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Date: 14 May 2014

Dear Councillor,

**Finance and Management Committee**

A Meeting of the **Finance and Management Committee** will be held in the **Council Chamber (Special)**, on **Tuesday, 20 May 2014 at 18:00**. You are requested to attend.

Yours faithfully,



Chief Executive

To:- **Conservative Group**

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

**Labour Group**

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

## **AGENDA**

### **Open to Public and Press**

- 1** Apologies and to note any substitutes appointed for the Meeting.
- 2** To receive the Open Minutes of the Meetings held on 20.03.14 and 24.04.14.
- 3** To note any declarations of interest arising from any items on the Agenda
- 4** To receive any questions by members of the public pursuant to Council Procedure Rule No.10.
- 5** To receive any questions by Members of the Council pursuant to Council procedure Rule No. 11.
- 6** Reports of Overview and Scrutiny Committee
- 7** Financial Monitoring & Provisional Budget Out-Turn 2013-14 **3 - 40**

### **Exclusion of the Public and Press:**

- 8** The Chairman may therefore move:-  
That in accordance with Section 100 (A) of the Local Government Act 1972 the press and public be excluded from the remainder of the Meeting as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that there would be disclosed exempt information as defined in the paragraph of Part I of the Schedule 12A of the Act indicated in the header to each report on the Agenda.
- 9** To receive any Exempt questions by Members of the Council pursuant to Council procedure Rule No. 11.
- 10** To receive the Exempt Minutes of the Meeting held on 20.03.14 and 24.04.14.

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<b>REPORT TO:</b>	<b>FINANCE AND MANAGEMENT COMMITTEE - SPECIAL</b>	<b>AGENDA ITEM: 7</b>
<b>DATE OF MEETING:</b>	<b>20th MAY 2014</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/2014/ 2 provisional out- turn/main report
<b>SUBJECT:</b>	<b>BUDGET and FINANCIAL MONITORING: PROVISIONAL OUT- TURN 2013-14</b>	<b>REF</b>
<b>WARD (S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: FM 08</b>

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## **1.0 Recommendations**

- 1.1 That the provisional out-turn figures as detailed in the report for 2013/14 are approved.
- 1.2 That a net appropriation of £280,140 in 2013/14 is made from the General Fund Reserve to other Earmarked Reserves as detailed in **Appendix 6**.
- 1.3 That the following contributions are made to Bad Debt Provisions in 2013/14:

Sundry Debtors and Housing Benefit Overpayments	£124,146
Council Tax Arrears	£346,909
Business Rates Arrears	£1,360,817
Business Rates Appeals	£314,598
Housing Rent Arrears	£67,216

- 1.4 That the following Provisions in accordance with Accounting Standards are made in 2013/14:

Land Charges (Personal Searches)	£100,000
Planning Appeal	£70,000

## **2.0 Purpose of Report**

- 2.1 In accordance with the Council's financial management framework, to report the provisional budget out-turn position for 2013/14. This follows previous reports during the year on financial performance and the major budget variances that have been identified throughout the year.

### **Introduction**

- 2.2 Final figures will be reported at the Final Accounts meeting on 26th June 2014. **However, other than finalising the final accounts for Retained Business Rates and Benefits Subsidy** as highlighted in the report, this is a firm indication of the final position for the year regarding income and expenditure on the Council's main revenue and capital accounts.
- 2.3 The Council's Draft Statement of Accounts, which is the formal document to comply with statutory and accounting requirements, will be presented to the Committee on 25th September 2014, following the work and opinion of the External Auditor.
- 2.4 This report is analysed over the following sections with detailed appendices:

### **Sections**

- Section 3 – General Fund Revenue Account
- Section 4 – Housing Revenue Account
- Section 5 – Capital Expenditure and Financing
- Section 6 – Reserves, Balances and Provisions
- Section 7 – Treasury Management
- Section 8 – The Collection Fund
- Section 9 – Collection Rates and Financial Indicators

### **Appendices**

- Appendix 1 - Environmental and Development Services Spend 2013/14
- Appendix 2 – Housing and Community Services Spend 2013/14
- Appendix 3 – Finance and Management Spend 2013/14
- Appendix 4 – Summary of General Fund Variances 2013/14
- Appendix 5 – Capital Expenditure and Financing 2013/14
- Appendix 6 – Earmarked Reserves 2013/14
- Appendix 7 – The Collection Fund 2013/14
- Appendix 8 – Collection Rates and Financial Indicators 2013/14

### 3.0 **GENERAL FUND REVENUE ACCOUNT**

- 3.1 Apart from Council Housing, day to day income and expenditure of the Council is accounted for through the General Fund. The net expenditure is financed from Government Grant (including retained Business Rates) and Council Tax, with any shortfall being financed from the Council's Reserves.
- 3.2 The original budget, which was approved in February 2013, estimated a budget deficit of £138,675 for 2013/14 to be financed from the General Reserve. As in previous years, the Budget included contingent sums set-aside for inflation, growth and the implementation of the local pay and grading review. The Original Budget for 2013/14 is summarised in the following table.

Net Expenditure on Services	£11,482,987
Depreciation and Capital Charges (in above)	-£689,023
Minimum Revenue Provision	£250,000
Contingent Sums	£377,538
<b>Total Estimated Spending</b>	<b>£11,421,502</b>
Financing	-£11,282,827
<b>Deficit</b>	<b>£138,675</b>

- 3.3 Following updates to Medium Term Financial Plan in October 2013 and January 2014, the following approved adjustments were made to net spending to reflect:
- Savings from the Senior Management Restructure (£146,491)
  - Savings in Corporate Services and E-committees (£33,509)
  - Apportionment of recharges to the HRA (£273,878)
  - Provision for purchase of Green Bins – repayment of internal borrowing, first installment (£54,831)
- 3.4 These adjustments, netting off at approximately £400,000 reflected definite savings previously identified and resulted in a revised budgeted surplus for the year of £260,372.

#### **Position as at the 3<sup>rd</sup> Quarter (December 2013)**

- 3.5 This was considered by the Committee at its meeting in March 2014. The report indicated that based on current income and expenditure, there would be a decrease in net service expenditure (after allowing for adjustments between earmarked reserves) of £384,000, in addition to the £400,000 already identified above.
- 3.6 After taking account of approved adjustments and the reduction in contingent sums required, the overall position on the General Fund, compared to the Budget, was estimated as shown in the following table.

	£'000
Additional Reduction in Service Expenditure	-384
Reduction in Contingent Sums	-319
Rosliston Forestry Centre – Capital Sum	10
Reduction in Housing Benefit Subsidy	23
Additional Business Rates Income	-50
Additional New Homes Bonus	-18
<b>Estimated Reduction in Net Expenditure</b>	<b>-738</b>

- 3.7 The main reasons for the estimated reduction in service expenditure of approximately £384,000 are summarised in the following table.

	£'000
Additional Income Compared to Budget	-442
Staffing Vacancies	-242
Corporate Training	-35
Corporate and Democratic Costs	-19
Repairs and Maintenance - Civic Offices and Depot	10
Utility and Maintenance Costs - Rosliston Forestry Centre	18
Other Variances	21
External Fees - Planning Services	36
Vehicles and Plant - Repairs and Maintenance	52
National Pay Award (1%)	56
Supplies and Services - Waste and Recycling	56
Agency Costs - Waste and Cleansing	105
<b>Net Variance</b>	<b>-384</b>

- 3.8 Most of the projected variances were those that had been reported during the year, although many had increased as the year progressed. The largest variances continued to be additional income (especially in the Planning Service) and staff vacancies, although some of this was being offset by increased costs.

### **Provisional Out-turn 2013/14**

- 3.9 The Budget, together with major variances identified as the year closed is summarised in the tables which follow. A full analysis of each service area at Cost Centre level with variances across each Policy Committee is detailed in **Appendices 1 to 3.**

### Performance against Budget 2013/14 as at 30<sup>th</sup> April 2014 (by Committee)

Summary by Policy Committee	Original Budget £	Provisional Out-turn £	Variance £	Earmarked Reserves £	General Reserve £
Environmental and Development Services	5,699,575	5,330,704	-368,870	-10,288	-358,582
Housing and Community Services	3,682,208	3,423,766	-258,442	402	-258,844
Finance and Management	2,101,205	1,179,890	-921,315	-289,100	-632,215
<b>TOTAL</b>	<b>11,482,988</b>	<b>9,934,360</b>	<b>-1,548,627</b>	<b>-298,986</b>	<b>-1,249,641</b>

### Performance against Budget 2013/14 as at 30<sup>th</sup> April 2014 (by Committee)

Summary by Main Service Area	Original Budget £	Provisional Out-turn £	Variance £	Earmarked Reserves £	General Reserve £
Economic Development	351,672	315,699	-35,973	0	-35,973
Environmental Education	136,605	136,317	-288	-288	0
Environmental Services	812,001	751,739	-60,262	0	-60,262
Highways	28,090	9,703	-18,387	0	-18,387
Licensing and Land Charges	106,868	170,503	63,635	0	63,635
Planning	1,264,172	1,002,060	-262,112	-10,000	-252,112
Town Centre	79,677	127,446	47,769	0	47,769
Waste Collection & Street Cleansing	2,920,489	2,817,237	-103,252	0	-103,252
Community Development and Support	718,488	783,486	64,999	85,683	-20,684
Leisure and Recreational Activities	145,526	158,967	13,441	17,459	-4,017
Leisure Centres and Community Facilities	866,384	689,274	-177,110	-149,712	-27,398
Parks and Open Spaces	1,247,214	1,161,715	-85,499	56,972	-142,471
Private Sector Housing	704,597	630,324	-74,273	-10,000	-64,273
Central and Departmental Accounts	115,085	109,873	-5,212	0	-5,212
Concessionary Travel	3,224	-431	-3,655	0	-3,655
Corporate and Democratic Costs	1,010,369	867,375	-142,994	-10,850	-132,144
Electoral Registration	157,112	156,652	-460	-38,401	37,941
Payments to Parish Councils	311,182	323,034	11,852	0	11,852
Pension Deficit, Interest and Receipts	231,027	108,605	-122,422	-239,849	117,427
Property and Estates	-79,724	-520,290	-440,566	0	-440,566
Revenues and Benefits	352,930	135,072	-217,858	0	-217,858
<b>TOTAL</b>	<b>11,482,987</b>	<b>9,934,360</b>	<b>-1,548,627</b>	<b>-298,986</b>	<b>-1,249,641</b>

### The Headline Amount

3.10 The above tables show that there is an overall decrease in net expenditure on services (after allowing for transfers between earmarked reserves) of approximately £1.25m compared to the Original Budget.

