
REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE (SPECIAL – FINAL ACCOUNTS)	AGENDA ITEM: 6
DATE OF MEETING:	26th JUNE 2014	CATEGORY: RECOMMENDED
REPORT FROM:	DIRECTOR OF FINANCE and CORPORATE SERVICES	OPEN
MEMBERS' CONTACT POINT:	KEVIN STACKHOUSE 01283 595811 Kevin.stackhouse@south-derbys.gov.uk	DOC: u/ks/accounts/final accounts1314/final out-turn/budget out-turn report 2014
SUBJECT:	BUDGET OUT-TURN and FINANCIAL ACCOUNTS 2013/14	REF:
WARD (S) AFFECTED:	ALL	TERMS OF REFERENCE: FM 08

1.0 Recommendations

1.1 To approve the final out-turn position for:

- The General Fund Revenue Account 2013/14
- The Housing Revenue Account 2013/14
- Capital Expenditure and Financing 2013/14
- The Collection Fund 2013/14
- The Balance of Reserves and Provisions at 31st March 2014.

2.0 Purpose of Report

- 2.1 To detail the final out-turn position for 2013/14 on the Council's main revenue and capital accounts. The report also details the financial position on these accounts as at 31st March 2014 compared to that estimated in the Council's Medium-Term Financial Plan (MTFP).
- 2.2 This follows the provisional out-turn report considered by the Committee on 20th May 2014, which detailed the Council's indicative position including detailed figures and financial commentary.
- 2.3 This report confirms final figures (prior to External Audit) and provides an update where applicable.

Background

- 2.4 The Council's Draft Annual Accounts and Financial Statements (prior to Audit) will be signed off by the Chief Finance Officer for External Audit on 30th June 2013. In accordance with the Account and Audit Regulations, the accounts will be reported to the Committee after the audit has been completed.

- 2.5 The Auditor's detailed report will be considered by the Audit Committee on 24th September. The audited accounts along with the Auditor's Opinion will be reported at a meeting of this Committee on 25th September 2014.
- 2.6 This report summarises the performance against the Council's approved budgets on the General Fund, Housing Revenue and Capital Accounts. It also provides details of the Collection Fund position, together with details of reserves, provisions and balances.
- 2.7 As reported to the Committee on 20th May, the Council's out-turn position was favourable compared to that budgeted. This report does not include all the detailed commentary previously reported, but does include the detailed accounts as appendices.
- 2.8 The only changes made are to update for the final position regarding Business Rates, Court Costs income and an increased provision for Housing Benefit Subsidy, all of which were subject to final accounts in May. The overall effect of the changes is favourable, compared to that reported in May.
- 2.9 The Collection Fund detail has been expanded to show a split between that relating to Council Tax and that relating to Business Rates, following the introduction of the Retention System for 2013/14. The Collection Fund also includes details of the Local Council Tax Support Scheme.
- 2.10 The Accounts have also been updated for reserve appropriations and contributions to bad debt provisions as approved in May. The May report is available at:

<http://south-derbys.cmis.uk.com/south-derbys/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1789/Committee/367/Default.aspx>

2.11 This report is divided into the following sections:

- Section 3 – General Fund Revenue Account and Collection Fund 2013/14
 - Section 4 – Housing Revenue Account
 - Section 5 – Capital Expenditure and Financing
 - Section 6 – Reserves, Balances and Provisions
 - Section 7 – Local Council Tax Support Scheme 2013/14
-
- 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

3.0 GENERAL FUND REVENUE ACCOUNT

3.1 **Appendices 1 to 3** detail net spending at cost centre level across the 3 main Policy Committees. The appendices show the approved budget compared to the actual out-turn for 2013/14. The following changes have been made:

Increased provision for clawback of housing benefit subsidy following audit of 2012/13 claim	£47,860
Additional court costs reclaimed on Council Tax and Business Rates collection	£69,571
Net Reduction in Service Expenditure	£21,711

3.2 The provision made in the provisional accounts for subsidy was £36,912. This has been increased to £84,763, which is the maximum liability pending the Council providing further evidence and making representations to the DWP.

