



Exeter City Council

To the Chair and Members
of the Scrutiny Committee - Resources

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Our ref:

Your ref:

AGENDA FOR
EXETER CITY COUNCIL
SCRUTINY COMMITTEE - RESOURCES

The Scrutiny Committee - Resources will meet on **WEDNESDAY 23 JANUARY 2013**, commencing at **5.30 pm**, in the Rennes Room, Civic Centre, Paris Street, Exeter to consider the following business. If you have an enquiry regarding any items on this agenda, please contact Sarah Selway, Member Services Officer on **Exeter 265275**.

Entry to the Civic Centre can be gained through the Customer Service Centre, Paris Street.

Pages

PART I: ITEMS SUGGESTED FOR DISCUSSION WITH THE PRESS AND PUBLIC PRESENT

1 **APOLOGIES**

To receive apologies for absence from Committee members.

2 **MINUTES**

To sign the minutes of the meeting held on 21 November 2012.

3 **DECLARATIONS OF INTEREST**

Councillors are reminded of the need to declare any disclosable pecuniary interests that relate to business on the agenda and which have not already been included in the register of interests, before any discussion takes place on the item. Unless the interest is sensitive, you must also disclose the nature of the interest. In accordance with the Council's Code of Conduct, you must then leave the room and must not participate in any further discussion of the item. Councillors requiring clarification should seek the advice of the Monitoring Officer prior to the day of the meeting.

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4 **LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 -
EXCLUSION OF PRESS AND PUBLIC**

It is considered that the Committee would be unlikely to exclude the press and public during the consideration of any of the items on the agenda but, if it should wish to do so, the following resolution should be passed:-

RECOMMENDED that, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for consideration of the particular item(s) on the grounds that it (they) involve(s) the likely disclosure of exempt information as defined in the relevant paragraphs of Part I, Schedule 12A of the Act.

5 **QUESTIONS FROM THE PUBLIC UNDER STANDING ORDER 19**

A period of up to 15 minutes will be set aside to deal with questions to the Committee from members of the public.

Details of questions should be notified to the Corporate Manager Democratic & Civic Support at least three working days prior to the meeting. Further information and a copy of the procedure are available from Member Services (265275) also on the Council web site: <http://www.exeter.gov.uk/scrutinyquestions>

6 **QUESTIONS FROM MEMBERS OF THE COUNCIL UNDER STANDING
ORDER 20**

To receive questions from Members of the Council to appropriate Portfolio Holders.

7 **CERTIFICATION WORK REPORT 2011/12**

The Council's External Auditor, Grant Thornton, will present the Certification Work Report 2011/12 to Members – *report circulated* 1 - 14

MATTERS FOR CONSIDERATION BY THE EXECUTIVE

8 **CAPITAL PROGRAMME (2013/14 - 2015/16)**

To consider the report of the Assistant Director Finance – *report circulated* 15 - 24

9 **REVENUE BUDGET PROPOSALS 2013/14**

To consider the report of the Assistant Director Finance – *report circulated* 25 - 38

10 **TREASURY MANAGEMENT STRATEGY REPORT 2013/14**

To consider the report of the Assistant Director Finance – *report circulated* 39 - 48

MATTERS FOR CONSIDERATION BY SCRUTINY COMMITTEE - RESOURCES

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NON-HOUSING AIM BUDGET 2013/14

To consider the report of the Assistant Director Finance, Assistant Director Economy and Assistant Director Housing and Contracts – *report circulated*

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***MEMBERS ARE REQUESTED TO ADVISE THE MEMBER SERVICES OFFICER OF ANY QUESTIONS OR ISSUES ON THE ESTIMATES/FEES AND CHARGES REPORT BY 9.00 AM ON THE DAY OF THE MEETING.**

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RESOURCES - ESTIMATES / FEES AND CHARGES 2013/14

To consider the report of the Assistant Director Finance – *report circulated*

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DATE OF NEXT MEETING

The next **Scrutiny Committee - Resources** will be held on Wednesday 20 March 2013 at 5.30 pm

FUTURE BUSINESS

The schedule of future business proposed for this Scrutiny Committee and other Committees of the Council can be viewed on the following link to the Council's website: <http://www.exeter.gov.uk/forwardplan>
Councillors can view a hard copy of the schedule in the Members Room.

Membership -

Councillors Baldwin (Chair), Ruffle (Deputy Chair), Bowkett, Branston, Brock, Bull, Crew, Crow, D J Henson, Macdonald, Pearson, Robson and Spackman

Find out more about Exeter City Council services by looking at our web site <http://www.exeter.gov.uk>. This will give you the dates of all future Committee meetings and tell you how you can ask a question at a Scrutiny Committee meeting. Alternatively, contact the Member Services Officer on (01392) 265275 for further information.

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Exeter City Council

Certification work report 2011/12

January 2013

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1 Executive Summary

Introduction

- 1.1 Grant Thornton UK LLP, as the Council's auditors and acting as agents of the Audit Commission, is required to certify the claims submitted by the Council. This certification typically takes place some six to 12 months after the claim period and represents a final but important part of the process to confirm the Council's entitlement to funding.
- 1.2 We have certified four claims and returns for the financial year 2011/12 relating to expenditure of £112 million.
- 1.3 This report summarises our overall assessment of the Council's management arrangements in respect of the certification process and draws attention to significant matters in relation to individual claims.

Approach and context to certification

- 1.4 We provide a certificate on the accuracy of grant claims and returns to various government departments and other agencies. Arrangements for certification are prescribed by the Audit Commission, which agrees the scope of the work with each relevant government department or agency, and issues auditors with a Certification Instruction (CI) for each specific claim or return.
- 1.5 Appendix A sets out an overview of the approach to certification work, the roles and responsibilities of the various parties involved and the scope of the work we perform.

Key messages

- 1.6 A summary of all claims and returns subject to certification and details of our certification fee is provided at Appendix B. The key messages from our review are summarised in Exhibit One, and set out in detail in the next section of the report.

Arrangements for certification for claims and returns:

- below £125,000 - no certification
- above £125,000 and below £500,000 - agreement to underlying records
- over £500,000 - agreement to underlying records and assessment of control environment. Where full reliance cannot be placed, detailed testing.

Exhibit One: Summary of Council performance

Aspect of certification arrangements	Key Message
Submission and certification	All of the Council's claims were submitted on time for certification and all claims were certified within the required deadline.
Accuracy of claim forms submitted to the auditor Amendments and qualifications	One return was subject to qualification in the current year, as in the prior year. The number of grants which were subject to amendment in the current year increased from none to two indicating a slight deterioration in performance from the prior year.
Supporting working papers	Supporting working papers for all claims and returns were generally of a good standard, which assisted in the timely certification within the deadlines

The way forward

- 1.7 We have made one recommendation to reflect findings arising from our certification work at Appendix C.

Acknowledgements

- 1.9 We would like to take this opportunity to thank Council officers for their assistance and co-operation during the course of the certification process.

Grant Thornton UK LLP

January 2013

2 Results of our certification work

Key messages

- 2.1 We have certified four claims and returns for the financial year 2011/12 relating to expenditure of £112 million.
- 2.2 The Council's performance in preparing claims and returns is summarised in Exhibit Two.

Exhibit Two: Performance against key certification targets

Performance measure	Target	Achievement in 2011-12		Achievement in 2010-11		Direction of travel
		No.	%	No.	%	
Total claims/returns		4		6		
Number of claims submitted on time	100%	4	100	6	100	↔
Number of claims certified on time	100%	4	100	6	100	↔
Number of claims certified with amendment	0%	2	50	0	0	↓
Number of claims certified with qualification	0%	1	25	1	17	↔

- 2.3 This analysis of performance shows that:
- There were no returns required in 2011/12 for the Housing Revenue Account (HRA) finance base data return or Disabled Facilities Grant reducing the overall number of claims requiring certification from six to four;
 - as in prior years, the Council submitted all of its claims and returns on time, demonstrating its continued commitment to ensuring that appropriate arrangements are in place so that claims and returns are provided to us by the required deadlines; and
 - whilst there has been no change in the number of claims or returns that were qualified, the number of claims and returns that were subject to amendment has increased from none to two, representing a deterioration in performance;
- 2.4 Details on the certification of all claims and returns are included at Appendix B.

- 2.5 Where we have identified significant matters or opportunities for improvement in the compilation of claims and returns, these are summarised below and recommendations are included in the action plan at Appendix C.
- 2.6 We charged a total fee of £30,841 against an indicative budget of £31,000 for the certification of claims and returns in 2011-12. Details of fees charged for specific claims and returns are included at Appendix B.

Significant findings

- 2.7 The following significant findings were identified in relation to the management arrangements and certification of individual grant claims and returns:

Certification of Housing and Council Tax Benefits Scheme

- 2.8 Following the submission of this return to us for certification, the Council subsequently processed further adjustments to its return.
- The Council identified that it was using the incorrect subsidy classification for different rooms within Crescent House. Whilst this resulted in a number of movements between different cells on the claim form the overall impact on the gross benefit expenditure was minimal.
 - During April 2012 Capita, the Council's housing benefits software provider, informed its users that there was an error within its software that might have resulted in potential overpayments. Whilst Capita released an update to fix this error, the accuracy of the fix could not be guaranteed. The Council manually reviewed all the cases that could be impacted and made the necessary changes to the claim form, thereby ensuring that an accurate return was submitted.
- 2.9 As a result of our work performed on the return, we identified the following further matters:
- Data uploads into the Academy system for the DWP's Automatic Transfer to Local Authority System (ATLAS) changes were not being correctly processed by the Academy system. Capita corrected the error in December 2011 and the Council subsequently reviewed all cases where this could have an impact and made the relevant adjustments to the claim.
 - One case was noted where an overpayment had been netted off twice. The Council reviewed all cases where this could have an impact and have confirmed this is an isolated case.
 - Two cases were noted where the Council had overpaid benefits due to the incorrect earnings or assessed pension credit assessed income being recorded in the claim calculations.
- 2.10 As a result of our findings, we were required to select an additional 40 cases to examine. This additional testing is normally undertaken by the Council and reviewed by us, however, Council officers requested our assistance and it was agreed that this additional testing would be undertaken by ourselves. Our additional work identified the following matters.
- One case was noted where the Council correctly entered the claimant's income per the wage slip into the Academy system, however Academy had calculated the incorrect weekly income. Following further investigations by the Council we are satisfied that the current version of Academy will not result in this error occurring again.
 - One additional occurrence of transactions not being created in the Academy system for ATLAS changes was noted.

- One case was noted where the earnings used in the claimants calculation could not be supported by the evidence held within the Council's records.

Future Developments

- 2.11 The Housing Benefit (HB) team is currently going through a process of redesigning the HB system to support the Council in delivering its services more efficiently and providing a better service to its citizens. All elements of the HB system are being looked at and none of the elements from the current system have been taken across. Policies and procedures put in place over previous years have not all been reflected in the new system and this has increased the risk that suitable evidence is not maintained or incorrect payments are made to claimants.
- 2.12 Within our testing we noted one redesign case and the evidence was to a lower standard than the other cases examined. For the period of the subsidy claim the redesign process had just started and therefore the number of cases across the population sampled were relatively low at the time of our work. The number of redesign cases within the 2012-13 claim as a percentage of total cases is expected to substantially increase. The Council should therefore ensure it continues to have arrangements in place to maintain sufficient appropriate evidence for individual claimants underlying entitlement to benefits claimed.

A Approach and context to certification

Introduction

In addition to our responsibilities under the Code of Audit Practice, we also act as agents for the Audit Commission in reviewing and providing a certificate on the accuracy of grant claims and returns to various government departments and other agencies.

The Audit Commission agrees with the relevant grant paying body the work and level of testing which should be completed for each grant claim and return, and set this out in a grant Certification Instruction (CI). Each programme of work is split into two parts, firstly an assessment of the control environment relating to the claim or return and secondly, a series of detailed tests.

In summary the arrangements are:

- for amounts claimed below £125,000 - no certification required
- for amounts claimed above £125,000 but below £500,000 - work is limited to certifying that the claim agrees to underlying records of the Council
- for amounts claimed over £500,000 - an assessment of the control environment and certifying that the claim agrees to underlying records of the Council. Where reliance is not placed on the control environment, detailed testing is performed.

Our certificate

Following our work on each claim or return, we issue our certificate. The wording of this depends on the level of work performed as set out above, stating either the claim or return is in accordance with the underlying records, or the claim or return is fairly stated and in accordance with the relevant terms and conditions. Our certificate also states that the claim has been certified:

- without qualification;
- without qualification but with agreed amendments incorporated by the authority; or
- with a qualification letter (with or without agreed amendments incorporated by the authority).

Where a claim is qualified because the authority has not complied with the strict requirements set out in the certification instruction, there is a risk that grant-paying bodies will retain funding claimed by the authority or, claw back funding which has already been provided or has not been returned. In addition, where claims or returns require amendment or are qualified, this increases the time taken to undertake this work, which impacts on the certification fee.

Certification fees

Each year the Audit Commission sets a schedule of hourly rates for different levels of staff, for work relating to the certification of grant claims and returns. When billing the Council for this work, we are required to use these rates. They are shown in the table below.

Role	2011/12	2010/11
Engagement lead	£325	£325
Manager	£180	£180
Senior auditor	£115	£115
Other staff	£85	£85

B Details of claims and returns certified for 2011-12

Claim or return	Value (£)	Amended?	Amendment Amount (£)	Qualified?	Fee 2010/11 (£)	Fee 2011/12 (£)	Comments
Housing and council tax benefit scheme	46,083,770	Yes	46,085,562	Yes	19,985	21,810	Detailed findings are set out in section 2 to this report.
National non-domestic rates return	69,052,940	No	69,052,940	No	3,013	3,173	
Pooling of housing capital receipts	775,431	Yes	775,431	No	1,218	2,425	Due to a change in the certification instruction's basis for assessing the threshold for certification, "Total housing capital receipts subject to pooling" is now used as the basis to determine the scope of testing required. As a result of this change additional testing was required in the current year. Our testing identified that the allocation of the "Administrative costs incidental to disposal" was not considered accurate enough to meet the requirements of the certification instructions. Further work to accurately model the costs resulted in a decrease in amount payable to the pool of £495.

Claim or return	Value (£)	Amended?	Amendment Amount (£)	Qualified?	Fee 2010/11 (£)	Fee 2011/12 (£)	Comments
HRA subsidy	(4,276,670)	Yes	(4,276,670)	No	2,715	2,533	The "Number of dwellings at 1 April 2011 including shared ownership" field was reduced by one dwelling to ensure consistency between this claim form and the Base Data Return.
Reporting to those charged with Governance	-	-	-	-	862	900	
Total	111,635,471		111,637,263		31,576	30,841	£3,596 was charged for 2010-11 schemes that did not require certification for 2011-12.