3.11 Of this, as highlighted in 3.3 above, £454,000 was known and approved, representing the savings from the Senior Management Restructure, E-committees and HRA recharges. In addition, accounting adjustments for depreciation and capital charges in service expenditure were £325,000 lower than estimated. These two amounts (£454,000 and £325,000) reduce the headline amount to £470,000.

### Comparison to the 3<sup>rd</sup> Quarter

3.12 The equivalent figure projected at the end of the 3<sup>rd</sup> quarter was reductions in net expenditure of £384,000 – a difference of approximately £86,000. However, the net amount of £470,000 is after incurring some additional expenditure in the year and the net amount is made up of:

- Specific costs – £427,000
- Less additional income and cost savings - £513,000 (*compared to the 3<sup>rd</sup> quarter*)

### Specific Costs

3.13 The additional costs were mainly due to issues for which financing has been separately identified or received (unless stated) and previously reported, but not brought directly into the Budget. The financing is shown later in the report with the costs summarised in the following table

Provision for Land Charges – personal search refunds ( <i>allowance included in the MTFP as a charge against General Reserves</i> )	£100,000
Provision for a Planning Appeal ( <b>not identified</b> - <i>to be financed from General Reserve</i> )	£70,000
Early termination costs – restructures in Legal, Democratic and Property Services ( <i>allowance included in the MTFP as a charge against General Reserves</i> )	£104,000
System changes to implement Local Council Tax Support and Welfare Reform ( <i>financed from Government Grant</i> )	£130,000
Provision for Housing Benefit Subsidy clawback ( <i>allowance included in the MTFP as a charge against General Reserves</i> )	£23,000

### Additional Income and Cost Savings

3.14 The main areas continued to be additional income and staff vacancies across several services, which continued to increase over the final quarter.

#### Additional income and lower costs - arising over the final quarter £'000

Net cost of Housing Benefits lower than estimated	246
Property Rent Reviews and lower voids	70
Grounds Maintenance - rechargeable works and costs	67
Continued vacancies in Planning and Housing	54
Additional Planning income	31
Trade Waste - income and costs	19
Rosliston Forestry Centre - Income generated	18
External Audit Fees	10
Other Variances	-2

**TOTAL**

**513**



## Net Cost of Housing Benefits

- 3.15 This was the largest variance during the final quarter. The variance equates to 1.5% of the total cost of benefits paid out.
- 3.16 This is subject to external audit, which may identify a potential clawback of subsidy following audit testing. An update will be provided when the final accounts are concluded.
- 3.17 In addition, the cost of overpayments needs to be offset against this, for which provision has been included in the bad debts amount detailed later in the report.

## Overall Variations in Income and Expenditure

- 3.18 The reasons for the total overall variances for the year of £1.25m, compared to the Original Budget, are set out in **Appendix 4**. This includes all variances for 2013/14 previously reported since the Original Budget was set in January 2013. A summary is shown in the following table.

	£'000
Depreciation and Capital Charges	-325
Approved Savings and Budget Changes	-455
Lower Employee Costs	-301
Additional Income	-476
Net Cost of Housing Benefits ( <i>as above</i> )	-240
Other Budget Savings	-62
Additional Costs ( <i>including Provisions and Voluntary Redundancy Costs</i> )	610
	<u>-1,249</u>

## Depreciation and Capital Charges

- 3.19 These are charged within services but are reversed out in the financing section of the General Fund, so that there is no effect on the bottom line; these are accounting charges which reflect the value of assets used in service provision in accordance with accounting standards.
- 3.20 The lower charge is due to revaluation gains on commercial units in the Town Centre following rent reviews.

## Approved Savings and Budget Changes

- 3.21 These mainly relate to the Senior Management Restructure in May 2013, together with an increase in apportionment of central costs from the General Fund to the HRA.

## Lower Employee Costs (Vacant Posts)

- 3.22 The overall budget saving in vacancies equates to approximately 10 vacant posts (about 3% of the establishment) on average in the year.

## Additional Income

- 3.23 The total increase equates to 11% of the total income received from fees, charges, rents and other levies.

## Transfers to/from Earmarked Reserves

- 3.24 This is split between expenditure that is incurred and financed from earmarked reserves together with amounts received in advance, which need to be transferred into earmarked reserves to meet future expenditure. These are detailed in the following table.

Heritage Grants - Funding to be carried forward	£10,000
Community and Voluntary Grants - financed from reserves	-£100,069
Community and Sports Development - Partnership Contributions	£146,927
Drawdown of Section 106 funding for Grounds Maintenance	-£56,972
Housing Needs Survey	£10,000
Profit Share - Rosliston Forestry Centre - café	£10,850
Electoral Registration - EIR funding	£38,401
Net S106 developer contributions	£239,849
<b>Total Adjustments - Earmarked Reserves</b>	<b>£298,986</b>

*red minus figures denote drawdown of reserve*

- 3.25 These amounts are adjusted through reserve transfers as detailed in **Appendix 6**.

## Provisions

- 3.26 As previously highlighted, under accounting standards, two provisions are required for 2013/14 in respect of Personal Searches and a Planning Appeal. This is because a legal and constructive obligation has arisen on the Council as a result of a past event. Some costs are probable and can be reasonably estimated.

## Personal Searches

- 3.27 As previously reported, the Council is liable to refund fees for providing information on environmental data as part of a land or property search. This arose out of a European Union Directive and affects all councils providing this service.
- 3.28 The potential obligation has previously been reported as a contingent liability and the Council has set-aside a contingent amount of £100,000 in its MTFP to pay for any refunds. During 2013/14, claims against the Council have been confirmed and are estimated at approximately £97,000.
- 3.29 Therefore, under accounting standards, a provision of £100,000 has been set up, financed from the MTFP contingency.

## **Planning Appeal**

- 3.30 The Council has received an appeal against a refusal of planning permission for houses. This will be subject to a public inquiry and the appointment of expert witnesses, legal counsel and potential costs if the appeal is successful. Overall costs are estimated at a maximum £70,000 and this will need to be financed from the General Reserve.

## **Other Proposed Transfers to Earmarked Reserves**

- 3.31 The most significant favorable variance in the year was in the Planning Service, where fee income, as expected, was greater than the budget, together with savings due to staff vacancies.

## **The Local Plan**

- 3.32 As previously reported, there are additional costs being incurred in developing and consulting on the Local Plan, alongside the possible costs of a public inquiry and then formally publishing the adopted plan.
- 3.33 The strategy that has been approved to meet this expenditure, is to build up a separate earmarked reserve to meet the one-off costs and consequently protect the base budget.
- 3.34 As at March 2013, this reserve totaled £130,500; the latest estimate of total costs is £200,000. There are also likely to be additional costs associated with the formulation of a charging scheme for the Community Infrastructure Levy.
- 3.35 Therefore, it is recommended that a further transfer to the Earmarked Reserve of £69,500 (£200,000 - £130,500) is made to reflect the latest estimated costs. This would be financed from the additional planning income in accordance with the approved strategy.

## **Other Cost Pressures**

- 3.36 Due to the major redevelopment work at Green Bank Leisure Centre, it is now likely that parts of the Centre will need to be closed periodically to accommodate certain works. This will be managed with the Contractor to limit disruption to users of the facility. Additional costs/loss of income is likely to be incurred and these are currently estimated at £50,000.
- 3.37 This will be a one-off sum and it is therefore recommended that this amount is set-aside in an earmarked reserve to meet any additional costs.

## Financing

3.38 After bringing into account financing from government grant and accounting adjustments, the overall position on the General Fund is summarised in the following table.

<b>SUMMARY GENERAL FUND 2013/14 (Provisional)</b>	<b>Original Budget £</b>	<b>Actual £</b>	<b>Variance £</b>
Net Service Expenditure	11,482,987	9,934,360	-1,548,627
Reverse out Depreciation and Asset Adjs.	-689,023	-363,468	325,555
Minimum Revenue Provision	250,000	252,600	2,600
Voluntary Provision for Green Bins	0	55,335	55,335
Contingent Sums	377,538	0	-377,538
<b>Net Revenue Spending</b>	<b>11,421,502</b>	<b>9,878,827</b>	<b>-1,542,675</b>
<b>Financing</b>			
Revenue Support Grant	-3,363,237	-3,380,479	-17,242
Share of Retained Business Rates	-2,204,773	-2,204,773	0
New Homes Bonus	-1,347,000	-1,365,687	-18,687
Council Tax Support Scheme (Transitional Grant)	-14,053	-14,053	0
Grant Earmarked for Homelessness Prevention	64,080	0	-64,080
Payment to Parish Councils - Share of CTSG	37,563	43,627	6,064
Welfare Reform Grant and New Burdens Grant	0	-132,518	-132,518
Community Right to Bid Grant	0	-7,855	-7,855
Community Right to Challenge Grant	0	-8,547	-8,547
Publication of Property Records - Data Sharing	0	-7,131	-7,131
Council Tax Payers	-4,411,190	-4,411,190	0
Earmarked Reserves	-44,217	0	44,217
<b>Total Financing</b>	<b>-11,282,827</b>	<b>-11,488,606</b>	<b>-205,779</b>
<b>Revenue Surplus for the Year</b>	<b>138,675</b>	<b>-1,609,779</b>	<b>-1,748,454</b>

3.39 The above summary shows that the overall surplus for 2013/14 on the General Fund is approximately £1.6m. However, this is before the proposed transfer to earmarked reserves detailed earlier.