3.3 Following these changes, a summary of the final accounts is provided in the following tables.

Performance against Budget 2013/14 (by Committee)

Summary by Policy Committee	Original Budget £	Final 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	1,158,179	-943,026	-289,100	-653,926
TOTAL	11,482,988	9,912,649	-1,570,338	-298,986	-1,271,352

Performance against Budget 2013/14 (by Service)

Summary by Main Service Area	Original Budget £	Final 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	190,549	-40,478	-239,849	199,371
Property and Estates	-79,724	-520,290	-440,566	0	-440,566
Revenues and Benefits	352,930	31,417	-321,513	0	-321,513
TOTAL	11,482,987	9,912,649	-1,570,338	-298,986	-1,271,352

Overview of Service Spending

- 3.4 The above tables show that overall financial performance was better with a decrease in net expenditure compared to the Budget (after allowing for transfers between earmarked reserves) of £1,271,352. A reduction was expected as the year progressed as reported in monitoring statements.
- 3.5 The reduction represents 11% of the net budget on the General Fund. The main reasons for the overall decrease are detailed in **Appendix 4** and summarised in the following table.

	£'000
Depreciation and Capital Charges	-325
Approved Savings and Budget Changes	-455
Lower Employee Costs	-301
Additional Income	-546
Net Cost of Housing Benefits	-274
Other Budget Savings	-65
Additional Costs	695
	-1,271

Depreciation and Capital Charges

- 3.6 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.
- 3.7 The lower charge is due to revaluation gains on commercial units in the Town Centre following rent reviews.

Approved Savings and Budget Changes

- 3.8 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)

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

Additional Income

- 3.10 The total increase equates to 12% of the total income received from fees, charges, rents and other levies.

Net Cost of Housing Benefits

- 3.11 The variance equates to 1.5% of the total cost of benefits paid out.

Additional Costs

- 3.12 This Includes provisions made for the refund of Personal Searches and a Planning Appeal, subsidy clawback, together with some voluntary redundancy costs.

Transfers to/from Earmarked Reserves

- 3.13 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
Total Adjustments - Earmarked Reserves	£298,986

red minus figures denote drawdown of reserve

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

Financing

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

SUMMARY GENERAL FUND 2013/14	Original Budget £	Actual £	Variance £
Net Service Expenditure	11,482,987	9,912,649	-1,570,338
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
Net Revenue Spending	11,421,502	9,857,116	-1,564,386
Financing			
Revenue Support Grant	-3,363,237	-3,380,479	-17,242
Share of Retained Business Rates	-2,204,773	-2,300,642	-95,869
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
Total Financing	-11,282,827	-11,584,475	-301,648
Revenue Surplus for the Year	138,675	-1,727,359	-1,866,034

3.16 The only change from that reported in May is the increase in the Council's share of Retained Business Rates of £2,300,642. This is £96,000 greater than estimated as reported during the year. The detail is provided in the Collection Fund position later in this section.

3.17 The above summary shows that the overall surplus for 2013/14 on the General Fund is approximately £1.7m. This is after taking account of the additional housing benefit provision, together with the increase in retained Business Rates and compares to the provisional figure of £1.6m reported in May.

3.18 However, this is before the proposed transfer to earmarked reserves approved in May which relate to the Local Plan and Green Bank Leisure Centre.

3.19 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

3.20 In addition, the above table shows the additional grant for Welfare Reform used to finance changes to systems, expenditure for which is within the net cost of services and detailed in **Appendix 4**.

- 3.21 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**.
- 3.22 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.

