(1,221)		(1,221)	Repairs
Community Development and Support	622,318	646,613	24,295	36,671	(12,376)	
Arts Development & Support	20,606	21,320	714	714	0	
Events Management	126,324	135,233	8,909		8,909	Favourable salaries (£5k) & civic functions (£4k)

Leisure and Recreational Activities	146,929	156,553	9,624	714	8,909	
Sports Development & Community Recreation	(18,067)	120,499	138,566	138,566		Additional income for projects
Indoor Sports & Recreation Facilities	345,217	316,714	(28,503)		(28,503)	Adverse utilities (£20k), repairs (£15k), Favourable fee income (£7k)
Outdoor Sports & Recreation Facilities (SSP)	(37,933)	8,060	45,993	45,993	0	
Melbourne Leisure Centre	1,856	1,100	(756)		(756)	Repairs
Get Active in the Forest	36,391	26,050	(10,341)	(10,341)	0	
Playschemes	33,543	14,365	(19,178)	(19,178)	0	
Leisure Centres and Community Facilities	361,006	486,789	125,782	155,041	(29,259)	
Ground Maintenance	346,268	392,890	46,622		46,622	Favourable salaries (£54k) & training (£1k) Adverse ex-gratia payment (£5k), fees other (£4k)
Countryside Recreation & Management	11,130	11,990	860		860	
Allotments	(2,488)	(655)	1,833		1,833	Favourable rental income
Rosliston Forestry Centre	96,189	96,188	(0)		(0)	
Cemeteries	3,700	2,617	(1,084)		(1,084)	Adverse fee income
Closed Churchyards	4,330	4,100	(230)		(230)	Profiling
Community Parks & Open Spaces	208,023	191,689	(16,334)	(16,334)	(0)	
Parks and Open Spaces	667,152	698,818	31,667	(16,334)	48,001	
Housing Standards	34,382	36,339	1,957		1,957	Favourable salaries
Housing Strategy	129,571	121,195	(8,377)		(8,377)	Adverse salaries
Housing Advice	61,709	53,354	(8,354)		(8,354)	Adverse salaries
Other Housing Support Costs (GF)	72,779	61,843	(10,936)		(10,936)	Favourable salaries (£3k), Adverse agency (£13k)
Administration of Renovation & Improvement Grants	32,381	31,870	(511)		(511)	
Bed / Breakfast Accommodation	(0)	0	0		0	

Homelessness Administration	108,922	87,911	(21,011)	(21,011)	0	£64k funding through RSG Costs covered by DCC recharge
Travellers' Sites	(15,463)	(15,464)	(0)		(0)	
Private Sector Housing	424,281	377,048	(47,233)	(21,011)	(26,222)	
TOTAL - HOUSING and COMMUNITY SERVICES	2,221,686	2,365,821	144,135	155,081	(10,947)	

FINANCE and MANAGEMENT SERVICES

	PROJECTED OUTTURN	ANNUAL BUDGET	PROJECTED VARIANCE	RESERVES EARMARKED	GF	COMMENTARY
Senior Management	483,509	454,739	(28,770)		(28,770)	Favourable salaries (£10k), Adverse agency (£3k), recruitment advertising (£14k), consultancy (£20k)
Reprographic/Print Room	71,578	71,992	414		414	
Financial Services	311,244	290,880	(20,365)		(20,365)	Favourable salaries (£30k), Adverse agency (£39k), comp maintenance (£2k) & consultancy (£9k)
Internal Audit	103,115	103,115	0		0	
Merchant Banking Services	51,971	45,935	(6,036)		(6,036)	Bank charges Any overspend covered by ICT reserve
ICT Support	687,885	651,783	(36,101)	(36,101)	(0)	
Legal Services	133,108	133,865	757		757	Thomas tests (£5k) & prof fees (£12k)
Personnel/HR	252,364	235,916	(16,448)		(16,448)	
Policy & Communications	238,086	239,103	1,016		1,016	Contract saving
Customer Services	564,404	535,600	(28,803)		(28,803)	Additional contract costs
Health & Safety	34,490	35,218	728		728	
Admin Offices & Depot	318,787	317,412	(1,375)		(1,375)	Adverse R&M (£5k), Favourable salaries (£3k)
Procurement Unit	102,584	103,437	853		853	Contract saving
Corporate Services Partnership	(0)	0	0		0	Northgate recharge