C Action plan

Claim or return	Recommendation	Priority (L/M/H)	Management response & implementation details
Housing Benefit	The Council should ensure it continues to have arrangements in place to maintain sufficient appropriate evidence for individual claimants underlying entitlement to benefits claimed.	H	<p>The Council has already discontinued the use of paper files (tralled within redesign), as they presented a significant risk to evidence being lost. The evidence already collected in those paper files has been scanned onto the existing dip system to ensure that it cannot be lost. All evidence taken from customers face to face is now scanned immediately onto the system.</p> <p>More evidence workshops are being arranged for January and February, especially for those staff involved in redesign, so as to ensure staff are confident about what is appropriate and necessary to take. They also now have a dedicated resource to support and mentor them. With regard to claims processed prior to scanning being re-introduced, we have identified all cases and have planned to do a risk based check to ensure the quality of evidence and accuracy of those payments.</p>

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EXETER CITY COUNCIL

SCRUTINY COMMITTEE - RESOURCES 23 JANUARY 2013

EXECUTIVE 5 FEBRUARY 2013

CAPITAL PROGRAMME (2013/14 – 2015/16)

1. PURPOSE OF THE REPORT

- 1.1 To approve the General Fund and Housing Revenue Account Capital Programmes for 2013/14 along with schemes identified for the following two years.

2. BACKGROUND

- 2.1 In accordance with the Prudential Code for Capital Finance in Local Authorities, the Council is required to prepare three-year capital expenditure plans and consider the affordability of its capital investment during all the years in which it will have a financial impact on the authority.
- 2.2 The key objectives of the Prudential Code are to ensure that the capital investment plans of local authorities are affordable, prudent and sustainable and in considering its programme for capital investment, the Council is therefore required to have regard to:
- Affordability, e.g. implications for Council Tax and rent levels
 - Prudence and sustainability, e.g. implications for external borrowing
 - Value for money, e.g. option appraisal
 - Stewardship of assets, e.g. asset management planning
 - Service objectives, e.g. strategic planning for the authority
 - Practicality, e.g. achievability of the forward plans

3. AVAILABLE CAPITAL RESOURCES

- 3.1 In considering the affordability of the Council's capital plans, the authority is required to consider all of the resources currently available to it and estimated resources for the future.
- 3.2 Together with money from the Council's own capital receipts and capital reserves, the annual capital programme is financed from; Government grants, Section 106 monies, partnership funding and other external grants and contributions. If necessary, the Council may borrow to supplement these funds.
- 3.3 Under the prudential capital finance system, individual authorities are responsible for deciding the level of their affordable borrowing. The system is designed to encourage authorities that need, and can afford, to borrow for capital investment to do so.
- 3.4 The Council must ensure that any borrowing decisions remain affordable and to this end, has to adopt a number of prudential indicators, which are set out in the Prudential Code for Capital Finance in Local Authorities, developed by CIPFA. A report to the Executive setting out the Council's Prudential Indicators will be presented at the February meeting along with the overall budget.

3.5 *General Fund Available Resources*

Based upon the assumption that broadly 70% of the Capital Programme will be spent in the financial year it is approved, the Council will have to continue to use borrowing for capital purposes. Appendix 1 sets out the use of the resources available in respect of the General Fund.

3.6 A borrowing requirement of £9.507 million has been identified over the next four financial years, which will have an ongoing impact on the Council Tax. The current revenue cost of borrowing is between £45,000 and £55,000 for each £1 million that is borrowed. This represents between £5,000 and £15,000 in interest payments and £40,000 set aside for the repayment of the debt. The affordability of the General Fund capital programme is ultimately decided by the incremental impact of capital investment decisions on the Council Tax.

3.7 *Housing Revenue Account Available Resources*

The capital programme for 2013/14 will be funded from the Major Repairs Reserve, Revenue Contributions and any external contributions and capital receipts generated in the period. Appendix 2 sets out the use of the resources available in respect of the HRA.

4. **GENERAL FUND CAPITAL PROGRAMME**

4.1 The proposed capital programme is set out in Appendix 3. The table below sets out the total of new capital bids included within the three-year capital expenditure plans for Executive to consider for approval:

Status	2013/14 £	2014/15 £	2015/16 £	Future Years £
Pre-approved schemes	744,830	601,000	551,000	551,000
New bids	2,449,000	4,420,000	700,000	650,000
Total General Fund Capital Programme	3,193,830	5,021,000	1,251,000	1,201,000

4.2 The capital programme has been set out in line with the new Council Purposes, in order to demonstrate how the Council's capital priorities help to contribute towards their achievement. Although a number of schemes contribute to the achievement of more than one vision theme, they have been placed under the theme to which it is considered the scheme contributes the most.

4.3 Details of the new capital bids are set out below, in order to provide an indication of how the Council seeks to further its capital investment.

4.3.1 *Help Me Find Somewhere Suitable to Live*

Budget provision is sought to continue the Warm Up Exeter / PLEA scheme.

4.3.2 *Provide Great Things for Me to See, Do and Visit*

Funding is requested to improve the appearance, play value and usability of a number of children's play areas and to extend the useful life of each site.

Funding is requested to replace Plant and Equipment at leisure facilities across the City, as stipulated in the leisure services contract.

Budget provision is also sought to replace the running track and associated field event runways at Exeter Arena with a superior impermeable surface.

4.3.3 *Improve the Environment and my Neighbourhood*

It is proposed that funding be made available to purchase an area of land to the north of the City.

Funding is requested towards a Northbrook flood alleviation scheme and also a contribution of £3 million towards major flood prevention works for the City.

4.3.4 *Maintain the Assets of our City*

It is proposed that funding be made available to fix or at least greatly reduce the flow of water passing under the structure from the canal into the river Exe.

Funding is also sought to replace the windows in Verney House and to recover and insulate the roof of the Guildhall preventing leaks and improving the energy efficiency of the building.

4.3.5 *Other*

The proposed programme for the next financial year includes provision to continue with the programmes to replace and upgrade the Council's PC's and enhance and upgrade the corporate network infrastructure, and to increase server and storage capacity to meet the current and predicted demand.

Budget provision is also sought to implement a number of invest to save opportunities and to allow for the continuation of the Council's vehicle replacement programme to ensure that a safe and reliable fleet is maintained. Further investment is requested to replace 62 Pay & Display machine in the car parks to improve reliability and meet Disability Discrimination Act (DDA) requirements.

5. HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME

5.1 For 2013/14, the medium term financial plan provides for a capital programme of £9,090,030. A copy of the HRA Capital Programme is attached at Appendix 4.

5.2 The HRA Capital Programme will be funded by:

- Major Repairs Reserve £4.053m
- Revenue Contributions to Capital £5.037m

5.3 These resources will be utilised to improve Council dwellings so that they meet not only the Government's Decent Homes Standard but also the higher Exeter Standard, which the Council has agreed with its tenants.

6. RECOMMENDATIONS

6.1 It is recommended that the Scrutiny Committee – Resources supports and the Executive approves:

- The General Fund capital programme for 2013/14 as set out in Appendix 3
- The HRA capital programme for 2013/14 as set out in Appendix 4

ASSISTANT DIRECTOR FINANCE

Local Government (Access to Information) Act 1985 (as amended)

Background papers used in compiling this report:

None

GENERAL FUND	2013-14 £	2014-15	2015-16	Future Years £	TOTAL £
CAPITAL RESOURCES AVAILABLE					
Usable Receipts Brought Forward					0
GF capital receipts					0
GF capital receipts from the Canal Basin Redevelopment					0
Revenue Contributions to Capital Outlay	290,000	290,000	290,000	290,000	1,160,000
Disabled Facility Grant					0
Regional Housing Capital Grant					0
Heritage Lottery Fund					0
Other - Grants/External Funding/Reserves/S106					0
Total Resources Available	290,000	290,000	290,000	290,000	1,160,000
GENERAL FUND CAPITAL PROGRAMME					
Capital Programme	744,830	601,000	651,000	551,000	2,547,830
Proposed New Bids	2,449,000	4,420,000	600,000	650,000	8,119,000
Total General Fund	3,193,830	5,021,000	1,251,000	1,201,000	10,666,830
ESTIMATED SPEND IN YEAR	2,235,681	4,472,849	2,382,000	1,576,300	10,666,830
UNCOMMITTED CAPITAL RESOURCES:					
Capital Receipts Brought Forward	0	0	0	0	0
Resources in Year	290,000	290,000	290,000	290,000	1,160,000
Less Estimated Spend in Year	(2,235,681)	(4,472,849)	(2,382,000)	(1,576,300)	(10,666,830)
Borrowing Requirement	1,945,681	4,182,849	2,092,000	1,286,300	9,506,830
Uncommitted Capital Receipts	0	0	0	0	0

HOUSING REVENUE ACCOUNT	2012-13 £	2013-14 £	2014-15 £	2015-16 £	TOTAL £
CAPITAL RESOURCES AVAILABLE					
Usable Receipts Brought Forward					448,163
Major Repairs Reserve Brought Forward	338,291	0	0	0	3,149,400
Other HRA Sales	124,000	145,612	163,294	163,294	338,291
RTB sales	3,666,050	2,186,900	2,186,900	2,186,900	596,200
Major Repairs Reserve	4,466,100	5,037,484	5,437,810	3,492,972	10,226,750
Revenue Contributions to Capital	100,440	0	0	0	18,434,366
External contributions from utility company	40,000	0	0	0	100,440
Commuted sums					40,000
Total Resources available	8,734,881	7,369,996	7,788,004	5,843,166	33,333,610
CAPITAL PROGRAMME					
HRA Capital Programme	9,347,174	9,090,030	8,363,830	5,395,520	32,196,554
Total Housing Revenue Account	9,347,174	9,090,030	8,363,830	5,395,520	32,196,554
UNCOMMITTED CAPITAL RESOURCES:					
Usable Receipts Brought Forward	448,163	380,504	526,116	689,410	448,163
Major Repairs Reserve Brought Forward	3,149,400	2,604,766	739,120	0	3,149,400
Resources in Year	8,734,881	7,369,996	7,788,004	5,843,166	29,736,047
Less Estimated Spend	(9,347,174)	(9,090,030)	(8,363,830)	(5,395,520)	(32,196,554)
Uncommitted Capital Resources	2,985,270	1,265,236	689,410	1,137,056	1,137,056
WORKING BALANCE RESOURCES:					
Balance Brought Forward	5,764,422	5,869,622	7,581,782	8,958,410	5,764,422
HRA Balance Transfer - Surplus/(Deficit)	105,200	1,712,160	1,376,628	4,422,341	7,616,329
Balance Carried Forward	5,869,622	7,581,782	8,958,410	13,380,751	13,380,751
Balance Resolved to be Retained	(2,500,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)
	3,369,622	4,581,782	5,958,410	10,380,751	10,380,751
TOTAL AVAILABLE CAPITAL RESOURCES	6,354,892	5,847,018	6,647,820	11,517,807	11,517,807

GENERAL FUND - CAPITAL PROGRAMME 2013/14 AND FUTURE YEARS

SCHEMES LISTED WITHIN COUNCIL PURPOSES	2013/14 £	2014/15 £	2015/16 £	Future Years £	Funding
HELP ME FIND SOMEWHERE SUITABLE TO LIVE					
Disabled Facilities Grants	290,000	290,000	290,000	290,000	External Grant
Warm Up Exeter/PLEA scheme	100,000 #	100,000 #	100,000 #	100,000 #	Borrowing
Renovation Grants	50,000	50,000	50,000 #	50,000 #	Borrowing
Private Sector Renewal Scheme	143,830				Borrowing
Wessex Loan Scheme	0	100,000 #	100,000 #		Borrowing
Sub Total - Help me find somewhere suitable to live	583,830	540,000	540,000	440,000	
PROVIDE GREAT THINGS FOR ME TO SEE DO AND VISIT					
Play Area Refurbishments	80,000 #	120,000 #			Section 106 £181,650 and borrowing
Sports Facilities Refurbishment	50,000 #	50,000 #	50,000 #	100,000 #	Borrowing
Replacement of Running Track at Exeter Arena	750,000 #				Borrowing
New Swimming Pool and Leisure Centre				tbc	Borrowing and New Homes Bonus
Sub Total - Provide great things for me to see do and visit	880,000	170,000	50,000	100,000	
OTHER					
Vehicle Replacement Programme	450,000 #	400,000 #	400,000 #	400,000 #	Borrowing
Sub Total - Other	450,000	400,000	400,000	400,000	
TOTAL COMMUNITY CAPITAL PROGRAMME	1,913,830	1,110,000	990,000	940,000	

GENERAL FUND - CAPITAL PROGRAMME 2013/14 AND FUTURE YEARS

SCHEMES LISTED WITHIN COUNCIL PURPOSES	2013/14 £	2014/15 £	2015/16 £	Future Years £	Funding
IMPROVE THE ENVIRONMENT AND MY NEIGHBOURHOOD					
Northbrook flood Alleviation Scheme	200,000 #	300,000 #			Borrowing
Contribution towards major flood prevention works		3,000,000 #			Borrowing
Land Acquisition	280,000 #				New Homes Bonus
Sub Total - Improve the env. and my neighbourhood	480,000	3,300,000	0	0	
MAINTAIN THE ASSETS OF OUR CITY					
Topsham Lock Leak	35,000 #				Borrowing
Verney House - Window Replacement	60,000 #				Borrowing
Sub Total - Maintain the assets of our city	95,000	0	0	0	
OTHER					
Replacement of car park pay and display machines	230,000 #				Borrowing but self financing within 2 years
Sub Total - Other	230,000	0	0	0	
TOTAL ECONOMY CAPITAL PROGRAMME	805,000	3,300,000	0	0	

GENERAL FUND - CAPITAL PROGRAMME 2013/14 AND FUTURE YEARS

SCHEMES LISTED WITHIN COUNCIL PURPOSES	2013/14 £	2014/15 £	2015/16 £	Future Years £	Funding
MAINTAIN THE ASSETS OF OUR CITY					
Guildhall - Recovering and insulating of roof		350,000 #			Borrowing
Sub Total - Maintain the assets of our city	0	350,000	0	0	
OTHER					
Server and Storage Strategy	32,000 #				Borrowing
PC & Mobile Devices Replacement Programme	60,000 #				Borrowing
Corporate Network Infrastructure	22,000 #				Borrowing
Invest to save opportunities	100,000 #				Borrowing but self financing
Capitalised Staff Costs	261,000	261,000	261,000	261,000	Borrowing
Sub Total - Other	475,000	261,000	261,000	261,000	
TOTAL RESOURCES CAPITAL PROGRAMME	475,000	611,000	261,000	261,000	
TOTAL CAPITAL PROGRAMME	3,193,830	5,021,000	1,251,000	1,201,000	
New Bids #	2,449,000	4,420,000	700,000	650,000	
Pre-Approved	744,830	601,000	551,000	551,000	
TOTAL CAPITAL PROGRAMME	3,193,830	5,021,000	1,251,000	1,201,000	