THE COLLECTION FUND

- 3.23 The Collection Fund is the statutory account that records the collection of Council Tax and Business Rates and shows how that income has been distributed to the Government and other Preceptors on the Fund, including this Council.
- 3.24 To reflect a change in accounting regulations following the introduction of the Retained Business Rates system in 2013/14, the Fund is now effectively split between Council Tax and Business Rates.
- 3.25 As regards any surplus or deficit on the Council Tax element, this is transferred to the General Funds of the Preceptors in the following year, with the proportion for South Derbyshire being approximately 11.5%.
- 3.26 The surplus or deficit on the Business Rates part is adjusted at the year-end in question with any monies owing between the preceptors in the form of levies, safety nets and business relief grants, being reflected in the final account.
- 3.27 The final out-turn on the Fund for 2013/14 is detailed in **Appendix 7**.

Council Tax

- 3.28 This achieved a surplus for the year of £291k, broadly in line with £312k projected at the end of the 3rd 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
- 3.29 The amount due to South Derbyshire is approximately £40,000 and this will be reviewed in the 2015/16 Budget Round.

Business Rates

- 3.30 The overall amount collected was lower than estimated. This was mainly due to the extension of the national Small Business Rate Relief Scheme during the year. Consequently, the Business Rate Account shows a deficit of £470k for 2013/14.

3.31 The Council's share (40%) of this is £188k. However, after adjusting for the Compensation Grant for the loss of income, the amount of retained rates before the payment of any Levy is £192,000 greater than estimated and which was included in the Council's financial settlement for 2013/14.

3.32 This is summarised in the following table.

	£'000
Share of Estimated Rates Received in Year	8,292
Less Tariff Payment in Retention System	-5,968
Add Section 31 Compensation Grant	261
Less Share of Collection Fund Deficit	-188
Retained Rates before Levy	2,397
Less Retained Rates in the Funding Formula	-2,205
Additional Net Rates Generated	192
Less Government Levy (50%)	-96
Additional Amount Retained by SDDC	96

Total Retained Business Rates 2013/14 2,301

3.33 After excluding the effects of all reliefs, there was in fact an increase in growth in rates of £192k compared to that estimated and included in the Retention System and Funding Formula.

3.34 Under the Retention System, 50% of this growth is repaid to the Government in the form of a Levy, but the Council is still £96k better than estimated.

Local Council Tax Support Scheme

3.35 Figures for the year are summarised in the following table.

	Estimate	Actual	Variance
Total Amount of Local Council Tax Support Awarded	£4,919,899	£4,656,367	-£263,532
Number of Cases	6,200	5,941	-259
Amount of Extended Payments for 8 weeks	£13,000	£23,424	£10,424
Income from Empty Properties after 3 months	£188,000	£269,506	£81,506
Number of Empty Properties subject to 50% Premium	85	88	3
Additional Council Tax raised from the Premium	£45,900	£55,356	£9,456
Number of Cases subject to 8.5% and 10% reduction(**)	2,000	1,737	-263
Council Tax payable on the above	£185,000	£167,379	-£17,621
Collection Rate on the above	60%	70%	10%
Number of DHP cases awarded	160	303	143
Total Amount awarded	£102,320	£100,989	-£1,331

**** Claimants paying some Council Tax for the first time**

- 3.36 As previously reported the overall cost of the scheme was less than estimated with the number of claimants falling below 6,000. The volatility, a major risk associated with the local scheme, was not as great as expected with the volume and amount of claims remaining fairly consistent.
- 3.37 This is also the case with those claimants making a contribution to Council Tax for the first time. The total number of claimants slightly during the year with a reduction in the associated amount claimed. The collection rate for this amount was 70% for the year.

Discretionary Housing Payments (DHP)

- 3.38 The policy was strictly applied to remain within the overall allocation for the year.

4.0 HOUSING REVENUE ACCOUNT

- 4.1 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.

Final Out-turn 2013/14

- 4.2 Final performance on the HRA is shown in the following table and has not changed from that reported in May.