Other Management Costs	(0)	0	0	0	Favourable salaries (£27k), Adverse redundancy (£1k), refuse collection (£1k), agency (£7k)
Caretaking	74,647	92,122	17,475	17,475	
Central and Departmental Accounts	3,427,770	3,311,116	(116,655)	(36,101)	(80,554)
Concessionary Fares	(380)	0	380	380	
Concessionary Travel	(380)	0	380	0	380
Democratic Representation & Management	76,025	82,528	6,503	6,503	Favourable salaries Favourable NI & pension (£5k), members allows (£3k), catering (£2k), room hire (£1k)
Elected Members	319,074	329,758	10,685	10,685	
Corporate Management	75,143	75,400	257	257	Favourable audit fee (£9k), Adverse Bretby payment (£2k)
Corporate Finance Management	57,404	64,459	7,055	7,055	
Debt Management Costs	124,887	125,707	820	820	
Corporate and Democratic Costs	652,533	677,852	25,320	0	25,320
Registration of Electors	20,123	20,122	(0)	(0)	Adverse printing (£44k), Favourable postage (£8k), income (£22k)
Conducting Elections	255,981	255,981	(0)	(0)	
Electoral Registration	276,104	276,104	(1)	0	(1)
Parish Councils	333,333	324,340	(8,992)	(8,992)	(0)
Payments to Parish Councils	333,333	324,340	(8,992)	(8,992)	(0)

Funded Pension Schemes	269,851	241,505	(28,346)		(28,346)	£24k under accrual 2014/15 redundancy
Planning Agreements	290,390	0	(290,390)	(290,390)	(0)	
Interest & Investment Income (GF)	(45,112)	(37,185)	7,927		7,927	Additional interest income
External Interest Payable (GF)	1,500	1,500	(0)		(0)	
Pensions, Grants Interest Payments and Receipts	516,630	205,820	(310,809)	(290,390)	(20,419)	
Estate Management	(175,540)	(150,153)	25,387		25,387	Favourable salaries (£5k), agency (£5k), rental income (£15k)
Property and Estates	(175,540)	(150,153)	25,387	0	25,387	
Council Tax Collection	(66,652)	(66,652)	(0)		(0)	
Council Tax Benefits Administration	0	0	0		0	
Council Tax Benefits	0	0	0		0	
Non Domestic Rates Collection	28,765	29,361	596		596	
Rent Allowances Paid	214,195	214,195	0		0	
Net cost of Non-HRA Rent Rebates	0	0	0		0	
Net cost of Rent Rebates Paid	56,015	56,015	0		0	
Housing Benefits Administration	104,048	125,284	21,236		21,236	Favourable salaries (£20k), Govt grant unbudgeted (£30k), Adverse Capita (£12k), Northgate fee (£17k)
Revenues and Benefits	336,371	358,203	21,832	0	21,832	
TOTAL - FINANCE and MANAGEMENT SERVICES	5,366,820	5,003,282	(363,539)	(335,483)	(28,056)	

APPENDIX 2

COLLECTION FUND MONITORING 2015/16

	Actual 2014/15 £'000	Projected 2015/16 £'000	
COUNCIL TAX - INCOME & EXPENDITURE			
INCOME			
Council Tax Collectable	45,729	47,478	<i>Actual Debit as at October 2015</i>
EXPENDITURE			
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>
Total Expenditure	45,218	47,479	
Surplus for the Year	511	-1	

COUNCIL TAX BALANCE			
Opening Balance 1st April	358	696	<i>As per final accounts</i>
Share of Previous Surplus to County Council	-126	-364	<i>Actual amount approved by Committee in January 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	-1	<i>As above</i>
Closing Balance as at 31st March	696	195	

BUSINESS RATES - INCOME & EXPENDITURE**INCOME**

Business Rates Collectable	22,823	23,566
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EXPENDITURE

Central Government Precept	10,540	10,990
SDDC Precept	8,432	8,792
Derbyshire County Council Precept	1,897	1,978
Fire and Rescue Service Precept	211	220
Cost of Collection	91	92
Increase in Bad Debts Provision	64	353
Provision for Appeals	54	451
Total Expenditure	21,289	22,876

*Fixed - 50% of estimate in 2015/16**Fixed - 40% of estimate in 2015/16**Fixed - 9% of estimate in 2015/16**Fixed - 1% of estimate in 2015/16**Amount approved by the Government**To allow for Section 44a Relief deducted from Rates Collectable**To allow for Doctor's Surgeries and ATMs***Surplus / Deficit (-)****1,534 690****BUSINESS RATES BALANCE**

Opening Balance 1st April 2014	-886	648
Share of Previous Surplus to Government	0	0
Share of Previous Surplus to SDDC	0	0
Share of Previous Surplus to County Council	0	0
Share of Previous Surplus to Fire Authority	0	0
Surplus / Deficit (-) for the Year as above	1,534	690

Closing Balance as at 31st March 2015**648 1,338**

GENERAL FUND POSITION - BUSINESS RATES		
SDDC Precept	8,432	8,792
Less Tariff Payment	-6,084	-6,200
Add Section 31 Relief Grants	455	413
Reversal of Previous Year's Surplus not Declared	-355	259
Less 50% of Growth paid to the Derbyshire Pool	-523	-475
Add Share of Business Pool Growth	0	267
Actual Financing Transferred to General Fund	1,925	3,056
<i>Less Estimate in General Fund Budget</i>	2,248	2,291
Additional Income in Year	-323	765