3.40 The table shows that as projected, there was no requirement to use any of the contingent sums of £377,000. These were allowed for:

- Provision for Pay and Grading Review - £130,000
- Growth - £100,000
- Inflation - £147,000

3.41 In addition, the above table shows the additional grant for Welfare Reform used to finance changes to systems as detailed earlier.

3.42 Some additional Revenue Support Grant (RSG) and New Homes Bonus were received, along with administrative grants for "community rights." These amounts are being kept separate in an earmarked reserve pending any costs incurred by the Council. These reserves are detailed in **Appendix 6**.

3.43 The grant element of RSG earmarked for Homelessness Prevention was not required due to lower costs and other income received in the year. This amount will be maintained in the earmarked reserve for this service.

### Bad Debts Provision

3.44 Within service expenditure, a provision of £124,146 has been made against non-collection of sundry debts and housing benefit overpayments (HBOs). This is the amount required to be added to the provision as a contingency against non-collection in accordance with accounting practice.

3.45 The amount calculated is based on the age of individual debts outstanding, together with current recovery action in place. In principle, the older the debt, the greater the provision that has to be made for eventual non-collection. The calculation is summarised below.

	Sundry Debts	HBOs	Total
Debt Outstanding as at 1 <sup>st</sup> April 2013	£478,980	£440,899	£919,879
Provision for non-collection b/fwd as at 1 <sup>st</sup> April 2013	-£107,479	-£208,658	-£316,137
Less: Write-offs in 2013/14 against the Provision	£13,407	£34,084	£47,491
Balance of Provision after write-offs	-£94,073	-£174,574	-£268,646
Debt Outstanding as at 31st March 2014	£1,055,705	£590,649	£1,646,354
Provision for non-collection for updated debts	-£111,973	-£280,820	-£392,794
<b>Increase in Provision Required</b>	<b>£17,900</b>	<b>£106,247</b>	<b>£124,147</b>

3.46 The increase in the provision for HBOs is effectively contained within the additional benefits subsidy highlighted earlier in the out-turn variance analysis.

3.47 The overall effect of all of the out-turn figures on General Reserves is detailed in **Section 6**.

## 4.0 HOUSING REVENUE ACCOUNT

- 4.1 The Council is required to account separately for income and expenditure in providing Council Housing. The approved HRA Budget for 2013/14 was set with a deficit to finance from reserves of £91,590. Following the updated MTFP approved by the Committee in February, this deficit was increased to £572,469, due to the change in accounting methodology for housing rents and the revised apportionment of costs between the General Fund and the HRA.

### Position as at the 3<sup>rd</sup> Quarter (December 2013)

- 4.2 This was considered by the Committee at its meeting in March 2014. The report indicated that based on current income and expenditure, the HRA was projected to achieve a surplus of approximately £250,000.
- 4.3 However, this was due to slippage on the Planned Maintenance Programme, which did not commence until January 2014 following a review of the procurement process. These resources would then be carried forward.
- 4.4 Besides this variance, income and expenditure was well within budget. Some savings were identified in the year due to staff vacancies, with interest on the variable element of the self-financing debt, likely to be lower than estimated as interest rates have remained static.
- 4.5 Rental income was projected to be down due to a greater level of Council House Sales, together with a reduction in income from garage rents.

### Provisional Out-turn 2013/14

- 4.6 Final (provisional) performance on the HRA is shown in the following table.

<b>HRA - Provisional Out-turn 2013/14</b>	<b>Revised Estimate £</b>	<b>Actual £</b>	<b>Variance £</b>
Rents	11,802,050	11,762,065	-39,985
Rechargeable Repairs	21,000	2,125	-18,875
<b>TOTAL INCOME</b>	<b>11,823,050</b>	<b>11,764,190</b>	<b>-58,860</b>
Housing Repairs	3,261,085	2,698,275	-562,810
Management and Support Costs	1,515,606	1,390,349	-125,257
Managing Tenancies	38,310	24,191	-14,119
Supported Housing	395,841	330,302	-65,539
Provision for Bad Debts	20,000	67,216	47,216
Capital Charges - Historic Debt	51,872	48,528	-3,344
Depreciation	2,851,007	3,602,312	751,305
Interest on Self Financing Debt	1,562,805	1,569,795	6,990
Capital Expenditure Requirement	5,500,000	5,500,000	0
Provision for Capital Salaries	50,000	0	-50,000
<b>TOTAL EXPENDITURE</b>	<b>15,246,526</b>	<b>15,230,968</b>	<b>-15,558</b>
<b>HRA NET EXPENDITURE</b>	<b>3,423,476</b>	<b>3,466,778</b>	<b>43,302</b>
Less Depreciation reversed out	9,851,007	-3,602,312	-751,305
<b>HRA Surplus (-) / Deficit</b>	<b>572,469</b>	<b>-135,534</b>	<b>-708,003</b>

- 4.7 The table shows that the overall surplus is approximately £135,000, mainly due to slippage on the Planned Maintenance Programme, as expected. There were lower staffing (vacancies), IT, equipment and office accommodation costs, as anticipated.
- 4.8 In addition, there were lower central and support costs (£60,000) allocated into the HRA as the relevant proportion of General Fund savings in these areas are reflected in the HRA.
- 4.9 As expected, rental income was lower compared to that estimated, mainly garage rents (£32,000) together with a higher number of council house sales (£8,000).

### **Bad Debts Provision**

- 4.10 The provision relates to rent arrears, in particular for former tenants. These have increased during the last financial year. The increase is the amount required to be added to the provision as a contingency against non-collection in accordance with accounting practice.
- 4.11 The amount calculated is based on the age of individual debts outstanding, together with current recovery action in place. In principle, the older the debt, the greater the provision that has to be made for eventual non-collection.
- 4.12 It is recommended that the provision is increased by £67,216 as calculated below.

#### **Rent Arrears**

Total Rent Arrears as at 1 <sup>st</sup> April 2013	<u>£398,973</u>
Provision for non-collection b/fwd as at 1 <sup>st</sup> April 2013	£179,063
Less: Write-offs in 2013/14 against the Provision	<u>0</u>
Balance of Provision after write-offs	<u>£179,063</u>
Total Rent Arrears as at 31 <sup>st</sup> March 2014	<u>£479,667</u>
Provision for non-collection for updated arrears	<u>£246,279</u>
<b>Increase in Provision Required</b>	<u><b>£67,216</b></u>

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



## 5.0 **CAPITAL EXPENDITURE and FINANCING 2013/14**

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

### **Capital Investment: Provisional Out-turn 2013/14**

<b>Services</b>	<b>Budget £</b>	<b>Actual £</b>	<b>Variance £</b>
Council House Improvements	5,653,094	4,665,962	-987,132
Private Sector Housing Renewal	613,583	663,021	49,438
Leisure and Community Schemes	3,793,109	874,184	-2,918,925
Environmental Development	20,000	33,429	13,429
Property and Equipment	1,544,161	1,493,917	-50,244
<b>Total - Spending</b>	<b>11,623,947</b>	<b>7,730,514</b>	<b>-3,893,433</b>

- 5.2 The table highlights that expenditure on schemes of approximately £3.9m is still to be incurred. Once all schemes are completed, it is anticipated that there will be no major under or over spends; outstanding budgets will be carried forward into 2014/15 to complete schemes.
- 5.3 An analysis and update of the major projects is detailed in the following sections.

### **Council House Improvements**

- 5.4 A revised programme was considered by the Housing and Community Services Committee in October 2013 and in February 2014. Following tender exercises to take account of the extended capital programme, new contracts for kitchen, bathroom and heating replacements were let in January 2014.

### **Private Sector Housing Renewal**

- 5.5 The budget was fully committed in the year with additional works completed financed from external funding. Some grant and survey works were still to be completed by the year end.

### **Leisure and Community Schemes**

- 5.6 Due to time taken to secure external funding, negotiating land leases and to adhere to procurement regulations, slippage occurred on projects to refurbish Green Bank Leisure Centre (contract since commenced), Eureka Park (contract since commenced) and recreational facilities in Melbourne through the Sporting Partnership (preliminary works commenced).
- 5.7 All external funding for improving the fitness facility at Etwall Leisure Centre is still to be secured, although the final funding package is now near to being completed. The expenditure associated with the new Artificial Grass Pitch at Etwall just shows the Council's contribution, as the School procured the works and accounted for the total costs and financing.



## Financing Capital Expenditure

5.8 All expenditure was financed as summarised in the following table.

### Capital Financing: Provisional Out-turn 2013/14

Funding Source	Budget £	Actual £	Variance £
Government Grants	382,314	370,178	-12,136
External/Partnership Contributions	2,457,845	929,104	-1,528,741
Internal Borrowing	885,367	885,367	0
Council Reserves/Earmarked Funds	676,750	465,263	-211,487
Housing Capital Receipts	5,653,094	4,665,962	-987,132
General Capital Receipts	1,568,577	414,640	-1,153,937
<b>Total - Financing</b>	<b>11,623,947</b>	<b>7,730,514</b>	<b>-3,893,433</b>

5.9 The variance reflects expenditure outstanding and this will be drawn down as schemes are progressed and external funding secured.

## 6.0 RESERVES, BALANCES AND PROVISIONS

### General Fund Reserve

- 6.1 Following the out-turn figures as detailed in **Section 3**, together with proposed adjustments between earmarked reserves, the provisional position on the General Fund Reserve Balance is summarised in the following table.

Provisional General Fund Reserve as at 31st March 2014	Budget £	Actual £	Variance £
Balance b/fwd (1st April 2013)	4,372,356	4,372,356	0
Add: Surplus for the Year	260,372	1,609,779	1,349,407
Grants to Community Organisations (within revenue account)	-100,000	0	100,000
Contribution to the Vehicle Renewals Fund	-20,000	-20,000	0
Contribution to Capital Expenses	0	-23,747	-23,747
<b>Proposed net transfer to Earmarked Reserves (per Appendix 6)</b>	<b>-21,000</b>	<b>-280,140</b>	<b>-259,140</b>
<b>Closing Balance as at 31st March 2014</b>	<b>4,491,728</b>	<b>5,658,248</b>	<b>1,166,520</b>

- 6.2 The table shows that the level of general reserves is greater than estimated at March 2014 by approximately £1.1m. This is due to the better out-turn position as detailed in Section 3 and higher than the £738,000 projected following the 3<sup>rd</sup> quarter's monitoring figures.