HOUSING REVENUE ACCOUNT - CAPITAL PROGRAMME 2013/14 AND FUTURE YEARS

SCHEMES LISTED WITHIN KEY STRATEGIC THEMES		2012-13 B/FWD £	2013-14 £	2013-14 Total £	2014-15 £	2015-16 £	Total £
HOUSING IN THE CITY							
1	Adaptations		600,000	600,000	600,000	600,000	1,800,000
2	Bathroom Replacements		1,030,000	1,030,000	1,060,000	600,000	2,690,000
3	Boiler Replacement Programme		260,000	260,000	260,000	260,000	780,000
4	Central Heating		240,000	240,000	240,000	240,000	720,000
5	Communal Areas	50,000	100,000	150,000	100,000	100,000	350,000
6	Door Entry System Installation		10,000	10,000	10,000	10,000	30,000
7	Electrical Rewires Programmed		460,000	460,000	447,800	447,800	1,355,600
8	Energy Conservation	80,000	30,000	110,000	30,000	30,000	170,000
9	Environmental Improvements		41,000	41,000	25,000	25,000	91,000
10	Fees		389,030	389,030	389,030	300,720	1,078,780
11	Fire Alarms at Sheltered Sites	80,000	-	80,000	-	-	80,000
12	Flood Prevention Works		10,000	10,000	-	-	10,000
13	Fire Prevention Work		200,000	200,000	200,000	200,000	600,000
14	Kitchen Replacements		2,400,000	2,400,000	2,470,000	900,000	5,770,000
15	LAINGS Refurbishments		370,000	370,000	600,000	600,000	1,570,000
16	Other works		50,000	50,000	50,000	50,000	150,000
17	Programmed Reroofing		300,000	300,000	252,000	252,000	804,000
18	Property Entrance Improvements		20,000	20,000	-	-	20,000
19	Rendering of Council Dwellings		260,000	260,000	260,000	260,000	780,000
20	Rennes House Scooter Store		15,000	15,000	-	-	15,000
21	Rennes House Structural Works		1,000,000	1,000,000	850,000	-	1,850,000
22	Replacement Concrete Canopies		25,000	25,000	-	-	25,000
23	Repointing	30,000	20,000	50,000	20,000	20,000	90,000
24	Smoke Detector Replacements		200,000	200,000	-	-	200,000
25	Social Housing Acquisitions		500,000	500,000	500,000	500,000	1,500,000
26	Structural Repairs	20,000	-	20,000	-	-	20,000
27	Council Own Build - Land Purchase	300,000	-	300,000	-	-	300,000
Total HRA Capital Programme		560,000	8,530,030	9,090,030	8,363,830	5,395,520	22,849,380

EXETER CITY COUNCIL

SCRUTINY COMMITTEE - RESOURCES 23 JANUARY 2013

EXECUTIVE 5 FEBRUARY 2013

REVENUE BUDGET PROPOSALS 2013/14

1. PURPOSE OF THE REPORT

- 1.1 This report outlines the strategic framework within which the estimates have been prepared and circulated for discussion and comment during December and highlights the issues that will affect the actual setting of the overall level of council tax.
- 1.2 This report also summarises the overall budget position arising from the current cycle of Scrutiny Committee meetings.

2. BACKGROUND

- 2.1 At its meeting of 4 December 2012, the Executive approved a budget strategy based upon key assumptions including the likely level of available resources and identified spending pressures. This strategy, including the revised medium term financial plan, indicated that the Council needed to reduce its revenue budget by about £2.9 million over the next four years.
- 2.2 Next year will see significant changes affecting Council finances being introduced by Government. These include the following:
 - Local Government Resources Review including Local Business Rate Retention
 - Pooling Arrangements for Business Rates
 - Welfare Reforms and localising support for Council Tax Benefit
 - Technical Reforms to Council Tax
- 2.3 The Government has now announced the provisional two-year local government finance settlement covering 2013/14 and 2014/15. For Exeter the guideline figures are as follows:
 - Formula Funding 2013/14 £7,811,885 (decrease 5.4% against 2012/13 'adjusted' formula funding)

The provisional settlement now indicates that in overall cash terms our 2013/14 formula funding will decrease by £445,922 against the 2012/13 'adjusted' formula funding amount of £8,257,807.

3. LOCAL GOVERNMENT RESOURCE REVIEW INCLUDING LOCALISATION OF BUSINESS RATES

- 3.1 The localisation of Business Rates is intended to provide incentives for local authorities to drive economic growth, as local authorities will be able to retain a share of any growth that is generated in Business Rates revenue in their areas, as opposed to the current system where all Business Rates revenues go to central Government for distribution.
- 3.2 Under the new proposals the overall level of funding to each authority from Central Government for 2013/14 reflects the amount which would have been receivable from Formula Grant (i.e. grant and share of redistributed business rates) had there been no change to the system.
- 3.3 This is achieved by first splitting the business rates collected in the following proportions:
- 50% - to Central Government
 - 9% - to Devon County Council
 - 1% - to the Fire Authority
 - 40% - to be retained by Exeter City Council (the District's Business Rates Baseline)
- 3.4 Whilst there will be some local authorities that earn more in business rates than they used to receive from the current formula grant, there will be others who earn less. The Government takes account of this by introducing a system using "top-ups" and "tariffs". In overall terms however there is no new money for this finance system; it is a redistribution of the current monies allocated to Local Government but on a different basis.
- 3.5 Going forward however, the new system does allow local authorities to keep part of any increase in growth in their business rates base. The element of growth retained by each local authority has now been set at 50%. This will enable more business rates growth to be retained locally than was previously forecast.

4. POOLING ARRANGEMENTS FOR BUSINESS RATES

- 4.1 All the Devon Authorities have been jointly working together and have determined that based on early release of data it would be beneficial to form a Business Rates Pool for Devon. It is expected that pooling will offer the Devon authorities an opportunity to retain more of the business rates generated in their areas, due to the way in which the new process will operate. A proposal for a Devonwide Pool signed off by each relevant s151 officer and Chief Executive was submitted to Government by 9 November deadline.
- 4.2 The Government allowed local authorities a further chance to withdraw from pooling arrangements as long as a decision was made within 28 days of the draft report being published. The deadline of 15 January has now passed and the Council's section 151 officer (Assistant Director Finance) in consultation with the Leader has recommended that Exeter remains within the proposed Business Rates Pool for Devon.
- 4.3 The medium term financial plan has assumed an additional amount of £100,000 next year arising from pooling and localisation of business rates, increasing in subsequent years. At this stage this is a prudent forecast which will only become more certain in future months when the full impact of the new business rates scheme can be more accurately determined.

5. WELFARE REFORM INCLUDING LOCALISING SUPPORT FOR COUNCIL TAX

- 5.1 With the introduction of the Welfare Reform Bill, the Government plans that local authorities will no longer be responsible for the administration of Housing Benefit payments. Benefits payments will form part of the Universal Credit proposals amalgamating a number of welfare payments into one system administered directly by the Department for Works and Pensions (DWP). It is currently proposed to be introduced in October 2013 with a lengthy period of implementation and customers rolling into the system at different stages. This clearly brings with it uncertainties for customers, Council staff and financial uncertainty in understanding clearly the role the Council will play in the future. There is a risk in the calculations to be used by Government to reduce funding to reflect the stopping of this responsibility that the Council could be left disadvantaged.
- 5.2 As part of the Welfare Reform and linked with the Local Government Finance Act, the Government are Localising Support for Council Tax. This has been the subject to a separate report to Executive on 20 November 2012. The proposals are that the Council will become responsible for assisting those on low incomes to help meet their Council Tax liability, not only in terms of administering a scheme but actually setting the scheme details locally. The financial risks associated with this relate to how the Council will be financially reimbursed for the payments made under the scheme and the cost of administration. Under the current system, Council Tax Benefit payments are reimbursed directly to the Council based on actual cost. The new system will instead be based upon an annual allocation and not linked to actual costs thereby giving significant risk to local authorities on potential costs incurred. The Government's financial target of introducing this change is to reduce overall expenditure by 10%, thereby putting local authorities into a difficult position of having to reduce benefits/discounts to those on low incomes compared with the current scheme.

6. TECHNICAL REFORMS TO COUNCIL TAX

- 6.1 The Government is introducing a number of technical reforms to Council Tax from April 2013. The reforms give billing authorities more flexibility on some of the discounts that can be granted which will provide the opportunity to generate additional income. This flexibility relates to:
- Second Homes
 - Empty Properties
 - Properties undergoing or requiring structural works
- 6.2 The reforms were considered as part of a separate report to Executive on 20 November which considered the reforms in more detail. Following approval the reforms will raise an additional £374,000 in council tax revenue of which £33,000 will be directly attributable to the City Council.

7. KEY ASSUMPTIONS

- 7.1 In order to produce the Council's medium financial plan and annual revenue budget a number of factors have to be taken into consideration. Economic factors outside of our control such as inflation, interest rates, and economic growth etc. can have a huge impact upon the council's overall financial position. Consequently it is necessary to make a number of assumptions on such issues so that a meaningful financial plan can be produced.

7.2 With regard to inflation the following assumptions have been made with regard to the revenue budget for 2013/14:

7.3 As a means of finding efficiency savings many non-pay budgets will again not be fully increased for inflation. There will be some exceptions to this in particular where there are ongoing contractual arrangements in place and where the Council has to meet the full price increase e.g. insurance and fuel. Recently released figures show that the rate of Consumer Prices Index (CPI) inflation in the UK remained unchanged at 2.7% during November. Retail prices index (RPI) inflation, which includes housing costs, fell to 3% during November, down from 3.2% in October.

7.4 With regard to interest rates the Bank of England has continued to put the base rate of interest on hold at only 0.5% since March 2009. Most analysts are predicting that interest are likely to remain at their historically low levels in the short term with perhaps only a modest increase towards the end of the next financial year. The low levels of interest rates affect the City Council in different ways. On the negative side the Council has to assume low investment returns on cash deposits. Conversely, on the positive side, the low interest rates currently prevailing means that the cost of short term borrowing remains low. This is particularly important to the City Council now that it has to make use of borrowing in order to fund a significant part of its capital programme.

8. PROVISIONAL LOCAL GOVERNMENT FINANCE SETTLEMENT 2013/14

8.1 As indicated above the provisional settlement provides local authorities with their provisional funding allocations for the next two years. The final allocations are expected to be confirmed in January 2013. The City Council's provisional formula funding settlement for 2013/14 is £7.812 million and this represents an overall cash decrease of £0.446 million (5.4%) compared to the current year 'adjusted' formula funding of £8.258 million.

8.2 Appendix 1 shows as a comparison the formula funding settlement figures for all Devon authorities covering the current spending review period up to 2013/14. The final settlement figures will be announced later this month but at this stage it is not expected that they will be significantly different from the provisional announcement. They appear to show that in comparison with most other Devon Districts the City Council has fared slightly better in percentage terms of formula funding reduced.

8.3 In the grant settlement the Government announced that councils will face an average cut of 1.7% based upon council's 'revenue spending power'. Revenue spending power is a definition used by the Government, which encompasses an individual authority's:

- Council Tax Requirement;
- Formula Grant;
- New Homes Bonus
- Other Grants; and
- NHS funding for social care (not applicable for district councils).

Appendix 2 shows a comparison of Devon authorities using this definition of revenue spending power. Using this measure Exeter's revenue spending power has increased by 2.3% for 2013/14, which compares favourably both nationally and with the other Devon authorities. This is primarily due to this Council's success in generating additional New Homes Bonus funding.

9. MONITORING OF REVENUE SAVINGS – 2012/13

9.1 The revenue budget for the current financial year incorporated proposed savings of £1 million. These savings are monitored during the year as part of the stewardship process and the most recent revenue budget overview report to Executive in December indicated that the Council is on track to deliver those savings.

10. FURTHER ISSUES TO BE CONSIDERED

10.1 Before the Council can finalise its revenue budget for next year there are a number of issues that require further consideration as follows: -

- Equality Impact Assessment
- Central Government advice on the level of Council Tax
- New Homes Bonus
- Future spending pressures and review of the medium term financial planning process
- The level of reserves and balances

11. EQUALITY IMPACT ASSESSMENT

11.1 Equality Impact Assessments (EQIA) form part of the Council's decision making process and are a tool to help the Council identify what effect or possible effects its work may have on different groups of people. All local authorities have a legal responsibility to assess their policies and functions, and to set out how they will monitor any possible negative impact on equality target groups. The Council needs to consider the impact on equalities of all new and reviewed Council strategies, policies, projects, services or functions, budget decisions and restructures. By anticipating the consequences of its actions on equality groups the Council can make sure that, as far as possible, any negative consequences are eliminated, minimised or counterbalanced by other measures, and opportunities for promoting equality are maximised. As part of this process any revenue savings proposals are assessed for any potential equality issues and EQIA's are undertaken as appropriate with the results available on the council's web site. An EQIA has previously been undertaken for both the Council's senior management restructure and organisational review process.

12. COUNCIL TAX

- 12.1 On 8 October 2012, the Chancellor of the Exchequer announced an extra £450 million fund for local authorities who decide to freeze council tax next year. If they do, councils, police and fire authorities will stand to receive £225 million of funding in both financial years 2013/14 and 2014/15, equivalent to raising their 2012/13 council tax by one per cent.
- 12.2 As part of the Local Government Finance settlement the Secretary of State has also announced the council tax referendum principles he proposes to set. He has proposed that a two per cent referendum principle will apply for all local authorities, Police and Fire and Rescue Authorities. This means that if an authority wishes to raise their relevant basic amount of council tax in 2013/14 by more than two per cent, they will have to arrange for a referendum to give the local electorate the opportunity to approve or veto the increase. The result of a referendum will be binding. However importantly there are some exceptions to the 2 per cent excessiveness principle, covering shire district councils, Fire and Rescue Authorities and Police Authorities whose 2012/13 own Band D council tax is in the lower quartile for their category of authority. For these authorities a referendum need only be held where the increase in the relevant basic amount of council tax for 2013/14 is more than 2 per cent and there is a cash increase of more than £5 in the relevant basic amount.
- 12.3 Exeter is identified as an authority that falls into the lower quartile and could therefore increase its council tax next year by up to £5 before a referendum would be triggered. The band D council tax for Exeter is currently £124.84 and an increase of £5 per year equates to an increase of 4.0%. If the Council decided to increase its level of council tax by 4% this would increase council tax revenue by £170,000.
- 12.4 The Budget Strategy presented to Executive in December had assumed that council tax would increase by 2%. However taking into account the revised referendum threshold and the Council's current low level of council tax it is now assumed that council tax can increase by £5 next year.

13. NEW HOMES BONUS

- 13.1 The New Homes Bonus is designed to create an effective fiscal incentive to encourage local authorities to facilitate housing growth. The scheme provides local authorities with a New Homes Bonus grant, equal to the national average for the council tax band on each additional property and paid for the following six years as an unringfenced grant. There is also an enhancement for affordable homes. Whereas previously DCLG has allocated additional funding for the scheme in 2011/12 and 2012/13, this is no longer the case from 2013/14 onwards with funding for the scheme being 'top-sliced' from mainstream grant funding.