HRA - Out-turn 2013/14	Revised Estimate £	Actual £	Variance £
Rents	11,802,050	11,762,065	-39,985
Rechargeable Repairs	21,000	2,125	-18,875
TOTAL INCOME	11,823,050	11,764,190	-58,860
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
TOTAL EXPENDITURE	15,246,526	15,230,968	-15,558
HRA NET EXPENDITURE	3,423,476	3,466,778	43,302
Less Depreciation reversed out	-2,851,007	-3,602,312	-751,305
HRA Surplus (-) / Deficit	572,469	-135,534	-708,003

- 4.3 The table shows that the HRA achieved an overall surplus of £135,534, mainly due to slippage on the Planned Maintenance Programme, as expected. There were lower staffing (vacancies), IT, equipment and office accommodation costs, as anticipated.
- 4.4 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.
- 4.5 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). There was also an increase in the Bad Debts provision for outstanding arrears as approved by the Committee in May.
- 4.6 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 final out-turn is detailed in **Appendix 5** with a summary in the following table.

Capital Investment: Final Out-turn 2013/14

Services	Budget £	Actual £	Variance £
Council House Improvements	5,653,094	4,665,963	-987,131
Private Sector Housing Renewal	613,583	693,237	79,654
Leisure and Community Schemes	3,599,409	680,485	-2,918,924
Environmental Development	20,000	33,429	13,429
Property and Equipment	1,544,161	1,493,917	-50,244
Total - Spending	11,430,247	7,567,031	-3,863,216

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 The revised capital programme for council house improvements is now fully in progress. Following external funding being secured and relevant procurement having taken place, a number of the leisure schemes are now progressing.

Financing Capital Expenditure

5.4 The expenditure was financed as summarised in the following table.

Capital Financing: Final Out-turn 2013/14

Funding Source	Budget £	Actual £	Variance £
Government Grants	382,314	370,178	-12,136
External/Partnership Contributions	2,239,145	742,370	-1,496,775
Internal Borrowing	885,367	885,367	0
Council Reserves/Earmarked Funds	701,750	488,513	-213,237
Housing Capital Receipts	5,653,094	4,665,963	-987,131
General Capital Receipts	1,568,577	414,640	-1,153,937
Total - Financing	11,430,247	7,567,031	-3,863,216

5.5 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

Provisions

6.1 As approved, the following 4 provisions have been made in 2013/14 to cover identified liabilities in 2014/15.

- £85k for the clawback of housing benefit subsidy by the DWP relating to the 2012/13 claim.
- £104k for voluntary redundancy which was approved by the Council in March 2014 in relation to the restructures in Legal and Democratic Services, together with Land Charges.
- £100k relating to Local Land Charges for personal searches previously held as a contingent liability.
- £70k for an appeal against refusal for planning permission for houses.

General Fund Reserve

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

General Fund Reserve 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	1,727,359	1,466,987
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
Proposed net transfer to Earmarked Reserves (per Appendix 6)	-21,000	-280,140	-259,140
Closing Balance as at 31st March 2014	4,491,728	5,775,828	1,284,100

6.3 The table shows that the level of general reserves is greater than estimated at March 2014 by approximately £1.2m. This is due to the better out-turn position as detailed in Section 3.

Earmarked Reserves

6.4 The Council maintains 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.
- 6.7 The Council's earmarked reserves are detailed in **Appendix 6**. This shows the overall change on the balances during 2013/14, including the appropriations agreed by the Committee in May.

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 The HRA reserve balance totals £2.82m as at 31st 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
Balance c/f	-2,113,613	-2,821,616	-708,003

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 March 2014 is shown in the following table.

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

General Capital Receipts Reserve

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

GENERAL CAPITAL RECEIPTS RESERVE 2013/14	Estimated £	Actual £	Variance £
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
Balance c/fwd 31st March 2014	996,784	2,151,721	1,154,937

- 6.12 The table shows this reserve is approximately £1.15m greater as at 31st 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.

HOUSING CAPITAL RECEIPTS RESERVE 2013/14	Estimated £	Actual £	Variance £
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
Balance c/fwd 31st March 2014	908,052	1,381,245	473,193

- 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 sheltered accommodation. The amount remaining will be utilised to fund some final works.

7.0 Financial Implications

7.1 As set out and detailed in the report.

8.0 Corporate Implications

8.1 As detailed in the report.

9.0 Community Implications

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

10.0 Background Papers

10.1 None