### Reconciliation of Increase in the General Fund Reserve

- 6.3 The provisional balance of approximately £5.6m is an increase of £1.7m from that projected when the Original Budget for 2013/14 was set in January 2013. Broadly, the increase is summarised in the following table.

Projected Balance - January 2013	3,900
Additional Income 2013/14	450
Contingent Sums not Required 2013/14	350
Lower Staffing Costs (Vacant Posts) 2013/14	300
Apportionment of Central Costs to the HRA	225
Lower Net Cost of Housing Benefits Paid in 2013/14	225
Senior Management Restructure	150
One-off costs of Pay and Grading Review c/f	150
Budget Savings identified in 2013/14	150
Additional Costs (Planning Appeal, Agency Costs, Maintenance)	-300
<b>Provisional Balance - April 2014</b>	<b>5,600</b>

## Earmarked Reserves

- 6.4 The Council maintains several earmarked reserves that are held for specific purposes. These are to meet exceptional and one-off items of expenditure, together with areas where larger costs are incurred over several years, for example, Vehicle and IT replacements and where external funding may be received in advance of expenditure.
- 6.5 Yearly contributions are made to these reserves each year from other accounts and reserves and they are drawn down to finance expenditure in revenue and capital accounts as required.
- 6.6 Once established, earmarked reserves can only be used for that specific purpose and to meet policy/strategy commitments, such as IT. Other reserves may be established through a legal agreement or contractual commitment. The Committee should review these reserves at least annually and formally approve the proposed use and contributions to these reserves.
- 6.7 The Council's earmarked reserves are detailed in **Appendix 6**. This shows the overall change on the balances during 2013/14, subject to appropriations being approved at this Committee.

## Housing Revenue Account Reserve

- 6.8 **Section 4** detailed the budget out-turn of the HRA and this highlighted a surplus for 2013/14 of £135,000.
- 6.9 Provisionally, the HRA reserve balance totals £2.82m as at 31<sup>st</sup> March 2014, compared to an estimate of £2.11m as shown in the table below. However, within the variance of £708,000, approximately £500,000 will be carried forward to complete the on-going Planned Maintenance Programme

HRA GENERAL RESERVE 2013/14	Budget	Actual	Variance
Balance b/f	-2,686,082	-2,686,082	0
Surplus (-) / Deficit (as Section 4)	572,469	-135,534	-708,003
<b>Balance c/f</b>	<b>-2,113,613</b>	<b>-2,821,616</b>	<b>-708,003</b>

## Major Repairs Reserve

- 6.10 This reserve is used to finance the investment in the housing stock and the reserve is funded by transfers from the HRA (through the Capital Expenditure Requirement). The status of the reserve as at 31<sup>st</sup> March 2014 is shown in the following table.

Balance as at 1 <sup>st</sup> April 2013	£652,923
Add: Transfer from the HRA	£5,500,000
Less: Capital Expenditure 2013/14	£4,505,600
<b>Balance as at 31<sup>st</sup> March 2014</b>	<b>£1,647,323</b>

## General Capital Receipts Reserve

6.11 The position on this reserve during 2013/14 is shown in the following table.

<b>GENERAL CAPITAL RECEIPTS RESERVE 2013/14</b>	<b>Estimated £</b>	<b>Actual £</b>	<b>Variance £</b>
Balance b/fwd 1st April 2013	2,808,111	2,808,111	0
Add - new receipts received	7,250	8,250	1,000
Less - Contribution to Vehicle Renewals Fund	-250,000	-250,000	0
Less - Amount required to Fund GFund Programme	-1,425,533	-358,706	1,066,827
Less - Amount required to Fund Private Sector Housing	-143,044	-55,934	87,110
<b>Balance c/fwd 31st March 2014</b>	<b>996,784</b>	<b>2,151,721</b>	<b>1,154,937</b>

6.12 The table shows this reserve is approximately £1.15m greater as at 31<sup>st</sup> March 2014 compared to that estimated. This is due to the slippage in respect of the leisure capital programme in particular and this amount will be carried forward into 2014/15 to match expenditure.

## Housing Capital Receipts Reserve

6.13 This is the reserve that is being built up for investment in providing new council houses. All sale proceeds (net of any pooling payment) from existing council houses and HRA land are transferred to this reserve. The position on this reserve during 2013/14 is shown in the following table.

<b>HOUSING CAPITAL RECEIPTS RESERVE 2013/14</b>	<b>Estimated £</b>	<b>Actual £</b>	<b>Variance £</b>
Balance b/fwd 1st April 2013	708,052	708,052	0
Add - new receipts received	300,000	941,810	641,810
Less - amount pooled	-100,000	-294,176	-194,176
Less - costs incurred in New Build preparation	0	25,559	25,559
<b>Balance c/fwd 31st March 2014</b>	<b>908,052</b>	<b>1,381,245</b>	<b>473,193</b>

6.14 The table shows that the balance on the Reserve is higher than estimated at the end of the year. This is due to the number of council house sales, which totalled 17 compared to an estimate of 7. There was also one land sale of £70,000 included in the total receipts of £941,000.

6.15 Under the New Build Agreement with the Government, a greater share of HRA asset sales are retained locally and effectively, the proportion pooled reduces as more sales are generated. The costs incurred during the year were associated with land assembly, options appraisal and other preparation costs associated with the first phase of New Build.

## Supported Housing Capital Reserve

6.16 An amount of £153,094 remained in this reserve at the end of the previous year, 2012/13. Expenditure of £134,830 was incurred in 2013/14 to complete a schedule of works to upgrade [Page 20 of 40](#) accommodation. The amount remaining will be utilised to fund some final works.

## 7.0 TREASURY MANAGEMENT

7.1 An analysis of the Council's borrowing and short-term investments/bank deposits is summarised in the table, below. This shows the position as at 31<sup>st</sup> March 2014.

	01/04/13 £'000	31/03/14 £'000	Change £'000
<b>Debt Outstanding - HRA</b>			
Self-financing Debt (Average rate 2.7%)	57,423	57,423	0
Market Loan (4.875% fixed)	1,000	1,000	0
Transferred Assets ( <i>repaid as previously reported</i> )	279	0	-279
<b>Total Debt Outstanding - HRA</b>	<b>58,702</b>	<b>58,423</b>	<b>-279</b>

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

### Debt Outstanding - General Fund

Actual Loans o/s	0	0	0
Capital Financing Requirement (CFR)	6,315	6,892	577
<b>Borrowing Headroom (CFR Less Debt o/s)</b>	<b>6,315</b>	<b>6,892</b>	<b>577</b>

### Temporary Investments and Borrowings

Temporary Bank and other Deposits	4,500	7,429	2,929
Less Parish Council Deposits	-41	-28	13
Less Temporary Debt	-15	-7	8
<b>Total - Short-term Cash Position</b>	<b>4,444</b>	<b>7,394</b>	<b>2,950</b>

Average Interest Rate Earned (Cumulative)	0.31%	0.33%	0.02%
Target - Average 7-Day Local Authority Rate	0.51%	0.47%	-0.04%

### Debt Outstanding

7.2 This is largely fixed and no repayments were made during the year on the self-financing debt. As previously reported, the historic debt outstanding on transferred assets was repaid to Erewash Borough Council in April 2013.

### Capital Financing Requirement (CFR)

7.3 The increase in the General Fund's CFR during 2013/14, represents the impact of financing the purchase of the bins and caddies for the extended recycling service, from internal borrowing. The increase of £577k is made up as shown in the following table.

<b>General Fund CFR</b>		<b>£'000</b>
Balance as at April 2013		6,315
Add: Net Financing of new Bins and Caddies		885
Less: Normal Minimum Revenue Provision		-253
Less: Provision for Bins and Caddies (part year 2013/14		-55
<b>Provisional Balance as at March 2014</b>		<b><u>6,892</u></b>

### **Short-term Investments**

7.4 Funds of £7.4m were on deposit on 31<sup>st</sup> March 2014 as follows:

Other Local Authorities	£2.0m	0.27%
UK Banks	£5.4m	0.73%

7.5 The amounts on deposit with Banks are in instant access reserve accounts. Net interest received in the year was just over £25,000 compared to a budget of £21,000.

## 8.0 THE COLLECTION FUND

- 8.1 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.
- 8.2 Any surplus or deficit on the Fund is transferred to the General Funds of the Preceptors, with the proportion for South Derbyshire being approximately 11.5%. The provisional out-turn on the Fund for 2013/14 is detailed in **Appendix 7**.
- 8.3 ***It should be noted that figures for Business Rates are still to be confirmed as the final return to the Government has still to be signed off. This could make a difference to the provisional figures.***
- 8.4 Apart from this, the Fund is projected to achieve a surplus for the year of £291k, broadly in line with £312k projected at the end of the 3<sup>rd</sup> quarter. Overall, this is better than estimated due to the increase in Council Tax collectable through a combination of:
- Increase in new properties
  - Greater income from empty properties
  - Lower costs of the Local Council Tax Support Scheme
- 8.5 Within this, there is an increase in the Bad Debts provision for both Council Tax and Business Rates as detailed in the following table.

### **Council Tax Arrears**

Total Council Tax Arrears as at 1 <sup>st</sup> April 2013	<u><u>3,816,290</u></u>
Provision for non-collection b/fwd as at 1 <sup>st</sup> April 2013	2,278,234
Less: Write-offs in 2013/14 against the Provision	<u>-67,060</u>
Balance of Provision after write-offs	<u><u>2,211,174</u></u>
Total Council Tax Arrears as at 31 <sup>st</sup> March 2014	<u><u>4,097,098</u></u>
Provision for non-collection for updated arrears	<u>2,558,083</u>
Increase in Provision Required	<u><u>346,909</u></u>

### **Business Rates**

- 8.6 As regards Business Rates, under the new financing system, 2013/14 is the first year that a provision needs to be created for Bad Debts and Rating Appeals. As shown in Appendix 7, these have been calculated with the estimated amounts approved [Page 26 of 40](#) in the Budget.