- 13.2 To date the Council has received New Homes Bonus of £389,165 in 2011/12, £1,322,664 in 2012/13 and provisionally notified that it will receive a further £2.205 million in 2013/14. The Executive has recently approved a revised allocation that sets out how the New Homes Bonus funding should be used from 2013/14 onwards. Based upon this revision and using future estimates of New Homes Bonus funding the allocation is set out in the table below:-

Year	Top Slice £000's	Community Projects £000's	Major Infrastructure £000's	Unallocated £000's	Total £000's
2011/12	-	-	-	389	389
2012/13	120	361	601	241	1,323
2013/14	120	250	1,418	417	2,205
2014/15	120	250	1,937	547	2,854
2015/16	120	250	2,456	677	3,503
2016/17	120	250	2,975	806	4,151
2017/18	120	250	3,183	858	4,411
Total	720	1,611	12,570	3,935	18,836

14. FUTURE SPENDING PRESSURES AND REVIEW OF THE MEDIUM TERM FINANCIAL PLANNING PROCESS

- 14.1 The Council has a medium term financial strategy that forms an integral part of its formal financial planning processes. The key elements of this strategy form part of the overall Budget Strategy that is approved by Council each year. As a brief reminder the Medium Term Financial Strategy contains the following key points:

- It sets out a 5 year revenue financial plan (covering the period to 2016/17)
- It identifies the likely level of grant support from the government
- Sets out the likely level of future council tax increases
- Identifies future service cost variations
- Identifies level of future investment income and costs of borrowing
- Takes into account the revenue consequences of the Capital Programme
- Identifies the future amount of efficiency savings/cost reductions required for a balanced budget

- 14.2 An updated medium term financial plan (MTFP) covering the period 2012/13 to 2016/17 is attached in Appendix 3. The proposed reductions for next year's revenue budget are £2.19 million.

- 14.3 Although the Council is required to approve an annual revenue budget it does also need to take into account future spending pressures and the likely level of available resources covered by its medium term financial plan. The latest forecast MTFP currently indicates that in addition to the savings proposed for next year the Council will need to reduce its revenue budget by a further £727,000 in 2014/15, £836,000 in 2015/16 and by a further £885,000 in of 2016/17. This would amount to **a cumulative reduction of £2.448 million over the following three years** as shown in the following table:-

Year	Required Savings £000
2014/15	727
2015/16	836
2016/17	885
Total	2,448

- 14.4 Looking to the longer term there are a number of uncertainties and factors that could affect the future financial position. These include: the amount of grant support from central government after 2013/14 including localisation of business rates, the level of future years' pension contributions, potential costs arising from the review of service plans, the cost of any new statutory functions, and additional borrowing and revenue costs in respect of any new capital programme commitments. Any additional revenue costs that are not currently identified within the medium term financial plan will now have to be met from further savings.

15. BALANCES AND RESERVES

- 15.1 The Council's current policy is such that the minimum level of the General Fund Balance will now be £2 million. This is considered a sufficient level taking into account the potential level of financial risk facing the Council in the medium term. The latest estimated position of the General Fund Balance is that it will be £3.476 million as at 31 March 2013, equivalent to 25.3% of Exeter's net revenue budget. The Council's revised medium-term financial plan (Appendix 3) indicates that the General Fund Balance will be reduced to the minimum recommended level of £2 million by the end of 2016/17.
- 15.2 The Council also has other reserves that have been earmarked for specific purposes. The Council's proposed revenue budget for 2013/14 includes a net transfer to earmarked reserves of £2,443,000. This is broken down as shown below:-

Transfer (from)/ to reserves:

	£
New Homes Bonus	2,205,000
Restructuring	<u>238,000</u>
	2,443,000

16. REVENUE ESTIMATES 2013/14 (APPENDIX 4)

- 16.1 The Council's revenue estimates for next year are being considered during the current cycle of Scrutiny Committee meetings for the final budget report to the Executive on 5 February 2013. In total, Service Committee Expenditure for 2013/14 is £11,786,320 which is £1,790,630 less than the current year. A summarised breakdown of this decrease is shown below: -

£000's

Service Committee Expenditure 2012/13	13,580
Net Inflation Allocation	272
Increase in service costs	124
Revenue Savings	<u>(2,190)</u>
Service Committee Expenditure 2013/14	11,786

16.2 In addition there are other items to take into account referred to as 'below the line' as they do not form part of the individual service controllable budgets. These include an estimate of £140,000 for net borrowing in respect of the overall cash balances, £1,358,000 towards meeting the borrowing costs of the Council's capital programme, and new homes bonus grant and transfers in respect of balances and reserves. The Council's total General Fund Expenditure budget requirement for 2013/14 is planned to be £13,522,406, a decrease of £234,746 (1.7%) compared to 2012/13.

17. COUNCIL TAX BUDGET REQUIREMENT 2013/14

17.1 When all the Government Grant funding is taken into account the resultant net expenditure to be financed from council tax is £4,391,189 (as indicated in Appendix 4), a decrease of £365,403 (7.7%) compared to 2012/13. The reason for the decrease is due to the replacement of council tax benefit by the new localised council tax support scheme.

17.2 Each year the Council must estimate the likely surplus or deficit position on its Collection Fund and any such amounts must be taken into account when determining the band D Council Tax amount for 2013/14. For next year it is estimated that the collection fund will break even resulting in neither a surplus or deficit position.

17.3 As indicated above it is proposed that the net expenditure to be funded by council tax for 2013/14 is £4,391,189. When the tax base of 33,820 divides this amount, the proposed band D council tax for 2013/14 will be £129.84, which means that the council tax will increase annually by £5.

18. SUMMARY

18.1 Although the final grant settlement figures from the Government are not expected to be available until the end of January it is unlikely that they will be significantly different from the provisional settlement figures used elsewhere in this report. Based on this and the proposed revenue estimates presented to each Scrutiny Committee the proposed council tax increase for next year will be £5 (4.0%).

19. RECOMMENDATION

- 19.1 That Scrutiny Committee – Resources notes the recommendation to the Executive and comments accordingly.
- 19.2 Executive approves the Draft Revenue budget proposals for 2013/14 and that the recommended minimum level for the General Fund Working Balance remains at £2 million.

ASSISTANT DIRECTOR FINANCE

CORPORATE SERVICES DIRECTORATE

Local Government (Access to Information) Act 1985 (as amended)

Background papers used in compiling this report:

None

FORMULA GRANT DECREASES - DEVON AUTHORITIES

Authority	Adjusted Grant 2010/11 £m	Adjusted Grant 2011/12 £m	Yearly Decrease %	Grant 2012/13 £m	Yearly Decrease %	Grant 2013/14 £m	Yearly Decrease %	Grant Decrease 2010/11 - 2013/14 £m	%
Devon	211.585	184.056	-13.0%	158.320	-14.0%	152.262	-3.8%	-59.323	-28.0%
Plymouth	123.813	111.734	-9.8%	99.916	-10.6%	97.373	-2.5%	-26.440	-21.4%
Torbay	70.108	62.111	-11.4%	55.309	-11.0%	53.038	-4.1%	-17.070	-24.3%
East Devon	7.031	5.908	-16.0%	5.232	-11.4%	4.741	-9.4%	-2.290	-32.6%
Exeter	10.690	9.235	-13.6%	8.258	-10.6%	7.812	-5.4%	-2.878	-26.9%
Mid Devon	5.689	4.795	-15.7%	4.169	-13.1%	4.015	-3.7%	-1.674	-29.4%
North Devon	7.630	6.509	-14.7%	5.715	-12.2%	5.374	-6.0%	-2.256	-29.6%
South Hams	4.956	4.166	-15.9%	3.649	-12.4%	3.384	-7.3%	-1.572	-31.7%
Teignbridge	8.703	7.417	-14.8%	6.512	-12.2%	6.030	-7.4%	-2.673	-30.7%
Torridge	6.064	5.238	-13.6%	4.651	-11.2%	4.457	-4.2%	-1.607	-26.5%
West Devon	4.044	3.409	-15.7%	2.975	-12.7%	2.901	-2.5%	-1.143	-28.3%

REVENUE SPENDING POWER CHANGES - DEVON AUTHORITIES

Authority	Revenue Spending Power 2012/13 £m	Revenue Spending Power 2013/14 £m	Revenue Spending Power Change £m	%
Devon	582.336	570.260	-12.076	-2.1%
Plymouth Torbay	236.609 141.806	232.167 138.505	-4.442 -3.301	-1.9% -2.3%
East Devon Exeter	14.287 15.707	14.111 16.074	-0.176 0.367	-1.2% 2.3%
Mid Devon	10.669	10.781	0.112	1.0%
North Devon	13.296	12.982	-0.314	-2.4%
South Hams	10.593	10.582	-0.011	-0.1%
Teignbridge	16.503	16.322	-0.181	-1.1%
Torridge	9.634	9.720	0.086	0.9%
West Devon	8.725	8.828	0.103	1.2%

MEDIUM TERM REVENUE PLAN (2012/13 - 2016/17)

	2012/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000
Resources					
Central Government Support	8,258	7,812	6,694	6,342	5,903
Extra grant to compensate for council tax freeze	237	118	118	0	0
Council Tax Support Grant		598	598	598	598
Homelessness Grant	505	503	503	503	503
New Homes Bonus	1,323	2,205	2,854	3,503	4,152
Pooling of Business Rates		100	200	250	300
Council Tax - £5 pa 2013/14 and 2.0% following years	4,757	4,391	4,513	4,637	4,767
Likely resources	15,080	15,727	15,480	15,833	16,223
Expenditure					
Service expenditure					
Committee expenditure base budget	13,361	13,580	11,786	11,402	10,866
Inflation	421	272	300	300	300
Potential increase in service costs	846	124	43	0	0
Voluntary Redundancies					
Identified reductions / additional income	(1,048)	(2,190)	0	0	0
Supplementary Budgets and AIM Carry Forward	13,580	11,786	12,129	11,702	11,166
Net Interest	138	140	240	260	270
Forecast Committee Underspend	(258)				
Repayment of capital borrowing	1,107	1,358	1,594	1,754	1,836
New Homes Bonus - Capacity Building	120	120	120	120	120
New Homes Bonus - Community Schemes	361	250	250	250	250
New Homes Bonus - Major Infrastructure	601	1,418	1,937	2,456	2,976
New Homes Bonus - Unallocated	241	417	547	677	806
Other funding	15,965	15,489	16,817	17,219	17,424
Contribution to/ (from) earmarked reserves	(76)	238	0	0	0
Contribution to/ (from) balances - Other	(809)	0	(610)	(550)	(316)
	(885)	238	(610)	(550)	(316)
Annual savings required		0	(727)	(836)	(885)
Total Net Budget	15,080	15,727	15,480	15,833	16,223
Opening General Fund Balance	4,285	3,476	3,476	2,866	2,316
Closing General Fund Balance	3,476	3,476	2,866	2,316	2,000
Balance as a percentage of budget	23.1%	22.1%	18.5%	14.6%	12.3%

(2,448)

DRAFT 2013/14 GENERAL FUND ESTIMATES

	2012/13 BUDGET £	2013/14 BUDGET £	CHANGE £	CHANGE %
Scrutiny - Community	13,552,090	13,108,610	(443,480)	
Scrutiny - Economy	(2,537,130)	(3,909,720)	(1,372,590)	
Scrutiny - Resources	6,094,780	5,717,220	(377,560)	
Senior Management Restructure	(500,000)	0	500,000	
Vacancy Management	0	(100,000)	(100,000)	
Less Notional Capital Charges	(3,029,790)	(3,029,790)	0	
SERVICE ESTIMATES TOTAL	13,579,950	11,786,320	(1,793,630)	-13.2%
Net Interest	150,000	140,000	(10,000)	
Minimum Revenue Provision	1,076,000	1,358,000	282,000	
SERVICE ESTIMATES NET EXPENDITURE	14,805,950	13,284,320	(1,521,630)	-10.3%
New Homes Bonus	(1,322,665)	(2,204,830)	(882,165)	
Transfer to/(from) working balance	(923,198)	0	923,198	
Transfer to/(from) earmarked reserves	1,197,065	2,442,916	1,245,851	
GENERAL FUND EXPENDITURE	13,757,152	13,522,406	(234,746)	(1.7)%
Formula Funding	(8,257,807)	(7,811,885)	445,922	(5.4)%
Pooling of Business Rates	0	(100,000)	(100,000)	
Homelessness Grant	(505,470)	(502,618)	2,852	
Council Tax Support Grant	0	(598,294)	(598,294)	
Council Tax Freeze Grant	(237,283)	(118,420)	118,863	
COUNCIL TAX NET EXPENDITURE	4,756,592	4,391,189	(365,403)	(7.7)%

EXETER CITY COUNCIL

SCRUTINY COMMITTEE - RESOURCES 23 JANUARY 2013

EXECUTIVE
5 FEBRUARY 2013

COUNCIL
26 FEBRUARY 2013

TREASURY MANAGEMENT STRATEGY REPORT 2013/14

1. PURPOSE OF THE REPORT

- 1.1 To seek adoption by the Council of the Treasury Management Strategy Report, incorporating the Annual Investment Strategy 2013/14, as required under section 15(1)(a) of the Local Government Act 2003.

2. BACKGROUND

- 2.1 In February 2011 the Council adopted the *CIPFA Treasury Management in the Public Services: Code of Practice*, which requires the Council to approve a treasury management strategy before the start of each financial year. In November 2011, CIPFA updated the guidance and require the adopted clauses from 2009 to be updated and re-approved.
- 2.2 In addition, the Department for Communities and Local Government (CLG) issued revised guidance on local authority investments in March 2010 that requires the Council to approve an investment strategy before the start of each financial year.

3. CHANGES TO THE STRATEGY

- 3.1 The main change to the Strategy is to seek approval to increase the amount of money that can be held with UK banks. Over recent times, UK banks have been downgraded along with many international financial institutions. All, with the exception of HSBC and Standard Chartered (both F1+), are graded at F1 short term. In line with our Strategy we are only able to deposit £1 million with each Group of Banks (Lloyds TSB Group, Barclays, Nationwide and Royal Bank of Scotland). This has meant we are unable to actively manage our cashflow and invest surplus funds in Banks, thus we have used the Debt Management Office for short term investments at a rate of 0.25%. As a result it would be helpful to allow investments of £3 million to be undertaken on a short term basis (up to 3 months) or in a call account with the four banking groups listed above. We will continue with our policy of not using foreign owned banks under F1+ for investment purposes.

4. RISKS INVOLVED

- 4.1 The economic conditions remain tough and it is important to maintain a hold on the number of counterparties the Council will use. However, there is very little scope in the current strategy to invest any money with UK Banks so an increase in the limit, but not the number of Counterparties would assist the Council in generating additional income, whilst maintaining tight control on the organisations used.

5. CONCLUSIONS

- 5.1 The Strategy continues to limit the types of institution that the Council will lend money to, in order to minimise risk.

6. RECOMMENDATIONS

- 6.1 That Scrutiny and Executive support and Executive recommend to Council the adoption of the new Treasury Management Strategy and delegations contained therein.

ASSISTANT DIRECTOR FINANCE

Local Government (Access to Information) Act 1985 (as amended) Background Papers used in compiling this report:

1. Treasury Management Strategy

EXETER CITY COUNCIL

TREASURY MANAGEMENT STRATEGY 2013/14

1. Introduction

- 1.1 The Council's strategy is based on the requirements of the DCLG's Guidance on Local Government Investments ("Guidance") and CIPFA's Treasury Management in Public Services: Code of Practice and Cross Sectoral Guidance Notes ("CIPFA TM Code").