## **9.0 OTHER FINANCIAL INDICATORS**

- 9.1 These are reported to monitor the efficiency of financial services. In addition, the collection rates are targets that form part of the Income Guarantee arrangement under the Corporate Services Partnership. The processing of benefit claims are also key performance indicators which are subject to potential default conditions if they are not achieved.
- 9.2 The indicators are detailed in **Appendix 8**. This details the performance for 2013/14 against the contractual target. It also shows the trend over several years with a comparison to the latest available data relating to shire districts.
- 9.3 Four out of the ten targets were not met with performance for all areas falling from that achieved in 2012/13. The four indicators that failed to meet their target were:
- Collection of Council Tax Arrears (*although overall Council Tax in-year collection was above target*)
  - Collection of Sundry Debt (*although this was affected at the year end with some large agency recharges being raised in 2013/14 but collected in 2014/15 – a timing difference*)
  - Housing Benefits - processing change of circumstances, which was affected by the DWP's ATLAS system as reported during the year.
  - Payment of undisputed invoices within 30 days.

## **10.0 Background Papers**

None



Budget Monitoring - March 2014

Environmental and Development

APPENDIX 1

£'s	BUDGET			FORECAST		ANNUAL		RESERVES		COMMENTARY
	YTD ACTUAL	BUDGET	BUDGET OUTTURN	ADJUSTMENTS	PROJECTED OUTTURN	BUDGET	PROJECTED VARIANCE	EARMARKED	GF	
PSX90    Transport Services	0	0	0		0	0	0		0	
Central & Departmental Accounts	0	0	0	0	0	0	0	0	0	
CCF00    Tourism Policy, Marketing & Development	56,322	0	56,322		56,322	56,447	125		125	
CPH70    Promotion and Marketing of the Area	259,377	0	259,377		259,377	295,225	35,848		35,848	£10k unbudgeted income, £18k saving on restructure, £6k Fav comp maintenance, £2k fav on recharges
Economic Development	315,699	0	315,699	0	315,699	351,672	35,973	0	35,973	
CPE10    Environmental Education	136,317	0	136,317		136,317	136,605	288	288		
Environmental Education	136,317	0	136,317	0	136,317	136,605	288	288	0	
CEE00    Food Safety	203,227	0	203,227		203,227	223,144	19,917		19,917	£21k additional licencing income, £4k fav recharges, £6k adv additional contractor costs
CEE10    Pollution Reduction	318,500	0	318,500		318,500	337,798	19,298		19,298	£6k fav salary, £11k fav licencing fees, £7k fav recharges, £3k adv depreciation, £2k adv prof fees
CEE30    Health and Safety at Work	0	0	0		0	0	0		0	
CEE50    Pest Control	28,321	0	28,321		28,321	25,998	(2,323)		(2,323)	£1k fav recharges, £3k adv salary
CEE80    Public Conveniences	48,152	0	48,152		48,152	52,128	3,977		3,977	£2k fav depreciation, £5k fav r&m, £3k adv bus rates
CEH00    Community Safety (Safety Services)	153,430	0	153,430		153,430	171,320	17,890		17,890	£10k fav salaries due to vacancy, £4k fav prof fees - reduction in stray dogs, £3k fav recharges
KGW00    Welfare Services	109	0	109		109	1,612	1,503		1,503	
Environmental Services	751,739	0	751,739	0	751,739	812,001	60,262	0	60,262	
HTK10    Environmental Maintenance (Other Roads)	(13,915)	0	(13,915)		(13,915)	(1,679)	12,237		12,237	Professional fees lower than expected
NAC60    Public Transport	23,618	0	23,618		23,618	29,769	6,151		6,151	£5k fav on r&m, £1k fav contract cleaning
Highways	9,703	0	9,703	0	9,703	28,090	18,387	0	18,387	
ACL00    Local Land Charges	177,808	0	177,808		177,808	69,180	(108,628)		(108,628)	£100k adv prov for refund of personal searches, £32k adv redundancy prov, £16k fav fees, £4k fav recharges, £3k fav comp maintenance, £1k fav insurance
CEE70    Licensing	(7,305)	0	(7,305)		(7,305)	37,688	44,993		44,993	Fav £35k due to vacancy/mat leave, £19k fav fees, £5k fav recharges, £10k adv agency, £3k adv prof fees
Licensing and Land Charges	170,503	0	170,503	0	170,503	106,868	(63,635)	0	(63,635)	
ACG00    Emergency Planning and Works	1,091	0	1,091		1,091	537	(554)		(554)	
CCA20    Heritage	12,872	0	12,872		12,872	24,040	11,168	10,000	1,168	Heritage sub Committee approval for £10k earmarked reserves. £1k fav essential user
CPB00    Building Regulations	102,489	0	102,489		102,489	140,377	37,888		37,888	£14k fav fee income, £21k fav recharges, £4k fav salary, £3k fav microfilming, £1k adv agency, £3k adv training (restructure)
CPB10    Building Control Enforcement	68,574	0	68,574		68,574	74,872	6,298		6,298	£3k fav comp maintenance, £2k fav salary, £1k fav other

Budget Monitoring - March 2014

Environmental and Development

APPENDIX 1

		BUDGET			FORECAST		ANNUAL		RESERVES		COMMENTARY
£'s		YTD ACTUAL	BUDGET	BUDGET OUTTURN	ADJUSTMENTS	PROJECTED OUTTURN	BUDGET	PROJECTED VARIANCE	EARMARKED	GF	
	CPB20 Other Building Control Work	20,650	0	20,650		20,650	41,156	20,506		20,506	£4k fav salaries, £5k prof fees and £11k fee income  £6k adv comp maintenance, £3k fav essential user Favourable £33k salaries due to vacancy & mat leave, £21k fav recharges, £157k fav planning apps, adverse £11k ex-gratia payments and £70k prov for appeal, other small var £3k adv  Salary underspend £10k and £2k fav recharges £53k fav on salary costs due to vacancy & mat leave, which is covering professional fees (£36k), £8k fav recharges, £27k fav prof fees     £43k adv impairment of assets, £4k fav grounds maint, £9k adv fee income     £9k fav vehicle hire, £11k fav income, £9k fav furniture, salaries £20k fav salary, £3k fav recharges, £6k fav depreciation, £43k adv prof fees  £53k fav salaries, £28k fav materials, £39k fav tpp costs, £43k fav recharges, £25k fav depreciation, £115k adv agency, £19k adv hire of vehicles, £45k adv fees  £36k fav fees, £9k fav tpp costs and materials £6k fav agency, £7k fav prof fees, £7k fav materials, £5k fav recharges, £65k fav income, £18k adv salary, £39k adv waste management
	CPC00 Development Control Advice	18,860	0	18,860		18,860	16,316	(2,544)		(2,544)	
	CPC10 Dealing with Development Control Applications	166,294	0	166,294		166,294	292,976	126,682		126,682	
	CPC20 Development Control Enforcement	131,585	0	131,585		131,585	143,889	12,304		12,304	
	CPD10 Structure and Local Planning	479,645	0	479,645		479,645	530,007	50,362		50,362	
	Planning	1,002,060	0	1,002,060	0	1,002,060	1,264,172	262,112	10,000	252,112	
	HTP10 Off-Street Parking	127,446	0	127,446		127,446	79,677	(47,769)		(47,769)	
	Town Centre	127,446	0	127,446	0	127,446	79,677	(47,769)	0	(47,769)	
	CEE60 Public Health	(731)	0	(731)		(731)	446	1,178		1,178	
	CES00 Street Cleansing (not chargeable to highways)	401,816	0	401,816		401,816	417,313	15,497		15,497	
	CEW00 Household Waste Collection	2,225,017	0	2,225,017		2,225,017	2,233,673	8,656		8,656	
	CEW10 Trade Waste Collection	(122,288)	0	(122,288)		(122,288)	(77,605)	44,683		44,683	
	CEW20 Recycling	313,423	0	313,423		313,423	346,662	33,239		33,239	
	Waste Collection & Street Cleansing	2,817,237	0	2,817,237	0	2,817,237	2,920,489	103,252	0	103,252	
		5,330,704	0	5,330,704	0	5,330,704	5,699,575	368,870	10,288	358,582	

Budget Monitoring - March 2014

Housing & Community

APPENDIX 2

		BUDGET			FORECAST		ANNUAL		RESERVES		COMMENTARY
		YTD ACTUAL	BUDGET	BUDGET OUTTURN	ADJUSTMENTS	PROJECTED OUTTURN	BUDGET	PROJECTED VARIANCE	EARMARKED	GF	
£'s											
ACT00	General Grants, Bequests & Donations	378,876	0	378,876		378,876	282,966	(95,910)	(100,069)	4,159	£1k fav recharges, £3k fav salary (reserve drawdown for grants)
CCD00	Community Centres	51,438	0	51,438		51,438	54,562	3,124		3,124	£1k fav electricity, £3k fav recharges
CEG00	Community Safety (Crime Reduction)	273,702	0	273,702		273,702	288,088	14,386	14,386		
CEK00	Defences Against Flooding	47,286	0	47,286		47,286	49,594	2,308		2,308	
CPH20	Market Undertakings	(13,768)	0	(13,768)		(13,768)	(62)	13,705		13,705	£10k increase in market income, £3k decrease in Business Rates
CPL00	Community Development	40,364	0	40,364		40,364	35,818	(4,546)		(4,546)	Adverse salaries £1k, prof fees £2k, £3k training and £2k insurance, favourable subscriptions £1k and tools £1k
CCF10	Village Halls	5,588	0	5,588		5,588	7,522	1,934		1,934	R&M saving
Community Development and Support		783,486	0	783,486	0	783,486	718,488	(64,999)	(85,683)	20,684	
CCA10	Arts Development & Support	52,595	0	52,595		52,595	35,136	(17,459)	(17,459)	0	
CCA40	Festival of Leisure	44,791	0	44,791		44,791	47,857	3,066		3,066	£1k fav recharges, £2k fav salary
CCA30	Christmas Lights	61,581	0	61,581		61,581	62,533	952		952	
Leisure and Recreational Activities		158,967	0	158,967	0	158,967	145,526	(13,441)	(17,459)	4,017	
CCD20	Sports Development & Community Recreation	247,769	0	247,769		247,769	265,245	17,475	17,475		
CCD30	Indoor Sports & Recreation Facilities	447,938	0	447,938		447,938	472,016	24,077		24,077	£21k fav r&m, £2k fav utilities, £5k fav depreciation, £2k fav income, £4k adv tpp, £2k adv t&e
CCD40	Outdoor Sports & Recreation Facilities (SSP)	(88,539)	0	(88,539)		(88,539)	39,691	128,230	128,230		
CCA00	Melbourne Leisure Centre	(2,522)	0	(2,522)		(2,522)	799	3,321		3,321	Accrual released from YE
CCD10	Get Active in the Forest	32,895	0	32,895		32,895	36,493	3,598	3,598		
CCD50	Playschemes	51,733	0	51,733		51,733	52,141	408	408		
Leisure Centres and Community Facilities		689,274	0	689,274	0	689,274	866,384	177,110	149,712	27,398	
CCE00	Ground Maintenance	602,269	0	602,269		602,269	729,793	127,524		127,524	£29k inc incomce DCC, £25k fav fees for golf course & Parishes, £3k fav GM non contract, £30k fav recharges, £8k fav depreciation, £2k fav insurance, £9k salaries due to vacancy, £11k fav t&e, and £6k fav materials, £4k fav R&M
CCE10	Countryside Recreation & Management	15,115	0	15,115		15,115	18,538	3,423		3,423	
CCE20	Allotments	(849)	0	(849)		(849)	(138)	711		711	Fav grounds maintenance
CCF20	Rosliston Forestry Centre	148,945	0	148,945		148,945	178,245	29,300		29,300	£26k fav revaluation gain, £3k fav recharges £34k adv redundancy prov, £6k fav fees, £2k fav recharges, £2k fav salary, £5k fav r&m
CEA00	Cemeteries	71,990	0	71,990		71,990	53,170	(18,820)		(18,820)	
CEA30	Closed Churchyards	4,246	0	4,246		4,246	4,578	332		332	
KJE70	Community Parks & Open Spaces	320,000	0	320,000		320,000	263,028	(56,972)	(56,972)		Drawdown from commuted sum
Parks and Open Spaces		1,161,715	0	1,161,715	0	1,161,715	1,247,214	85,499	(56,972)	142,471	
CEE20	Housing Standards	130,150	0	130,150		130,150	125,857	(4,293)		(4,293)	£8k adv salary, £2k fav recharges, £2k fav prof fees £28k fav salary due to vacancy, £4k fav subscriptions, £1k fav recharges, £3k other small var (reserves: £10k housing needs study c/fwd)
KGA00	Housing Strategy	76,920	0	76,920		76,920	123,273	46,353	10,000	36,353	
KGD00	Housing Advice	99,923	0	99,923		99,923	88,918	(11,005)		(11,005)	£5k adv public lib, £3k fav salary, £3k other small var £6k adv salaries, £3k fav recharges, £15k fav tpp, £1k fav prof fees
KGE10	Administration of Renovation & Improvement Grants	127,988	0	127,988		127,988	142,606	14,618		14,618	
KGH10	Bed / Breakfast Accommodation	(111)	0	(111)		(111)	16,326	16,438		16,438	Income offset costs

APPENDIX 2

£'s

KGH40 Homelessness Administration  
KGT00 Travellers’ Sites  
  
Private Sector Housing

BUDGET			FORECAST		ANNUAL		RESERVES		COMMENTARY
YTD ACTUAL	BUDGET	BUDGET OUTTURN	ADJUSTMENTS	PROJECTED OUTTURN	BUDGET	PROJECTED VARIANCE	EARMARKED	GF	
192,827	0	192,827		192,827	204,990	12,163		12,163	£36k fav salary costs due to vacancy, £26k unbudgeted income from DCC, £7k fav recharges, £4k fav misc expenses, £3k other small var, £64k adv due to income being rec'd through RSG
2,626	0	2,626		2,626	2,626	0		0	
630,324	0	630,324	0	630,324	704,597	74,273	10,000	64,273	
3,423,766	0	3,423,766	0	3,423,766	3,682,208	258,442	(402)	258,844	

APPENDIX 3

£'s

		BUDGET			FORECAST		ANNUAL		RESERVES		COMMENTARY
		YTD ACTUAL	BUDGET	BUDGET OUTTURN	ADJUSTMENT S	PROJECTED OUTTURN	BUDGET	PROJECTED VARIANCE	EARMARKED	GF	
PSX40	Senior Management	0	0	0		0	0	0		0	£106k saving on restructure, £4k adv add duties, £2k insurance costs and £8k prof fees (Env Transistion costs) (adj profiling)
PSX50	Reprographic/Print Room	0	0	0		0	(0)	(0)		(0)	
PSX55	Financial Services	0	0	0		0	(0)	(0)		(0)	Fav £12k salaries due to vacancy, maternity & sickness, £3k fav on tools, £2k fav periodicals, £9k adv prof fees, £9k adv Agresso main unaccrued in 12/13, £5k bespoke support Unit 4 unbudgeted (ajd correct outturn)
PSX56	Internal Audit	0	0	0		0	0	0		0	
PSX57	Merchant Banking Services	0	0	0		0	0	(0)		(0)	Bank charges lower than budget (adj electronic payments)
PSX60	ICT Support	0	0	0		0	(0)	(0)		(0)	Internet £17k adv, Prof Fees 13K, 19k Adv R & M ,19K adv Software, £32k saving in Microsoft Licences
PSX65	Legal Services	0	0	0		0	(0)	(0)		(0)	Salary overspend (£8 unbudgeted additional duties payments)
PSX75	Personnel/HR	0	0	0		0	(0)	(0)		(0)	Adverse £5k adv prof fees (Solicitor costs for Payroll transition) and £2k licences (Skillbites), Favourable
PSX76	Policy & Communications	0	0	0		0	0	0		0	£35k on training
PSX77	Customer Services	0	0	0		0	0	0		0	(adj Profiling)
PSX78	Health & Safety	0	0	0		0	0	0		0	Medical fees & training
PSX81	Admin Offices & Depot	(1)	0	(1)		(1)	(0)	0		0	Favourable £28k rent from DCC, £9k utilities and £4k tools, adverse r&m £16k, salaries £4k, £3k refuse collection and £2k fees other (Adj: 82% income from PSX85 plus outturn accuracy)
PSX95	Procurement Unit	0	0	0		0	0	0		0	£22k adv procurement savings invoice, 4K adv training -
PSX99	Corporate Services Partnership	0	0	0		0	0	0		0	Access Agreement
SSX70	Other Management Costs	0	0	0		0	0	0		0	(Adj: Recharge to Northgate)
KJE40	Caretaking	109,874	0	109,874		109,874	115,085	5,212		5,212	Income to be received to offset exp
Central and Departmental Accounts		109,873	0	109,873	0	109,873	115,085	5,212	0	5,212	£10k fav recharges, £5k adv salary
HTT00	Concessionary Fares	(431)	0	(431)		(431)	3,224	3,655		3,655	No Stationery costs
Concessionary Travel		(431)	0	(431)	0	(431)	3,224	3,655	0	3,655	
AAD00	Democratic Representation & Management	570,909	0	570,909		570,909	715,022	144,112		144,112	Adv £15k superan & NI members unbudgeted, £38k adv redundancy prov, £8k fav vehicle costs, £10k fav car allow & public transport, £6k fav catering, £6k fav members allow, £15k fav other member costs, £42k fav salary due to vacancies, £8 fav recharges, £55k fav HRA recharge, £8k DCC forum income unbudgeted, £31k restructure saving, £6k fav depreciation, £4k fav other small var
AAM00	Corporate Management	84,164	0	84,164		84,164	93,383	9,220		9,220	District Valuer fees saving
AAM01	Corporate Finance Management	81,348	0	81,348		81,348	70,539	(10,809)	10,850	(21,659)	£9k fav audit comm repayment, £10k fav external Audit fees, £8k adv subs to FID, £12k adv insurance, £20k adv HRA recharge, £1k adv write off of mortgage (reserves: turnover rent)
KIW00	Debt Management Costs	130,954	0	130,954		130,954	131,425	471		471	
Corporate and Democratic Costs		867,375	0	867,375	0	867,375	1,010,369	142,994	10,850	132,144	