2. Economic Context

- 2.1 Despite some positive economic growth data towards the end of 2012, the overall uncertainty over the economic outlook persists. Consumer Price Inflation has fallen closer to the Bank of England's 2% target, although it is expected to be affected by volatility in energy and commodity prices throughout 2013.
- 2.2 Having voted to increase quantitative easing by £50bn in July, the Bank's Monetary Policy Committee is waiting to assess the effectiveness of the Funding for Lending Scheme that started in August. Further easing remains a distinct possibility, although there is a developing consensus that it is becoming less effective.
- 2.3 The US Federal Reserve has responded to the slowdown in growth and employment with large scale asset purchases of \$40bn a month until the outlook for the labour market improves substantially. The US public finance 'fiscal cliff' nevertheless remains a serious risk unless a political solution is reached soon.
- 2.4 Interest rate forecasts
The Council's treasury management adviser, Arlingclose, believes that it could be 2016 before official UK interest rates rise. The US Federal Reserve has signalled it will keep interest rates "at exceptionally low levels" until at least 2015. Together with the UK's safe haven status, the minimal prospect of short-term rate rises means that gilt yields are expected to remain near their current lows.

2.5 Arlingclose central interest rate forecast – November 2012

	Bank Rate	3 month LIBID	12 month LIBID	20-year gilt yield*
Current	0.50	0.40	1.09	2.71
Q4 2012	0.50	0.55	1.10	2.80
Q1 2013	0.50	0.55	1.10	2.80
Q2 2013	0.50	0.60	1.25	2.80
Q3 2013	0.50	0.60	1.25	2.80
Q4 2013	0.50	0.60	1.25	2.80
H1 2014	0.50	0.70	1.40	2.90
H2 2014	0.50	0.75	1.40	2.90
H1 2015	0.50	0.75	1.40	3.00
H2 2015	0.50	0.75	1.40	3.00

* The Council can currently borrow from the PWLB at 1% above gilt yields

2.6 *HM Treasury Survey of Forecasts - November 2012*

	Average annual Bank Rate %			
	2013	2014	2015	2016
Highest	0.60	1.60	2.80	3.60
Average	0.50	0.65	1.30	1.80

3. Current and Expected Treasury Portfolios

3.1 Current portfolio

The Council's treasury portfolio as at 31st December 2012 was as follows.

	Principal Amount £m	Interest Rate %
Investments - maturing 2012/13	0.0	
- maturing 2013/14	0.0	
- maturing later	0.0	
Total Investments	0.0	
Debt - maturing 2012/13	0.0	-
- maturing 2013/14	5.0	0.55%
- maturing later	56.9	3.48%
Total Debt	61.9	0.55 – 3.48%
Net Debt	61.9	

3.2 Expected changes

According to current cash flow forecasts, net borrowing is expected to increase by £5 million by 31st March 2013. The future cash flow forecast includes planned borrowing of £4.4 million as part of the 2013/14 capital programme. The decision of whether to take external long-term borrowing will be made in light of current and forecast interest rates.

3.3 Budget implications

The net budget for interest payments in 2013/14 is £139,000 in respect of the General Fund. The HRA covers the interest costs relating to the long term borrowing of £56.9 million. If actual levels of investments and borrowing, and actual interest rates differ from those forecast, performance against budget will be correspondingly different.

4. Investment Strategy

4.1 The Council holds small surplus funds, which represent income received in advance of expenditure plus balances and reserves held. Much of the Council's cash has been used to reduce the amount of debt taken on during the current financial year. Both the CIPFA Code and the CLG Guidance require to Council to invest its funds prudently, and to have regard to the **security** and **liquidity** of its investments before seeking the highest rate of return, or **yield**.

4.2 Specified Investments

Specified investments are those expected to offer relatively high security and liquidity, and can be entered into with the minimum of formalities. The CLG Guidance defines specified investments as those:

- denominated in pounds sterling,
- due to be repaid within 12 months of arrangement,
- not defined as capital expenditure by legislation, and
- invested with one of:
 - the UK Government,
 - a UK local authority, parish council or community council, or
 - a body or investment scheme of "high credit quality".

4.3 The Council defines the following as being of "high credit quality" for making specified investments, subject to the monetary and time limits shown.

In-house investment	Monetary limit ¹	Time limit
UK owned banks and building societies holding short-term credit ratings no lower than F1+ and P-1	£3m each	12 months
Foreign owned banks that deal in sterling holding short-term credit ratings no lower than F1+ and P-1	£2m each	6 months
UK owned banks and building societies holding short-term credit ratings no lower than F1 and P-1	£3m each	3 months
Money market funds ² and similar pooled vehicles holding the highest possible credit ratings (AAA)	£3m each	3 months
UK Central Government	no limit	12 months
UK Local Authorities ³	£3m each	12 months

¹ banks within the same group ownership are treated as one bank for limit purposes

² as defined in the Local Authorities (Capital Finance and Accounting) Regulations 2003

³ as defined in the Local Government Act 2003

4.4 The maximum that will be lent to any one organisation (other than the UK Government) will be £3 million. A group of banks under the same ownership will be treated as a single organisation for limit purposes.

4.5 Non specified Investments

- No non specified investments will be made by the Council.

4.6 Foreign countries

Investments in foreign countries will be limited to those that hold a AAA or AA+ sovereign credit rating from all three major credit rating agencies, and to a maximum of £3 million per country. Only banks that are domiciled in the UK but are owned in another country will be used and need to meet the rating criteria of and will count against the limit for both countries. There is no limit on investments in the UK.

4.7 Liquidity management

The Council uses purpose-built cash flow forecasting software to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a pessimistic basis, with receipts under-estimated and payments over-estimated to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments.

Limits on long-term investments are set by reference to the Council's medium term financial plan and cash flow forecast.

4.8 Credit ratings

The Council uses credit ratings from two main rating agencies Fitch Ratings Ltd and Moody's Investors Service to assess the risk of loss of investments. The lowest available credit rating will be used to determine credit quality.

Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. Where an institution has its credit rating downgraded so that it fails to meet the above criteria then:

- no new investments will be made,
- any existing investments that can be recalled at no cost will be recalled, and
- full consideration will be given to the recall of any other existing investments

Where a credit rating agency announces that it is actively reviewing an organisation's credit ratings with a view to downgrading it so that it is likely to fall below the above criteria, then no further investments will be made until the outcome of the review is announced.

4.9 Other information on the security of investments

Full regard will be given to other available information on the credit quality of banks and building societies, including credit default swap prices, financial statements and rating agency reports. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the above criteria.

4.10 Investment instruments

Investments may be made using any of the following instruments:

- interest paying bank accounts
- fixed term deposits
- call or notice deposits (where the Council can demand repayment)
- certificates of deposit
- treasury bills and gilts issued by the UK Government
- bonds issued by multilateral development banks
- shares in money market funds

5. Planned investment strategy for 2013/14 – In-house

- 5.1 The cash flow forecast will be used to divide surplus funds into three categories:
- Short-term – cash required to meet known cash outflows in the next month, plus a contingency to cover unexpected cash flows over the same period.
 - Medium-term – cash required to manage the annual seasonal cash flow cycle, including amounts to cover forecast shortages, planned uses of reserves, and a longer-term contingency.
 - Long-term – cash not required to meet cash flows, and used primarily to generate investment income.
- 5.2 The Council's in-house managed funds are based on the likely cash-flow position and rarely exceed three months. Investments will be made to ensure that cash flow is protected and borrowing is not required. However, on occasion, money has been invested for a longer period up to 364 days. These are funds which are not required for day-to-day cash management purposes.
- 5.3 The Council will seek to utilise its call accounts (which are linked to base rate) and use short-dated deposits up to 3 months to ensure liquidity of assets for day-to-day cashflow. Although these are essentially cash, a monetary limit in line with the banks credit rating is retained on the accounts. The Council will also make use of the Government's Debt Management Office to ensure the highest possible security for cash. Additionally, the Council's bankers, the Co-operative Bank, operate a Public Sector Reserve Account, which automatically sweeps excess funds from our general bank account into one paying a higher interest rate. There is no limit on the account, with interest varying depending on the amount in the account. However, the credit rating of the Co-operative Bank no longer meets our lending criteria and therefore only minimal funds are kept in this account, where possible.

6. Borrowing Strategy

- 6.1 The Council's capital financing requirement (CFR, or underlying need to borrow) as at 31st March 2013 is expected to be £89.4 million, and is forecast to rise to £93.8 million by March 2014 as capital expenditure is incurred.
- 6.2 The maximum expected long-term borrowing requirement for 2013/14 is:

	£m
Not borrowed in previous years	32.5
Long term borrowing	56.9
Forecast increase in CFR	4.4
Loans maturing in 2011/12	0.0
TOTAL	93.8

- 6.3 The Council made a one-off payment on 28 March 2012, to buy itself out of the HRA subsidy system. The final settlement figure of £56.884 million was confirmed in February 2012. The amount was borrowed from the Public Works Loans Board over a 50 year period and is repayable on maturity at the end of the loan term. The interest rate was 3.48% fixed for the term of the loan.
- 6.4 However, to reduce risk and minimise cost, it has been decided to defer borrowing until later years, and to reduce the size of the Council's investment balance instead.
- 6.5 In addition, the Council will borrow for short periods of time (normally up to one year) to cover cash flow shortages. Currently the Council has outstanding borrowing of £5 million, which was taken for a period of one year at 0.55%.

6.6 Sources of borrowing

The approved sources of long-term and short-term borrowing will be:

- Public Works Loan Board
- any institution approved for investments above
- any other bank or building society on the Financial Services Authority list.

6.7 Debt instruments

Loans will be arranged by one of the following debt instruments:

- fixed term loans at fixed or variable rates of interest
- lender's option borrower's option (LOBO) loans.

As an alternative to borrowing loans, the Council may also finance capital expenditure and incur long-term liabilities by means of:

- leases
- Private Finance Initiative.

6.8 Borrowing strategy to be followed

With short-term interest rates currently much lower than long-term rates, it continues to be more cost effective in the short-term to not borrow and reduce the level of investments held instead. However, with long-term rates forecast to rise in the coming years, any such short-term savings will need to be balanced against potential longer-term costs.

7. Policy on Use of Financial Derivatives

7.1 Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans).

7.2 The Localism Bill 2011 includes a general power competence that removes the uncertain legal position over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment). The latest CIPFA Code requires authorities to clearly detail their policy on the use of derivatives in the annual strategy.

7.3 The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

7.4 Derivative counterparties

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.

7.5 In reality, whilst the Council is required to include the above policy, it is highly unlikely that the Council will engage in such activity.

8. Treasury Management Prudential Indicators

- 8.1 The Council sets each year, in February, prudential indicators for Treasury Management, to ensure that proper control of borrowing and investing is maintained. These indicators can be found in the Council's budget book.

9. Other Matters

- 9.1 The draft revised CLG Investment Guidance also requires the Council to approve the following matters each year as part of the investment strategy:

9.2 Investment consultants

The Council contracts with Arlingclose, who have taken over Sterling Consultancy Services to provide advice and information relating to its investment and borrowing activities. However, responsibility for final decision making remains with the Council and its officers. The services received include:

- advice and guidance on relevant policies, strategies and reports,
- advice on investment decisions,
- notification of credit ratings and changes,
- other information on credit quality,
- advice on debt management decisions,
- accounting advice,
- reports on treasury performance,
- forecasts of interest rates, and
- training courses.

The quality of the advisory service is monitored by the Assistant Director Finance.

9.3 Investment training

The needs of the Council's treasury management staff for training in investment management are assessed annually as part of the staff appraisal process, and additionally when the responsibilities of individual members of staff change. Staff regularly attend training courses, seminars and conferences provided by Arlingclose and CIPFA.

9.4 Investment of money borrowed in advance of need

The Council may, from time to time, borrow in advance of spending need, where this is expected to provide the best long term value for money. Since amounts borrowed will be invested until spent, the Council is aware that it will be exposed to the risk of loss of the borrowed sums, and the risk that investment and borrowing interest rates may change in the intervening period. These risks will be managed as part of the Council's overall management of its treasury risks.

The total amount borrowed will not exceed the authorised borrowing limit. The maximum periods between borrowing and expenditure is expected to be two years, although the Council does not link particular loans with particular items of expenditure.

10. Investment Reports

- 10.1 At the end of the financial year, the Council will prepare a report on its investment activity as part of its Annual Treasury Report. Progress will also be reported after six months of the financial year.

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EXETER CITY COUNCIL

SCRUTINY COMMITTEE – RESOURCES

23 JANUARY 2013

NON-HOUSING AIM BUDGET 2013/14

1 PURPOSE OF THE REPORT

- 1.1 To detail the work proposed to non-housing properties in order to maintain and service such buildings in 2013/14. The work financed from the Asset Improvement and Maintenance fund, referred to as AIM, is contained within the Council's overall revenue budgets.

2 PROPOSED BUDGET

- 2.1 The proposed budget for 2013/14 is:

(A)	Routine Servicing and Maintenance	£	493,100
(B)	Reactive Repairs	£	555,500
(C)	Lease Repairs	£	52,950
(D)	Service Department Recharges	£	214,570
(E)	Service Priorities and contingency	£	104,000

Total (Appendix F) £ 1,420,120

This is a reduction of some £173,000 on the 2012/13 operational budget.

- 2.2 **Appendices A to E** provide further breakdowns of the above budget categories

ROUTINE SERVICING AND MAINTENANCE (APPENDIX A)

- 2.3 This budget represents all identified work needed to inspect, service and maintain plant, equipment, controls, monitoring devices and specific structures and a reduction of some £23,000 on last year's budget is proposed. The work is required annually to ensure plant, equipment and specific structures are maintained in a fully operational and safe state. The costs listed are either based upon historical cost information updated for either operational increases as a result of changes in testing regulations, inflationary increases or for servicing and maintenance regimes that have not, previously been separately identified.

In 2013/14, changes include increased provision for resuming full responsibilities for servicing and maintenance work, outside warranty agreements for RAMM along with provision for maintaining anti-climbing paint and for service charges in relation to the operation of remote energy metering devices.

REACTIVE REPAIRS (APPENDIX B)

- 2.4 This budget is available to finance reactive property repairs and operational service work. Work of this nature is largely unpredictable and may arise in many forms throughout the financial year for any service department

Expenditure is closely monitored and controlled through the year to ensure spending is targeted to mainly urgent and essential repair work as demanded. Such monitoring provides valuable evidence as to whether the budget allocation remains a fair reflection of the financial resource needed.

This also allows for budgets to be established by taking a view of historical expenditure incurred with some allowance for projected inflationary increases. A reduction of some £48,000 is proposed on the previous year, in order to focus spending on only the most essential level of repair.

LEASE REPAIRS (APPENDIX C)

- 2.5 Periodic property checks seek to highlight potential problem areas in respect of leased properties. Often further unanticipated works arise during the year and as a result the full extent of the lease liabilities in each particular year is difficult to quantify accurately.

Nevertheless this 2013/14 budget provides a reduction of £4,000 on last year's budget

SERVICE DEPARTMENT RECHARGES (APPENDIX D)

- 2.7 This budget contains the cost of the internal staff resources required to programme, organise, tender, instigate, supervise, control, monitor and settle accounts in respect of the work proposed for this non-housing AIM programme. The budget reflects an estimate of the amount of Contracts and Engineering and Construction staff resources projected as needed to deliver the identified work programmes. For 2013/14 this budget has been reduced from 2012/13 levels by some £139,000 to mirror the proposed reductions in works budgets.

PRIORITISED WORK PROGRAMME - SERVICE PRIORITIES (APPENDIX E)

Officers have conducted a vigorous prioritisation of requests for projects from services and agreed a programme which limits the amount of work identified as service priorities to those considered either urgent or essential.

This year the need for necessary planned refurbishment work has increased from a particularly low value in 2012/13. However, whilst a contingency budget has again been set, to allow for meeting unforeseen or unplanned work that may become essential during the year, this budget has been reduced from 2012/13 levels. Overall this budget overall has increased by some £42,000 from operational budgets levels used in 2012/13.

3 RECOMMENDED

- (1) that the Committee note the proposed budget of £1,420,120 for non-housing property repairs and maintenance, a reduction of some £173,000 or 11% on last year's budget.

ASSISTANT DIRECTOR FINANCE
ASSISTANT DIRECTOR ECONOMY
ASSISTANT DIRECTOR HOUSING AND CONTRACTS

Local Government (Access to Information) Act 1985 (as amended)

Background papers used in compiling this report:

None

SERVICING AND MAINTENANCE WORK		CODE	BUDGET 2013/14 £
1	Air conditioning maintenance (inclusive of and chiller plant)	Y006347	15,000
2	Corn Exchange Building Service Contracts	Y006348	3,150
3	Routine Maintenance to roller shutter doors	Y006349	6,000
4	Livestock Market Service Contracts	Y006350	3,000
5	Gutter cleaning of various properties	Y006351	14,800
6	Crack monitoring	Y006353	250
7	Routine Maintenance of Lightning Conductors, Various Locations	Y006355	1,300
8	Routine Maintenance of Lifts on Properties (not Civic Centre)	Y006356	6,500
9	Routine Maintenance of Lifts to Civic Centre	T054	7,210
10	Routine Maintenance of Lifts, Various Car Parks	Y006357	7,500
11	Anti climb paint (19 properties by avge £300 for 4 qrts)	Y006358	5,000
12	Fixed Installation testing of electrical installations, various locations (incl some reactive)	Y006359	38,650
13	Portable appliance testing of electrical equipment, various locations	Y006360	7,300
14	Routine Maintenance of Stand-by Generators, Various Locations	Y006361	2,150
15	Routine Maintenance of Sprinklers, Various Locations	Y006362	21,300
16	Routine Servicing and Maintenance of Boiler and Heating Plant, Various Locations (incl react)	Y006363	5,800
17	Routine Maintenance of Heat/Ventilation Controls, Various Sites	Y006365	28,000
18	Maintenance of Card Readers and Barriers in Car Parks	Y006366	325
19	Routine Servicing and Maintenance of outside warranty agreements at RAMM	Y006367	36,000
20	Routine Testing of Fire Alarms	Y006369	18,500
21	Routine Testing of Emergency Lighting	Y006370	43,000
22	Routine Testing of Gas Pumping Station Boreholes	Y006371	3,500
23	Routine Maintenance of Monuments	Y006372	5,000
24	Inspections to structures and monuments (Technical Services Inspections)	Y006373	37,700
25	inspections to ship canal lock gates and banks(Tech Services Inspections)	Y006374	6,000
26	Exe Estuary - Hydrographic Surveys	Y006375	4,500
27	Routine Servicing to Wallgates various locations	Y006376	10,000
28	Routine Servicing of voltage reducer Civic Centre	Y006379	1,500
29	Maintenance of automatic door sets in lobbies of Civic Centre	Y006380	610
30	Radon gas monitoring at underground passages (financed from contingency)	Y006384	1,000
31	Paddling pools equipment inspection and maintenance	Y006385	300
32	Routine Maintenance Gateway Feature Honiton Road	Y006386	2,500
33	Routine Maintenance of Council owned footways	Y006388	15,000
34	Annual Safety Inspection of Memorials	Y006389	16,500
35	Cleaning of High Street Pyramid riddle	Y006390	1,550
36	Routine Servicing and Maintenance of gas detection equipment in car parks	Y006392	1,100
37	Alarm servicing at control centre	Y006393	600
38	Fire protection equipment servicing and maintenance	Y006394	3,500
39	Livestock Market annual structure maintenance	Y006345	11,000
40	Legionella risk assessments	Y006395	70,000
41	City wall maintenance	Y006397	3,500
42	Car park fan maintenance	Y006398	11,600
43	Canal lock gates diver inspections	Y006399	10,300
44	Annual service charge for remote metering devices	Y0063	5,105
		TOTAL £	493,100

APPENDIX B

REACTIVE REPAIRS		BUDGET 2013/14 £
GENERAL REACTIVE WORK & ESSENTIAL WORKS	Y0071-79/M201/M001-2	420,750
CANAL SPECIAL & ESSENTIAL WORKS	Y007530/F030	55,100
CIVIC CENTRE	Y007701	79,650
TOTAL REACTIVE REPAIRS £		555,500

APPENDIX C

LEASE REPAIRS		BUDGET 2013/14 £
LEASE REPAIRS	Y006401	47,590
HEALTH AND SAFETY CHECKS	Y006402	5,360
TOTAL LEASE REPAIRS £		52,950

APPENDIX D

SERVICE DEPARTMENT RECHARGES		BUDGET 2013/14 £
SERVICE RECHARGES	Y006501	214,570
TOTAL SERVICE RECHARGES £		214,570

reduce all reactive by 10%

REF	SERVICE PRIORITIES	CODE	BUDGET 2013/14 £
1	Custom House External decorations		£20,000
7	City wall Repairs Northernhay		£6,500
8	Rolling programme of water pipe repairs		£10,000
14	Topsham Ferry Causeway		£20,000
15	City wall Repairs Burnet patch Bridge and Roman walk		£6,000
n/a	Emergency Non-Programmed and Other Contingency		£41,500
TOTAL SERVICE PRIORITIES £			104,000

SUMMARY	BUDGET FOR 2013/14
	£
ROUTINE SERVICING AND MAINTENANCE WORK	A 3,500
REACTIVE REPAIRS	B 0
LEASE REPAIRS	C 0
SERVICE DEPARTMENT RECHARGES	D 2013/14
SERVICE PRIORITIES	E 10,000
TOTAL £	13,500

EXETER CITY COUNCIL

SCRUTINY COMMITTEE – RESOURCES

23 JANUARY 2013

ESTIMATES 2013/14

1. INTRODUCTION

- 1.1 Attached are the draft estimates for 2013/14, which were discussed on 13 December 2012 but have since had a minor increase in the cost of management unit 86A1 Revenue Collection/Benefits.
- 1.2 This report outlines the strategic framework within which the estimates have been prepared, changes in accounting practices, which affect all budgets and detailed reasons for any significant changes in the management unit estimates.
- 1.3 The budget has been amended to reflect the new management structure. However the savings target for services, have in many cases been included as a one line saving to reflect the fact that the detail has yet to be finalised.

2. BUDGET FRAMEWORK

- 2.1 With regard to inflation, an overall allowance of £300,000 has been set aside for next year. This includes an assumption with regard to increases in pay and increases for utility costs and contracts being offset by increases for fees and charges. For the following three years an annual inflation allowance of £300,000 has also been included for planning purposes. The inflationary assumptions that have been included for next year are as follows:

• Pay Award	1.0%
• Pay – Increments	0.5%
• Electricity	8.0%
• Gas	20.0%
• Oil	12.0%
• Water	5.1%
• Insurance	3.0%
• Rates	2.0%
• Fuel	6.0%
• General Inflation	0.0% - see para 2.2 below
• Income (excluding car parks)	2.5%

- 2.2 As a means of finding efficiency savings many non-pay budgets will again not be fully increased for inflation. There will be some exceptions to this in particular where there are ongoing contractual arrangements in place and where the Council has to meet the full price increase e.g. insurance and fuel. Recently released figures show that the rate of Consumer Prices Index (CPI) inflation in the UK remained unchanged at 2.7% during November. Retail prices index (RPI) inflation, which includes housing costs, fell to 3% during November, down from 3.2% in October.

2.3 With regard to interest rates the Bank of England has continued to put the base rate of interest on hold at only 0.5% since March 2009. Most analysts are predicting that interest are likely to remain at their historically low levels in the short term with perhaps only a modest increase towards the end of the next financial year. The low levels of interest rates affect the City Council in different ways. On the negative side the Council has to assume low investment returns on cash deposits. Conversely, on the positive side, the low interest rates currently prevailing means that the cost of short term borrowing remains low. This is particularly important to the City Council now that it has to make use of borrowing in order to fund a significant part of its capital programme.

2.4 The Government has now announced the provisional two-year local government finance settlement covering 2013/14 and 2014/15. For Exeter the guideline figures are as follows:

- Formula Funding 2013/14 £7,811,885 (decrease 5.4% against 2012/13 'adjusted' formula funding)

The provisional settlement now indicates that in overall cash terms our 2013/14 formula funding will decrease by £445,922 against the 2012/13 'adjusted' formula funding amount of £8,257,807.

2.5 On 8 October 2012, the Chancellor of the Exchequer announced a £450 million fund for local authorities who decide to freeze council tax next year. If they do, councils, police and fire authorities will stand to receive £225 million of funding in both financial years 2013/14 and 2014/15, equivalent to raising their 2012/13 council tax by one per cent. In addition, in 2013/14 the Government will propose to lower the local authority tax referendum threshold to two per cent. After freezing its council tax for the last 2 years, the budget strategy for next year assumes that council tax will increase by 2%, which will raise an extra £96,000.

2.6 The New Homes Bonus is designed to create an effective fiscal incentive to encourage local authorities to facilitate housing growth. The scheme provides local authorities with a New Homes Bonus grant, equal to the national average for the council tax band on each additional property and paid for the following six years as an un-ring-fenced grant. There is also an enhancement for affordable homes. Whereas previously DCLG has allocated additional funding for the scheme in 2011/12 and 2012/13, this is no longer the case from 2013/14 onwards with funding for the scheme being 'top-sliced' from mainstream grant funding.

2.7 To date the Council has received New Homes Bonus of £389,165 in 2011/12, £1,322,664 in 2012/13 and is expecting to receive a further £2.3 million in 2013/14. The Executive has previously determined how the New Homes Bonus funding will be allocated, with 30% and 50% of the funding going towards community projects and major infrastructure respectively after a top slice for capacity building and neighbourhood planning.

2.8 The Council has previously decided not to use any of its New Homes Bonus allocation to fund any of its revenue budget services. Members may however wish to consider using part of the New Homes Bonus funding in order to meet some of the Council's additional revenue costs that have arisen as a result of more homes being built e.g. more refuse bins to collect, more streets to keep clean etc.

2.9 It is expected that the available resources for the General Fund Capital Programme (other than borrowing) over the next 5 years will total about £3.3 million and the capital programme that can be funded other than by borrowing is therefore still quite substantial. In terms of the General Fund, the currently approved capital programme and proposed new bids total almost £22.2 million over the next 4 years with a resultant borrowing requirement of £18.9 million. The current extra revenue cost of borrowing are £50,000 for each £1 million that is borrowed which means the future borrowing costs of the Council's capital programme are significant and must be met within the Council's overall revenue budget. The Capital Programme must therefore be continually reviewed with a view to reducing the programme wherever possible. With regard to proposed new capital bids, approval must be limited to those that are only absolutely essential. New bids should only be successful if they meet strict criteria such as meeting a statutory or health and safety requirement, or if there is a compelling business case to show that they will save costs or generate extra revenue in the future. A list of the proposed new schemes for Scrutiny Committee Resources is attached at Appendix 1.

2.10 The changes in respect of 2013/14 Fees and Charges for the budget are included at Appendix 2.

3. REVENUE BUDGET SAVINGS

3.1 The latest forecast Medium Term Financial Plan currently indicates that in addition to the savings proposed for next year the Council will need to reduce its revenue budget by a further £727,000 in 2014/15, £836,000 in 2015/16 and by a further £885,000 in of 2016/17. This would amount to a cumulative reduction of £2.448 million over the following three years as shown in the following table:-

Year	Required Savings £000
2014/15	727
2015/16	836
2016/17	885
Total	2,448

4. KEY REVENUE BUDGET CHANGES PROPOSED FOR 2013/14

4.1 The Revenue budgets are attached at Appendix 3. The proposed budgets reflect a combination of budget increases and savings and the key changes are as follows:

86A1 REVENUE COLLECTION & BENEFITS

The estimate for Housing Benefit payments has been changed to reflect the outturn forecast for 2012/13 plus case load and price increases for 2013/14 as follows:

- Rent Allowances + 2%
- Rent Rebates + 6%
- Non HRA Rebates + 2%

Discretionary Housing Payments have been increased to £120,000. The Housing Benefits subsidy has been amended to reflect the above increases inline with the 2012/13 performance.

In 2013/14, Council Tax Benefit has been replaced by Local Council Tax Support. Under the new scheme each billing authority has had to design it's own scheme, whilst receiving 10% less funding than was available under the existing scheme. In Exeter, it means that people of working age that previously received benefit will now have to pay approximately 20% of their bill.

There has been an overall reduction in the cost of administering Revenue Collection and Benefits, largely due to staff savings in the Customer Services Centre, see also 86B1 Treasury Services below.

The overall net reduction in Revenue Collection and Benefits is £110,160 which is 0.21% of the total cost of £51.366m.

86A2 ELECTIONS & ELECTORAL REGISTRATION

Whilst the City Council will be running the Devon County Council's elections on its behalf, there are no Exeter City council elections planned in 2013. This gives rise to a one-off saving of an estimated £83,000 in 2013/14.

86A3 CORPORATE

There has been a decrease in the corporate cost allocation from 86B1 Treasury Services management, 86B8 Chief Executive Services, and 86B7 Director of Corporate Services, all largely due to budget reductions and efficiency savings.

The cost of the core external audit fees has reduced due to the disbanding of the Audit Commission and national competition for audit work driving the cost down.

Some of the work on treasury management has been recharged to the Housing Revenue Account (HRA).

86A4 CIVIC CEREMONIALS

The creation of the Corporate Support Unit within management unit 86B5 below has resulted in the staff directly supporting work on Guildhall Chambers and Twinning are now being charged direct to the service.

The retail unit attached to Guildhall Chambers has a new tenant but with a reduction in rental income. This reduction in income has been minimised due to the use of the Jury Room at the Guildhall by the Devon Registration Service.

86A5 DEMOCRATIC REPRESENTATION

There has been a reduction in the cost allocation from 86B1 Treasury Services management, 86B8 Chief Executive Services, and 86B7 Director of Corporate Services, all largely due to budget reductions and efficiency savings.