APPENDIX 3

£'s

BUDGET			FORECAST		ANNUAL		RESERVES		COMMENTARY
YTD ACTUAL	BUDGET	BUDGET OUTTURN	ADJUSTMENT S	PROJECTED OUTTURN	BUDGET	PROJECTED VARIANCE	EARMARKED	GF	
23,496	0	23,496		23,496	20,142	(3,355)	6,330	(9,685)	£11k fav printing & postage, £2k fav sale of publications, £23k adv election wages (Earmarked: IERP funding)
133,155	0	133,155		133,155	136,970	3,815	32,071	(28,256)	£29k adv unbudgeted post, £9k adv prof fees (J Box - Northgate), £80k adv wages, £15k fav election fees, £69k fav fee income, £2k fav recharges, £2k fav other smaller var (Reserves: election reserve required)
156,652	0	156,652	0	156,652	157,112	460	38,401	(37,941)	
323,034	0	323,034		323,034	311,182	(11,852)		(11,852)	2% increase unbudgeted, £5k adv due to payment of old expenses not accrued
323,034	0	323,034	0	323,034	311,182	(11,852)	0	(11,852)	
247,039	0	247,039		247,039	232,037	(15,002)		(15,002)	£6k adv on pension prov, £9k adv on HRA recharge
126,966	0	126,966		126,966	20,000	(106,966)		(106,966)	
(239,849)	0	(239,849)		(239,849)	0	239,849	239,849	0	(Reserves: S106 earmarked)
(26,716)	0	(26,716)		(26,716)	(32,500)	(5,784)		(5,784)	Fav interest rec'd
1,166	0	1,166		1,166	11,490	10,324		10,324	Fav interest paid
108,605	0	108,605	0	108,605	231,027	122,422	239,849	(117,427)	
(520,290)	0	(520,290)		(520,290)	(79,724)	440,566		440,566	£9k fav agency, £10k fav rent payable, £9k fav business rates, £48k fav HRA recharge, £281k fav reval gain, £6k fav additional conveyancing, £7k fav agency, £17k fav VO fees, £54k fav rental income
(520,290)	0	(520,290)	0	(520,290)	(79,724)	440,566	0	440,566	
164,897	0	164,897	(166,443)	(1,546)	(1,546)	0		0	Still to be adj
44	0	44		44	645	601		601	
0	0	0	(14,000)	(14,000)	(14,000)	0		0	Still to be adj
142,823	0	142,823	(81,351)	61,472	61,472	(0)		(0)	Still to be adj
(97,122)	0	(97,122)		(97,122)	162,000	259,122		259,122	
0	0	0		0	48,000	48,000		48,000	
(9,954)	0	(9,954)		(9,954)	68,000	77,954		77,954	
196,179	0	196,179		196,179	28,359	(167,819)		(167,819)	
396,866	0	396,866	(261,794)	135,072	352,930	217,858	0	217,858	
1,441,684	0	1,441,684	(261,794)	1,179,890	2,101,205	921,315	289,100	632,215	
(5,102,737)	0	(5,102,737)		(5,102,737)	0	5,102,737	64,000	5,038,737	(£64k relates to homelessness KGH40)
0	0	0		0	0	0		0	
692,757	0	692,757		692,757	0	(692,757)		(692,757)	
0	0	0		0	0	0		0	
(4,409,980)	0	(4,409,980)	0	(4,409,980)	0	4,409,980	353,100	4,345,980	
(2,968,296)	0	(2,968,296)	(261,794)	(3,230,090)	2,101,205	5,331,295	642,200	4,978,195	

**Major Variances on General Fund Revenue Income and Expenditure**

	£'000
<b>Depreciation and Capital Charges</b>	<b>-325</b>
<b>Approved Savings and Budget Changes</b>	
Senior Management Restructure	-153
General Fund costs apportioned to the HRA	-212
Democratic and Members Costs	-90
	<b>-455</b>
<b>Lower Employee Costs</b>	
Vacancies - Environmental and Planning Services	-222
Vacancies - Housing and Community Services	-69
Vacancies - Corporate Services	-10
	<b>-301</b>
<b>Additional Income</b>	
Planning and Building Control	-182
Industrial and Commercial Lettings	-94
Land Charges and Trade Waste	-52
Waste & Recycling Credits	-33
Environmental Health Services	-32
Grounds Maintenance - Weed Spraying works	-29
Grounds Maintenance - Parish and Golf Course Works	-25
Licencing	-29
	<b>-476</b>
<b>Net Cost of Housing Benefits</b>	<b>-240</b>
<b>Other Budget Savings</b>	
Corporate Training	-39
All other Variances	-23
	<b>-62</b>
<b>Additional Costs</b>	
Agency Staffing - Waste and Cleansing	132
Computer System Changes in Revenues and Benefits (funded from Grant)	130
Voluntary Redundancy Costs (approved in the MTFP)	104
Provision for Land Charges - Personal Searches (approved in the MTFP)	100
Maintenance of vehicles, plant and equipment	74
Provision for Planning Appeal	70
	<b>610</b>
<b>TOTAL - OVERALL VARIANCE</b>	<b>-1,249</b>

0.013333



**£'000**

Depreciation and Capital Charges	-325
Approved Savings and Budget Changes	-455
Lower Employee Costs	-301
Additional Income	-476
Net Cost of Housing Benefits	-240
Other Budget Savings	-62
Additional Costs	610
	<b><u>-1,249</u></b>

## PROVISIONAL CAPITAL EXPENDITURE &amp; FINANCING 2013/14

	Approved Budget 2013/14 £	Actual 2013/14 £	Variance 2013/14 £
<b>COUNCIL HOUSE IMPROVEMENTS</b>			
Major Improvements under Self-financing	5,150,000	4,336,218	-813,782
Major Disabled Adaptations	300,000	148,061	-151,939
Minor Disabled Adaptions	50,000	21,322	-28,678
Sheltered Housing Vision	153,094	134,830	-18,264
Council New Build Programme Phase 1	0	25,532	25,532
<b>Total Expenditure</b>	<b>5,653,094</b>	<b>4,665,962</b>	<b>-987,132</b>

**Financed from**

Major Repairs Reserve	5,500,000	4,505,600	-994,400
New Build Housing (Capital Receipts Reserve)	0	25,532	25,532
Capital Reserve	153,094	134,830	-18,264
<b>Total Financing</b>	<b>5,653,094</b>	<b>4,665,962</b>	<b>-987,132</b>

**PRIVATE SECTOR HOUSING RENEWAL**

Disabled Facility Grants and other Works	470,539	458,403	-12,136
Strategic Housing Market Assessment	40,000	0	-40,000
Private Sector Stock Condition Survey	40,000	30,550	-9,450
Decent Homes	0	5,283	5,283
DECC Funded Project - Fuel Poverty	0	148,684	148,684
Empty Property Landlord Grants	63,044	20,101	-42,943
<b>Total Expenditure</b>	<b>613,583</b>	<b>663,021</b>	<b>49,438</b>

**Financed from**

Government Grant	382,314	370,178	-12,136
Earmarked Reserves	26,225	26,225	0
Derbyshire County Council	62,000	210,684	148,684
General Capital Receipts	143,044	55,934	-87,110
<b>Total Financing</b>	<b>613,583</b>	<b>663,021</b>	<b>49,438</b>

**GENERAL FUND INVESTMENT PROGRAM****COMMUNITY SERVICES**

Hilton Village Hall Extension	325,001	301,293	-23,708
Melbourne Leisure Centre	235,637	0	-235,637
Melbourne Sports Partnership	965,917	159,234	-806,683
Eureka Park - Community Programme	500,000	56,960	-443,040
Community Partnership Scheme	42,978	23,010	-19,968
Rosliston Forestry Centre	199,732	191,266	-8,466
Open Space Development Project	10,000	5,932	-4,068
Swadlincote Skate Park	20,000	0	-20,000
Green Bank Leisure Centre Refurbishment - Phase 2	556,844	9,490	-547,354
Etwall Leisure Centre (Growth Point)	27,000	27,000	0
Etwall Lesiure Centre - Fitness / Community Facilities	360,000	0	-360,000

## PROVISIONAL CAPITAL EXPENDITURE &amp; FINANCING 2013/14

	Approved Budget 2013/14 £	Actual 2013/14 £	Variance 2013/14 £
Etwell Leisure Centre - Artificial Grass Pitch	550,000	100,000	-450,000

## ENVIRONMENTAL AND DEVELOPMENT SERVICES

Partnership Schemes in Conservation Areas	20,000	33,429	13,429
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## PROPERTY AND OTHER ASSETS

Depot	40,000	41,000	1,000
Vehicle Replacements	279,000	338,553	59,553
Recycling bins	1,085,367	1,085,367	0
Chestnut Avenue, Midway - Leisure Project	8,000	7,025	-975
Market Stalls	25,000	5,000	-20,000
Repairs to Village Halls and Community Facilities	48,762	16,972	-31,790
Public Buildings - Planned Maintenance Programme	58,032	0	-58,032

## Total Expenditure - General Fund

5,357,270	2,401,531	-2,955,739
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## Financed from

External Funding (Growth Point)	325,001	301,293	-23,708
Derbyshire County Council	250,000	0	-250,000
Sport England	50,000	0	-50,000
Aiming High Grant	87,710	87,710	0
Growth Point	3,000	3,000	0
Forestry Commission	41,719	0	-41,719
Earmarked Reserves	17,303	50,556	33,253
Growth Point	70,637		-70,637
Trust Funders	40,000		-40,000
Section 106	21,000	0	-21,000
Leisure Management Contractor	85,000	0	-85,000
Revenue Contributions	20,000	0	-20,000
Sport England - Inspired Facilities Grant	150,000	0	-150,000
Earmarked Reserves	66,000	0	-66,000
Leisure Management Contractor	105,000	0	-105,000
External Contributions	110,000	0	-110,000
Renewals (Sinking) Fund	25,000	0	-25,000
Section 106	150,000	0	-150,000
Heritage Lottery	350,000	56,960	-293,040
Police Authority Funding	15,000	0	-15,000
DCC Members Funding	4,000	0	-4,000
Partnership Funding	1,000	0	-1,000
Section 106	20,000	0	-20,000
External Contributions	430,000	0	-430,000
Derbyshire County Council	200,000	200,000	0
Borrowing (MRP)	885,367	885,367	0
Section 106	10,000	5,932	-4,068
Derbyshire County Council	10,000	17,559	7,559
Heritage Lottery	0	15,870	15,870

## PROVISIONAL CAPITAL EXPENDITURE &amp; FINANCING 2013/14

	Approved Budget 2013/14 £	Actual 2013/14 £	Variance 2013/14 £
Revenue Contributions	10,000	0	-10,000
Police Authority Funding	30,000	23,250	-6,750
Vehicle Replacement Reserve	249,000	315,303	66,303
Toyota	12,778	12,778	0
General / Earmarked Reserves	87,222	67,247	-19,975
General Capital Receipts	1,425,533	358,706	-1,066,827
<b>Total Financing - General Fund</b>	<b>5,357,270</b>	<b>2,401,531</b>	<b>-2,955,739</b>
<b>TOTAL EXPENDITURE - ALL SCHEMES</b>	<b>11,623,947</b>	<b>7,730,514</b>	<b>-3,893,433</b>
<b>TOTAL FINANCING - ALL SCHEMES</b>	<b>11,623,947</b>	<b>7,730,514</b>	<b>-3,893,433</b>