There was a pay inflation provision made in the budget for Members' Allowances in 2012/13 but it was determined by full Council that no increase should actually be paid. This gave rise to a saving of approximately £10k.

86A6 GRANTS/CENTRAL SUPPORT/CONSULTATION

The rate relief budget from management unit 81A8 Leisure Facilities has been transferred here so that all of the relief costs are shown just in this unit.

There have been some increases in rent grants approved by Grants Committee that are matched by rental income received in other cost centres within the council.

Existing staff within 86A8 Chief Executive Services have reviewed their duties since the reorganisation resulting in a small increase in the recharges to Emergency Planning, Community Safety, and Community Inclusion and Involvement, with a compensating reduction in the recharge to 86A3 Corporate.

86A7 UNAPPORTIONABLE OVERHEADS

There is a balance on Central Support Services and the AIM Fund contingency that appear within Unallocated Central Costs. The actual users of these services will be recharged during 2013/14.

CENTRAL SUPPORT SERVICES ACCOUNTS:

The management units listed below are recharged out across the whole of the Council and are either brought back to zero cost or have balances left that are to be recharged back to the users of the services in 2013/14:

86A8 CHIEF EXECUTIVE SERVICES

The staffing and operational costs of Chief Executive's Services have been reviewed and have resulted in budget savings.

86A9 STRATEGIC / COMMUNITY PARTNERSHIPS

This management unit brings together the Council's community partnerships with the police, health authorities and other councils to establish strategies and programmes within the Exeter area. External project funding has reduced but the cost of administering cost centres S070 Community Safety Partnership and S078 ASB Co-ordinator is shown within management unit 86A6 above.

86B1 TREASURY SERVICES

The staffing and operational review of costs in Treasury Services has resulted in budget savings overall, despite the postage costs of Council Tax Collection and Benefits Administration increasing.

There has been a reduction in the grant received from the Government towards the cost of T009 Benefits Administration.

86B2 INTERNAL AUDIT

The post of Head of Internal Audit was deleted from the establishment from April 2012, resulting in pay savings.

86B3 HUMAN RESOURCES

The Human Resources section has been reviewed after combining with some staff transferred from the Community and Environment administration team (T203), with the resulting staff savings.

86B4 LEGAL SERVICES

There is expected to be a small increase in external income raised from Legal fees levied.

86B5 CORPORATE CUSTOMER SERVICES

The majority of staff from the administration teams of the previous Economy and Community and Environment directorates were transferred to the new Corporate Support Unit with effect from 1 February 2012, to combine with what was the General Office administration team. The budgets for these now disbanded teams have been removed from their old cost centres in the other two committees but all costs have now been recorded here in Resources under cost centre T048. The duties of the team have now been defined and this has resulted in pay savings.

In April 2012 there was a substantial national increase in the cost of postage tariffs.

The reorganisation within the Council has meant that offices have been moved which has created surplus accommodation suitable for renting out to external clients and therefore earn income and share costs. Part of this accommodation has been let to Devon County Council.

There are expected to be further savings in this management unit by April 2013, when the process redesign work is completed affecting services provided within the Customer Service Centre.

86B6 IT SERVICES

Savings have been made on pay costs, mainly due to the deletion of the post of Head of IT Services from April 2012.

There have been some savings in the cost of administering and maintaining IT systems.

86B7 STRATEGIC DIRECTORS

The post of Director of Corporate Services was deleted in April 2012 but the two revised Strategic Directors posts have been moved to this management unit from the other two Resources Committees. The services where they have estimated to spend their time from April 2013 have been recharged.

5. RECOMMENDATION

That members are asked to approve the draft estimates.

ASSISTANT DIRECTOR FINANCE

STRATEGIC DIRECTOR

Local Government (Access to Information) Act 1985 (as amended)
Background papers used in compiling the report:

None

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GENERAL FUND - CAPITAL PROGRAMME 2013/14 AND FUTURE YEARS

SCHEMES LISTED WITHIN COUNCIL PURPOSES	2013/14 £	2014/15 £	2015/16 £	Future Years £	Funding
MAINTAIN THE ASSETS OF OUR CITY					
1 Guildhall - Recovering and insulating of roof		350,000 #			Borrowing
Sub Total - Maintain the assets of our city	0	350,000	0	0	
OTHER					
1 Server and Storage Strategy	32,000 #				Borrowing
2 PC & Mobile Devices Replacement Programme	60,000 #				Borrowing
3 Corporate Network Infrastructure	22,000 #				Borrowing
4 Invest to save opportunities	100,000 #				Borrowing but self financing
5 Capitalised Staff Costs (estimated)	261,000	261,000	261,000	261,000	Borrowing
Sub Total - Other	475,000	261,000	261,000	261,000	
TOTAL RESOURCES CAPITAL PROGRAMME	475,000	611,000	261,000	261,000	

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SCRUTINY COMMITTEE - RESOURCES

	Existing Charge			Recommended Charge from 01/04/2013		
	Fee £ p	VAT £ p	Total £ p	Fee £ p	VAT £ p	Total £ p
A <u>SUPPLY OF PHOTOCOPIES</u>						
Monochrome A4	0.17	0.03	0.20	0.17	0.03	0.20
A3	0.33	0.07	0.40	0.33	0.07	0.40
Colour A4	1.25	0.25	1.50	1.25	0.25	1.50
A3	2.50	0.50	3.00	2.50	0.50	3.00
B <u>HIRE OF COMMITTEE ROOMS AT CIVIC CENTRE</u>						
For official and quasi-official purposes (as determined by Committee)	No Charge			No Charge		
Other Organisations						
Committee Room A - Bad Homburg (1/2 day up to 7.30pm)	48.00	-	48.00	50.00	-	50.00
Committee Room B - Rennes (1/2 day up to 7.30pm)	60.00	-	60.00	62.00	-	62.00
A & B - Bad Homburg & Rennes (as one room) (1/2 day up to 7.30pm) (special charge after 8pm to be negotiated)	120.00	-	120.00	123.00	-	123.00
Morning Coffee (Per cup)	0.62	0.13	0.75	0.62	0.13	0.75
Afternoon Tea (Per cup)	0.46	0.09	0.55	0.46	0.09	0.55
C <u>DATA PROTECTION ACT ENQUIRIES</u>						
(Maximum subject to Data Protection Act)	10.00	-	10.00	10.00	-	10.00
D <u>COUNCIL MINUTES</u>						
Inclusion on mailing list (per annum) for:						
1 Council Agenda/Committee Minutes	46.00	-	46.00	47.00	-	47.00
2 Planning Committee Agenda	108.00	-	108.00	110.00	-	110.00
3 Executive	77.00	-	77.00	79.00	-	79.00
4 Other Committee/Sub-committee Agenda	46.00	-	46.00	47.00	-	47.00
E <u>GENERAL CONVEYANCING, SALE OF COUNCIL HOUSING, ETC.</u>						

All recharges have been based on the actual amount of work involved, the market rate and at the discretion of the Corporate Manager Legal

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SCRUTINY COMMITTEE - RESOURCES

5RESR RESOURCES SUMMARY

APPENDIX 3

SUBJECTIVE ANALYSIS	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON- RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
PAY	7,180,480	105,670	(131,800)	(48,000)	(441,030)	6,665,320
PREMISES	776,020	17,440		(14,000)	(27,370)	752,090
TRANSFER PAYMENTS	48,909,050	2,420,680			(1,948,650)	49,381,080
SUPPLIES & SERVICES	2,911,640	28,110	(10,600)	(21,000)	(44,310)	2,863,840
TRANSPORT	38,310	800			(4,990)	34,120
SUPPORT SERVICES	7,355,370	109,490			(926,490)	6,538,370
CAPITAL CHARGES	685,980	-			-	685,980
Total Expense	67,856,850	2,682,190	(142,400)	(83,000)	(3,392,840)	66,920,800

INCOME	(61,762,070)	(2,582,650)	-	-	3,141,140	(61,203,580)
Total Income	(61,762,070)	(2,582,650)	-	-	3,141,140	(61,203,580)

Net Expenditure **6,094,780** **99,540** **(142,400)** **(83,000)** **(251,700)** **5,717,220**

Represented By	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON- RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
86A1 REVENUE COLLECTION/BENEFITS	2,256,900	52,760			(95,160)	2,214,500
86A2 ELECTIONS & ELECTORAL REG	370,780	5,160		(83,000)	380	293,320
86A3 CORPORATE	903,420	14,360			(178,340)	739,440
86A4 CIVIC CEREMONIALS	240,710	5,030			27,300	273,040
86A5 DEMOCRATIC REPRESENTATION	896,410	16,600			(114,540)	798,470
86A6 GRANTS/CENTRAL SUPPORT/ CONSULTATION	1,016,670	3,330	(4,600)		73,470	1,088,870
86A7 UNAPPORTIONAL OVERHEADS	409,890	4,840			(105,150)	309,580
86A8 CHIEF EXECUTIVE SERVICES	-	(1,430)	(45,400)		46,830	-
86A9 STRATEGIC/ COMMUNITY PARTNERS	-	(10)			10	-
86B1 TREASURY SERVICES	-	6,820	(35,000)		28,180	-
86B2 INTERNAL AUDIT	-	-			-	-
86B3 HUMAN RESOURCES	-	(3,190)			3,190	-
86B4 LEGAL SERVICES	-	(1,050)			1,050	-
86B5 CORPORATE CUSTOMER SERVICES	-	1,910	(40,000)		38,090	-
86B6 IT SERVICES	-	(6,640)	(17,400)		24,040	-
86B7 STRATEGIC DIRECTORS	-	1,050			(1,050)	-
Net Cost	6,094,780	99,540	(142,400)	(83,000)	(251,700)	5,717,220

SCRUTINY COMMITTEE - RESOURCES

86A1 REVENUE COLLECTION / BENEFITS

SUBJECTIVE ANALYSIS	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON-RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
SUPPLIES & SERVICES	76,270	1,530	-	-	(5,650)	72,150
SUPPORT SERVICES	2,066,240	30,990	-	-	(169,290)	1,927,940
TRANSFER PAYMENTS	48,909,050	2,420,680	-	-	(1,948,650)	49,381,080
Total Expense	51,051,560	2,453,200	-	-	(2,123,590)	51,381,170
INCOME	(48,794,660)	(2,400,440)	-	-	2,028,430	(49,166,670)
Total Income	(48,794,660)	(2,400,440)	-	-	2,028,430	(49,166,670)
Net Expenditure	2,256,900	52,760	-	-	(95,160)	2,214,500
Represented By						
S001 REVENUE COLLECTION	699,110	10,490	-	-	(53,920)	655,680
S002 RENT ALLOWANCES	534,120	138,790	-	-	(177,920)	494,990
S003 STATUTORY CONTRIBUTION	19,070	1,530	-	-	(2,560)	18,040
S004 LOCAL COUNCIL TAX SUPPORT ADMINISTRATION	592,210	31,800	-	-	(42,070)	581,940
S005 RENT REBATES	282,870	(140,990)	-	-	123,930	265,810
S006 HOUSING ACT ADVANCES	1,600	20	-	-	(1,000)	620
S007 NON HRA RENT REBATES	127,920	11,120	-	-	58,380	197,420
Net Cost	2,256,900	52,760	-	-	(95,160)	2,214,500

SCRUTINY COMMITTEE - RESOURCES

86A2 ELECTIONS & ELECTORAL REG

SUBJECTIVE ANALYSIS	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON- RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
PAY	208,040	3,530		(48,000)	(4,670)	158,900
PREMISES	19,820	400		(14,000)		6,220
SUPPLIES & SERVICES	80,690	360		(21,000)	3,340	63,390
TRANSPORT	130				50	180
SUPPORT SERVICES	62,480	920			2,050	65,450
CAPITAL CHARGES	1,600					1,600
Total Expense	372,760	5,210		(83,000)	770	295,740

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INCOME	(1,980)	(50)			(390)	(2,420)
Total Income	(1,980)	(50)		-	(390)	(2,420)

Net Expenditure	370,780	5,160		(83,000)	380	293,320
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Represented By						
S010 ELECTORAL REGISTRATION	221,920	2,990			(1,020)	223,890
S011 DISTRICT COUNCIL ELECTIONS	148,860	2,170		(83,000)	1,400	69,430
Net Cost	370,780	5,160		(83,000)	380	293,320

SCRUTINY COMMITTEE - RESOURCES

86A3 CORPORATE

SUBJECTIVE ANALYSIS	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON- RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
SUPPLIES & SERVICES	213,280	4,050	-	-	(56,820)	160,510
SUPPORT SERVICES	1,039,140	15,590	-	-	(161,850)	892,880
Total Expense	1,252,420	19,640	-	-	(218,670)	1,053,390
INCOME	(349,000)	(5,280)	-	-	40,330	(313,950)
Total Income	(349,000)	(5,280)	-	-	40,330	(313,950)
Net Expenditure	903,420	14,360	-	-	(178,340)	739,440
Represented By						
S015 CORPORATE COSTS	856,330	13,780	-	-	(165,930)	704,180
S066 TREASURY MANAGEMENT	47,090	580	-	-	(12,410)	35,260
Net Cost	903,420	14,360	-	-	(178,340)	739,440

SCRUTINY COMMITTEE - RESOURCES

86A4 CIVIC CEREMONIALS

SUBJECTIVE ANALYSIS	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON- RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
PAY	136,470	2,070			14,590	153,130
PREMISES	48,570	1,460			(3,360)	46,670
SUPPLIES & SERVICES	52,230	550			310	53,090
TRANSPORT	6,380	210			(1,180)	5,410
SUPPORT SERVICES	49,410	740			1,940	52,090
CAPITAL CHARGES	31,170					31,170
Total Expense	324,230	5,030	-	-	12,300	341,560

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INCOME	(83,520)				15,000	(68,520)
Total Income	(83,520)	-	-	-	15,000	(68,520)

Net Expenditure	240,710	5,030	-	-	27,300	273,040
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Represented By						
S036 GUILDHALL CHAMBERS	83,500	2,750			33,330	119,580
S037 MAYORALTY	123,620	2,150			(9,370)	116,400
S039 CIVIC HOSPITALITY	10,640	20			(120)	10,540
S040 PUBLIC CELEBRATIONS	13,390	110			(440)	13,060
S041 TWINNING	9,560				3,900	13,460
Net Cost	240,710	5,030	-	-	27,300	273,040

SCRUTINY COMMITTEE - RESOURCES

86A5 DEMOCRATIC REPRESENTATION

SUBJECTIVE ANALYSIS	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON- RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
PAY	20,520	300			(3,840)	16,980
SUPPLIES & SERVICES	297,210	7,770			(11,260)	293,720
TRANSPORT	400				900	1,300
SUPPORT SERVICES	578,280	8,530			(100,340)	486,470
Total Expense	896,410	16,600	-	-	(114,540)	798,470

Net Expenditure

	896,410	16,600	-	-	(114,540)	798,470
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Represented By

S016 DEMOCRATIC COSTS	544,570	7,710			(93,000)	459,280
S046 MEMBERS EXPENSES	351,840	8,890			(21,540)	339,190
Net Cost	896,410	16,600	-	-	(114,540)	798,470

SCRUTINY COMMITTEE - RESOURCES

86A6 GRANTS/CENTRAL SUPPORT/CONSULTATION

SUBJECTIVE ANALYSIS	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON- RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
SUPPLIES & SERVICES	794,160		(4,600)		14,100	803,660
PREMISES					59,510	59,510
SUPPORT SERVICES	222,510	3,330			8,460	234,300
Total Expense	1,016,670	3,330	(4,600)	-	82,070	1,097,470
INCOME					(8,600)	(8,600)
Total Income					(8,600)	(8,600)
Net Expenditure	1,016,670	3,330	(4,600)	-	73,470	1,088,870
Represented By						
S050 GRANTS AND CONTRIBUTIONS	805,080	390	(4,600)		64,290	865,160
S052 EMERGENCY PLANNING	31,380	470			1,160	33,010
S053 COMMUNITY SAFETY	41,960	630			3,260	45,850
S057 COMMUNITY INCLUSION & INVOLVE.	89,900	1,350			12,420	103,670
S060 COMMUNITY CONSULTATION	48,350	490			(7,660)	41,180
Net Cost	1,016,670	3,330	(4,600)	-	73,470	1,088,870

SCRUTINY COMMITTEE - RESOURCES

86A7 UNAPPORTIONABLE OVERHEADS

SUBJECTIVE ANALYSIS	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON- RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
PAY	291,140	4,370			(4,220)	291,290
PREMISES	87,460				(45,870)	41,590
SUPPORT SERVICES	31,290	470			(55,060)	(23,300)
Total Expense	409,890	4,840	-	-	(105,150)	309,580

Net Expenditure	409,890	4,840	-	-	(105,150)	309,580
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Represented By	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON- RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
S051 UNALLOCATED CENTRAL COSTS	118,750	470			(100,930)	18,290
S056 SUPERANNUATION	291,140	4,370			(4,220)	291,290
Net Cost	409,890	4,840	-	-	(105,150)	309,580

SCRUTINY COMMITTEE - RESOURCES

86A8 CHIEF EXECUTIVE SERVICES

SUBJECTIVE ANALYSIS	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON-RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
PAY	828,810	12,550	(39,400)		(132,780)	669,180
SUPPLIES & SERVICES	122,710	400	(6,000)		1,070	118,180
TRANSPORT	4,350	90				4,440
SUPPORT SERVICES	189,160	2,810			(23,430)	168,540
CAPITAL CHARGES	6,610					6,610
Total Expense	1,151,640	15,850	(45,400)	-	(155,140)	966,950
INCOME	(1,151,640)	(17,280)			201,970	(966,950)
Total Income	(1,151,640)	(17,280)	-	-	201,970	(966,950)

Net Expenditure

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Represented By

T081 CHIEF EXECUTIVE	166,040	2,470			(10,520)	157,990
T082 CHIEF EXECUTIVE SUPPORT UNIT	343,740	5,190			(107,810)	241,120
T083 MEMBER SERVICES	306,070	4,490	(39,400)		(1,960)	269,200
T084 PRESS & PUBLIC RELATIONS	211,110	2,390			(54,490)	159,010
T085 EMERGENCY PLANNING	31,380	230	(6,000)		7,400	33,010
T086 COMMUNITY INCLUSION & INVOLV'T	89,900	1,020			12,750	103,670
T087 CHIEF EXECUTIVE INT. RECHARGES	(1,148,240)	(17,220)			201,460	(964,000)
Net Cost	-	(1,430)	(45,400)	-	46,830	-

SCRUTINY COMMITTEE - RESOURCES

86A9 STRATEGIC/COMMUNITY PARTNERSHIP

	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON- RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
PAY	31,810	480			6,410	38,700
SUPPLIES & SERVICES	550					550
TRANSPORT	-					-
SUPPORT SERVICES	9,600	140			(3,140)	6,600
Total Expense	41,960	620	-	-	3,270	45,850

INCOME	(41,960)	(630)			(3,260)	(45,850)
Total Income	(41,960)	(630)	-	-	(3,260)	(45,850)

Net Expenditure	-	(10)	-	-	10	-
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Represented By	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON- RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
S070 COMMUNITY SAFETY PARTNERSHIP	-				6,080	6,080
S071 COMMUNITY SAFETY PROJECTS	-					-
S077 AREA BASED GRANT PROJECTS	-					-
S078 ASB CO-ORDINATOR	41,960	620			(2,810)	39,770
S079 LOCAL STRATEGIC PARTNERSHIP	-					-
S080 COMMUNITY/STRAT/PART/ RECHARGE	(41,960)	(630)			(3,260)	(45,850)
Net Cost	-	(10)	-	-	10	-

SCRUTINY COMMITTEE - RESOURCES

86B1 TREASURY SERVICES

SUBJECTIVE ANALYSIS	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON- RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
PAY	2,296,010	34,790	(35,000)		(156,670)	2,139,130
SUPPLIES & SERVICES	445,450	4,350			(510)	449,290
TRANSPORT	20,110	380			(3,910)	16,580
SUPPORT SERVICES	1,742,490	25,910			(184,630)	1,583,770
CAPITAL CHARGES	97,710					97,710
Total Expense	4,601,770	65,430	(35,000)	-	(345,720)	4,286,480
INCOME	(4,601,770)	(58,610)			373,900	(4,286,480)
Total Income	(4,601,770)	(58,610)	-	-	373,900	(4,286,480)
Net Expenditure	-	6,820	(35,000)	-	28,180	-

Represented By	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON- RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
T001 ACCOUNTANCY SERVICES	788,990	10,490	(10,000)		(62,480)	727,000
T002 CASHIERING SERVICES	88,740	1,300			(12,840)	77,200
T003 COUNCIL TAX COLLECTION	721,880	9,070			(39,450)	691,500
T004 NDR COLLECTION	(22,770)	(1,570)			(11,480)	(35,820)
T007 REVENUES RECOVERY	267,170	3,280	(12,500)		(13,400)	244,550
T008 L.H.A. AND NVQ WORK	8,170					8,170
T009 BENEFITS ADMINISTRATION	982,980	26,470	(12,500)		(82,480)	914,470
T010 BENEFITS INVESTIGATION	273,450	4,260			(30,740)	246,970
T011 BENEFITS JOINT TRAINING POST	32,000	610			13,390	46,000
T013 POLICY TREASURY SERVICES	104,060	1,570			(4,480)	101,150
T015 ADMINISTRATIVE SUPPORT	67,650	1,020			(45,880)	22,790
U080 TREASURY INTERNAL RECHARGES	(3,312,320)	(49,680)			318,020	(3,043,980)
Net Cost	-	6,820	(35,000)	-	28,180	-

SCRUTINY COMMITTEE - RESOURCES

86B2 INTERNAL AUDIT

SUBJECTIVE ANALYSIS	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON-RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
PAY	199,350	3,010			(65,910)	136,450
SUPPLIES & SERVICES	850				150	1,000
TRANSPORT	560	10			(250)	320
SUPPORT SERVICES	33,200	490			4,030	37,720
Total Expense	233,960	3,510	-	-	(61,980)	175,490

TOTAL INCOME	(233,960)	(3,510)			61,980	(175,490)
Total Income	(233,960)	(3,510)	-	-	61,980	(175,490)

Net Expenditure	-	-	-	-	-	-
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Represented By	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON-RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
T018 INTERNAL AUDIT	233,950	3,510			(61,980)	175,480
U081 INTERNAL AUDIT RECHARGES	(233,950)	(3,510)			61,980	(175,480)
Net Cost	-	-	-	-	-	-

SCRUTINY COMMITTEE - RESOURCES

86B3 HUMAN RESOURCES

SUBJECTIVE ANALYSIS	BASE ESTIMATE 2011/2012	INFLATION	RECURRING	NON- RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
PAY	653,480	6,460			(103,120)	556,820
SUPPLIES & SERVICES	57,420	1,140			(5,130)	53,430
TRANSPORT	810	20				830
SUPPORT SERVICES	177,910	2,580			(34,910)	145,580
CAPITAL CHARGES	3,370					3,370
Total Expense	892,990	10,200	-	-	(143,160)	760,030

INCOME	(892,990)	(13,390)			146,350	(760,030)
Total Income	(892,990)	(13,390)	-	-	146,350	(760,030)

Net Expenditure	-	(3,190)	-	-	3,190	-
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Represented By						
T022 IT TRAINER	8,320	120			1,830	10,270
T024 TRAINING	331,730	1,940			(58,900)	274,770
T025 HUMAN RESOURCES	400,240	5,780			(69,180)	336,840
T026 PAYROLL	134,300	2,080			(10,580)	125,800
T027 POLICY HUMAN RESOURCES	18,330	280			(6,330)	12,280
U082 HUMAN RESOURCES RECHARGES	(892,920)	(13,390)			146,350	(759,960)
Net Cost	-	(3,190)	-	-	3,190	-

SCRUTINY COMMITTEE - RESOURCES

86B4 LEGAL SERVICES

SUBJECTIVE ANALYSIS	BASE ESTIMATE 2011/2012	INFLATION	RECURRING	NON- RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
PAY	548,310	8,260			(7,070)	549,500
SUPPLIES & SERVICES	38,340	170			3,540	42,050
TRANSPORT	1,120	20				1,140
SUPPORT SERVICES	108,400	1,490			(22,180)	87,710
CAPITAL CHARGES	-					-
Total Expense	696,170	9,940	-	-	(25,710)	680,400
INCOME	(696,170)	(10,990)			26,760	(680,400)
Total Income	(696,170)	(10,990)	-	-	26,760	(680,400)
Net Expenditure	-	(1,050)	-	-	1,050	-

Represented By						
T038 LEGAL SERVICES	641,500	8,570			(30,700)	619,370
U083 LEGAL INTERNAL RECHARGES	(641,500)	(9,620)			31,750	(619,370)
Net Cost	-	(1,050)	-	-	1,050	-

SCRUTINY COMMITTEE - RESOURCES

86B5 CORPORATE CUSTOMER SERVICES

SUBJECTIVE ANALYSIS	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON- RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
PAY	846,400	12,820	(40,000)		109,510	928,730
PREMISES	612,930	15,510			(37,460)	590,980
SUPPLIES & SERVICES	312,260	2,020			35,180	349,460
TRANSPORT	800	10				810
SUPPORT SERVICES	550,180	8,190			(30,280)	528,090
CAPITAL CHARGES	135,300					135,300
Total Expense	2,457,870	38,550	(40,000)	-	76,950	2,533,370

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INCOME	(2,457,870)	(36,640)			(38,860)	(2,533,370)
Total Income	(2,457,870)	(36,640)	-	-	(38,860)	(2,533,370)

Net Expenditure	-	1,910	(40,000)	-	38,090	-
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Represented By	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON- RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
T048 CORPORATE SUPPORT UNIT	100,680	1,440			187,470	289,590
T051 MAIL	190,840	580			26,180	217,600
T052 TELEPHONES	183,560	2,330			(12,260)	173,630
T054 CIVIC CENTRE	942,780	18,600			(99,680)	861,700
T055 CUSTOMER SERVICE CENTRE	1,024,890	15,600	(40,000)		(60,660)	939,830
U084 CORP CUSTOMER INT RECHARGES	(2,442,750)	(36,640)			(2,960)	(2,482,350)
Net Cost	-	1,910	(40,000)	-	38,090	-

SCRUTINY COMMITTEE - RESOURCES

86B6 IT SERVICES

SUBJECTIVE ANALYSIS	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON- RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
PAY	838,100	12,760	(17,400)		(83,170)	750,290
PREMISES	7,240	70			(190)	7,120
SUPPLIES & SERVICES	414,790	5,770			(19,370)	401,190
TRANSPORT	2,220	30				2,250
SUPPORT SERVICES	427,650	6,280			(135,760)	298,170
CAPITAL CHARGES	410,220					410,220
Total Expense	2,100,220	24,910	(17,400)	-	(238,490)	1,869,240

PROFIT						
INCOME	(2,100,220)	(31,550)			262,530	(1,869,240)
Total Income	(2,100,220)	(31,550)	-	-	262,530	(1,869,240)
Net Expenditure	-	(6,640)	(17,400)	-	24,040	-

Represented By	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON- RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
T047 INFORMATION & GIS MANAGEMENT	197,630	2,470			(9,830)	190,270
T049 DESKTOP & NETWORK SUPPORT	702,960	5,130			(22,830)	685,260
T050 HELPDESK & OPERATIONS	336,030	3,740			(17,020)	322,750
T053 COPY CENTRE	185,000	3,450			(12,500)	175,950
T059 BUSINESS DEV & SYSTEM SUPP.	435,580	6,530			(85,970)	356,140
T060 POLICY IT DEVELOPMENT	97,290	1,410			(75,750)	22,950
T061 WEB SITE ADMINISTRATION	87,040	1,240			(11,240)	77,040
T062 E GOVERNMENT SUPPORT COSTS	52,960	800	(17,400)		(3,060)	33,300
U085 IT SERVICES INTERNAL RECHARGES	(2,094,490)	(31,410)			262,240	(1,863,660)
Net Cost	-	(6,640)	(17,400)	-	24,040	-

SCRUTINY COMMITTEE - RESOURCES

86B7 STRATEGIC DIRECTORS

SUBJECTIVE ANALYSIS	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON- RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
PAY	282,040	4,270			(10,090)	276,220
SUPPLIES & SERVICES	5,430				(3,260)	2,170
TRANSPORT	1,430	30			(600)	860
SUPPORT SERVICES	67,430	1,030			(22,100)	46,360
Total Expense	356,330	5,330	-	-	(36,050)	325,610

INCOME	(356,330)	(4,280)			35,000	(325,610)
Total Income	(356,330)	(4,280)	-	-	35,000	(325,610)

Net Expenditure	-	1,050	-	-	(1,050)	-
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Represented By	BASE ESTIMATE 2012/2013	INFLATION	RECURRING	NON- RECURRING	OTHER ADJUSTMENTS	NEW ESTIMATE 2013/2014
T301 DIRECTOR CORPORATE SER. OFFICE	143,630	2,160	-	-	(145,790)	-
T302 DIRECTOR CORPORATE INT.RECHARG	(143,630)	(2,150)	-	-	145,780	-
T102 DIRECTOR DEVELOPMENT, HSG,CONTRACTS & ECONOMY	166,730	3,340			(7,160)	162,910
T103 PROJECT & BUSINESS MANAGER	45,960	890			(46,850)	-
T401 DIRECTOR PUBLIC REALM, ENVIRONMENT & FINANCE	-				162,700	162,700
U102 DIRECTOR DEVELOPMENT, HSG,CONTRACTS & ECONOMY	(212,690)	(3,190)			52,970	(162,910)
U401 DIRECTOR PUBLIC REALM, ENVIRONMENT & FINANCE	-				(162,700)	(162,700)
Net Cost	-	1,050	-	-	(1,050)	-

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