**General Capital Receipts**

Melbourne Leisure Centre	125,000	0	-125,000
Melbourne Sports Partnership	700,000	159,234	-540,766
Melbourne Sports Partnership	-34,083	0	34,083
Community Partnership Scheme	42,978	23,010	-19,968
Repairs to Village Halls and Community Facilities	48,762	16,972	-31,790
Public Buildings - Planned Maintenance Programme	58,032	0	-58,032
Rosliston Forestry Centre (Toilets)	50,000	50,000	0
Green Bank Leisure Centre Refurbishment - Phase 2	214,844	9,490	-205,354
Etwall Lesiure Centre - Fitness / Community Facilities	120,000	0	-120,000
Etwall Leisure Centre - Artificial Grass Pitch	100,000	100,000	0
Market Stalls	0	0	0
	1,425,533	358,706	-1,066,827

## LIST OF EARMARKED RESERVES 2013/14

Specific / Earmarked Reserves - Council Funds	Balance		Usage	Income	Balance	Notes
	b/fwd		13/14	13/14	c/fwd	
	1/4/13	£	£	£	31/3/14	
Vehicle Replacement Fund	593,159	-315,303	270,000	547,856	Capital expenditure and financing as planned	
Dilapidation Works - Factory Site per Lease Agreement	260,870	0	0	260,870	Ring fenced	
IT Reserve	212,367	-16,841	0	195,526	To fund revenue spending	
Local Plan - Consultation and Implementation	130,500	0	69,500	200,000	Proposed transfer of additional income in 2013/14	
Green Bank Leisure Centre - Refurbishment Works	49,000	0	50,000	99,000	Proposed transfer of additional income in 2013/14	
Repton Parish (Former Depot proceeds)	33,049	0	0	33,049	Ring fenced	
Relocation of Depot - Fees	30,000	-30,000	0	0	Capital expenditure as planned	
Civic Offices Maintenance	3,500	-3,500	0	0	Small balance remaining - transfer to General Reserve	
Corporate Services Innovation Fund	52,666	0	0	52,666	Ring fenced - partnership board to consider usage	
Growth Point	23,757	-23,757	0	0	£14k financing capital in year - remainder to General Reserve	
Rosliston Forestry Centre / Café	23,922	0	10,850	34,772	Profit share in 2013/14 transferred	
Food Safety Training	3,000	-3,000	0	0	Funded in Budget - transfer to General Reserve	
Mobile Working Project	10,000	-10,000	0	0	Funded in Budget - transfer to General Reserve	
Total - Specific / Earmarked Reserves	1,425,790	-402,401	400,350	1,423,739		

## Specific Grants and Contributions - Discretionary

Public Open Space - Commuted Sums	515,661		-62,904		0		452,757		Financing expenditure as planned
Youth Engagement Partnership	455,503		0		17,475		472,978		Net funding received in the year
Schools Sport Partnership Project	38,535		0		149,230		187,765		As above (includes 21k transferred from General Reserve)
Community Safety & Crime Reduction	442,225		0		14,386		456,611		As above
Young People's Cultural Partnership / Arts Development	59,785		-17,459		0		42,326		Drawdown required in 2013/14
Rosliston Business Units	61,275		-50,556				10,719		Balance for retention payments
Get Active in the Forest Partnership	108,812		0		3,598		112,410		Net funding received in the year
Environmental Education	56,624		0		288		56,912		As above
Tetron Point Storm Water Basin - S106 UK Coal	53,012		0		0		53,012		Ring fenced
Swadlincote Woodlands - Section 106	50,774		0		0		50,774		Current funding ends in 2018/19
Rosliston Forestry Centre	35,892		0		0		35,892		Subject to review
New Play Equipment and Safety Surfacing	22,434		0		408		22,842		Subject to review
Disabled Facility Grants	25,303		-25,303				0		Financing capital expenditure as planned
Maurice Lea Park NHLF Grant	23,012		0		0		23,012		Subject to review
BCU Funding	21,110		0		0		21,110		Subject to review
LSP Reserve	16,357		0		0		16,357		Subject to review
Housing Strategy	40,875		0		10,000		50,875		Expenditure in 2013/14 funded within Budget

## LIST OF EARMARKED RESERVES 2013/14

Specific / Earmarked Reserves - Council Funds	Balance		Usage	Income	Balance	Notes
	b/fwd		13/14	13/14	c/fwd	
	1/4/13	£	£	£	31/3/14	
Homelessness Prevention	176,581		0	0	176,581	As above
Local Council Tax Support Scheme	14,006		0	0	14,006	As above
Welfare Reform	17,003		0	0	17,003	As above
Community Right to Bid	4,873		0	7,855	12,728	Grant - to meet potential cost of listing assets
Community Right to Challenge	0		0	8,547	8,547	Grant - to meet potential cost of service reviews
Property Records - Data sharing	0		0	7,131	7,131	Grant - cost of system changes incurred in 2014/15
Discretionary Housing Payments	14,962		0	0	14,962	Balance held to meet impact of Welfare Reform in 2014/15
Heritage Grants	0		0	10,000	10,000	To be utilised in 2014/15
Electoral Registration	0		0	38,401	38,401	As above
Green Bank Lesiure Centre Refurbishment - retention	2,757		0	0	2,757	Hold pending existing works
Total - Specific Grants and Contributions	2,257,371		-156,222	267,319	2,368,468	
Section 106 - Earmarked Funds	869,879		-202,544	442,393	1,109,728	
TOTAL EARMARKED RESERVES	4,553,040		-761,167	1,110,062	4,901,935	

348,89

348,895

## In Year Transactions

Contra General Fund Reserve	-117,529	397,669	280,140	<i>Recommendation 1.2</i>
Contra Capital Account	-125,791	270,000	144,209	
Contra Vehicle Renewals Fund	-315,303	0	-315,303	
Contra Section 106	-202,544	442,393	239,849	
	<b>-761,167</b>	<b>1,110,062</b>	<b>348,895</b>	

## PROVISIONAL COLLECTION FUND ACCOUNT 2013/14

	Actual 2012/13 £'000	Estimate 2013/14 £'000	Actual 2013/14 £'000	Variance £'000
<b>INCOME</b>				
Council Tax Collectable	43,013	43,877	44,151	274
Business Rates Collectable	21,862	22,456	21,943	-513
Council Tax Benefits	4,952	0	0	0
<b>Total Income</b>	<b>69,827</b>	<b>66,333</b>	<b>66,094</b>	<b>-239</b>
<b>EXPENDITURE</b>				
County Council Precept	34,643	31,626	31,626	0
Police Authority Precept	5,271	4,901	4,901	0
Fire Authority Precept	2,162	1,972	1,972	0
SDDC Precept (incl. Parishes)	5,411	5,014	5,014	0
Distribution of Business Rates	21,772	20,431	20,176	-255
Business Rates Collection Costs	91	91	91	0
Bad Debts Provision - Business Rates	0	1,652	1,361	-291
Provision for outstanding Business Rates Appeals	0	282	315	33
Bad Debts Provision - Council Tax	335	275	347	72
<b>Total Expenditure</b>	<b>69,686</b>	<b>66,244</b>	<b>65,803</b>	<b>-441</b>
<b>Surplus for the Year</b>	<b>141</b>	<b>89</b>	<b>291</b>	<b>202</b>
<b>FUND BALANCE</b>				
Opening Balance 1st April	116	84	84	0
Surplus for Year (as above)	141	89	291	202
<b>Less : Previous Year's surpluses paid over</b>				
Derbyshire County Council	-126	0	0	0
Derbyshire Police Authority	-19	0	0	0
Derbyshire Fire and Rescue Authority	-8	0	0	0
South Derbyshire District Council	-20	0	0	0
<b>Closing Balance as at 31st March</b>	<b>84</b>	<b>173</b>	<b>375</b>	<b>202</b>

## APPENDIX 8

### COLLECTION RATES and FINANCIAL INDICATORS

	Latest Volumes	Yearly target	2007/08 Actual	2008/09 Actual	2009/10 Actual	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Actual	District Average	Target Met 13/14
Council Tax in-year Collection	£44.2m	97.40%	96.00%	96.70%	97.30%	97.80%	97.90%	97.90%	97.80%	98.10%	Yes
Council Tax Arrears Collection	£3.8m	26.70%	NR	NR	26.70%	22.70%	22.30%	23.40%	22.10%	NP	No
Business Rates Collection	£22.4m	96.10%	94.00%	94.50%	96.10%	97.40%	97.10%	98.30%	98.10%	98.10%	Yes
Recovery of Housing Benefit Overpayments	£0.5m	34.20%	30.80%	30.00%	34.20%	31.90%	31.50%	39.50%	37.50%	NP	Yes
Sundry Debtor Collection (incl. Arrears)	£4.6m	82.60%	NR	NR	82.60%	90.40%	87.20%	90.60%	78.90%	NP	No
<b>Benefits - Speed of Processing (Average Time)</b>											
New Claims (Calendar Days)	3,519	18 Days	27 Days	25 Days	25 Days	20 Days	16 Days	16 Days	17 Days	22 Days	Yes
Change of Circumstances (Calendar Days)	28,502	8 Days	8 Days	12 Days	12 Days	13 Days	7 Days	7 Days	14 Days	12 Days	No
<b>Financial Efficiency</b>											
Percentage of Invoices paid within 30-days	5,100	97.50%	94.40%	93.90%	97.00%	96.90%	97.10%	98.20%	96.40%	NP	No
Percentage of Invoices paid within 10-days	5,100	65.00%	NR	NR	NR	NR	74.40%	80.60%	69.10%	NP	Yes
Number of Payments made Electronically	36,000	90.00%	NR	NR	NR	NR	91.30%	93.70%	98.30%	NP	Yes

### NOTES

**NR - Not recorded**

**NP - Not reported**

**District Averages - Collection Rates are 2012/13 and Benefits Processing is up to December 2013**

**2010/11 - First year under the the Corporate Services Partnership**