

Cabinet

20 November 2013



**Forecast of Revenue and Capital
Outturn 2013/14 for General Fund and
Housing Revenue Account – Period to
30 September 2013**

Report of Corporate Management Team

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Purpose of the Report

- 1 To provide Cabinet with a forecast of 2013/14 revenue and capital outturn for the period to 30 September 2013 for the Council's General Fund and Housing Revenue Account.

Background

- 2 This report updates the information presented to Cabinet on 11 September showing the forecasted revenue and capital outturn based on expenditure and income up to 30 June 2013 and incorporates the recommended changes to cash limits within Service Groupings agreed at that time.
- 3 This report also considers for the first time the Collection Funds' performance in respect of Council Tax and Business Rates.

Revenue - Current Position to 30 September 2013

- 4 The table overleaf compares the forecast with the revised budgets and is shown in more detail in Appendices 2 and 3.
- 5 The following adjustments have been made to the Original Budget that was agreed by Full Council in February 2013:
 - (i) agreed budget transfers between Service Groupings;
 - (ii) additions to budget for items outside the cash limit (for Cabinet approval);
 - (iii) planned use of or contribution to Earmarked Reserves (see Appendix 4).

	Original Budget 2013/14	Budget - incorporating adjustments	Service Groupings Forecast of Outturn	Forecasted Variance
	£'000	£'000	£'000	£'000
Assistant Chief Executive	11,178	11,431	11,065	-366
Children and Adults Services	291,815	292,775	280,789	-11,986
Neighbourhood Services	108,776	114,610	113,655	-955
Regeneration and Economic Development	41,801	43,212	42,789	-423
Resources	22,246	19,494	17,812	-1,682
Cash Limit Position	475,816	481,522	466,110	-15,412
Contingencies	7,852	6,270	6,270	0
Corporate Costs	80	3,018	3,046	28
NET COST OF SERVICES	483,748	490,810	475,426	-15,384
Capital charges	-51,723	-51,723	-51,723	0
Interest and Investment income	-1,441	-1,441	-1,700	-259
Interest payable and similar charges	35,148	34,796	32,763	-2,033
Net Expenditure	465,732	472,442	454,766	-17,676
Funded By:				
Council tax	-164,469	-164,469	-164,469	0
Council tax freeze grant	-2,033	-2,033	-2,033	0
Use of earmarked reserves	-4,399	-10,427	-10,427	0
Estimated net surplus on Collection Fund	0	0	0	0
Start up Funding Assessment	-278,370	-278,370	-278,370	0
New Homes Bonus	-4,799	-4,799	-4,799	0
New Homes Bonus - Re-imbusement	-943	-943	-943	0
Section 31 Grant - Small business rate relief	0	0	-2,178	-2,178
Education Services Grant	-7,200	-7,236	-7,698	-462
Forecast contribution to Cash Limit Reserve	-3,519	-4,165	11,247	15,412
Forecast contribution to General Reserves	0	0	4,904	4,904
TOTAL	0	-0	-0	0

Note: Negative figures in the variance column represent an underspend

- 6 The sums Service Groupings have proposed as being outside the Cash Limit are detailed below:

SERVICE GROUPING	PROPOSAL	Amount
		£m
Neighbourhoods	Delayed Leisure Trust Savings	0.440
RED	Whinney Hill School – Security (Surplus Property)	0.083
Resources	Contribution to Newcastle Airport Support	-0.330
	Coroner's Service	0.028
Total		0.221

- 7 After adjusting the budgets as detailed above the forecast outturn for Cash Limit Reserves and the General Reserve are summarised in the table below:

Type of Reserve	Opening Balance as at 1 April 2013	Budgetted use at 1 April 2013	Movement during 2013/14		2013/14 Forecast Outturn
			Planned contribution to (-) or use of reserve	Contribution to (-) or use of reserve	
	£m	£m	£m	£m	£m
Service Grouping Cash Limit					
Assistant Chief Executive	-1.165	0.389	0.000	-0.366	-1.142
Children and Adults Services	-9.732	2.991	0.000	-11.986	-18.727
Neighbourhoods	-2.311	0.139	0.356	-0.955	-2.771
Regeneration and Economic Development	-3.416	0.000	0.290	-0.423	-3.549
Resources	-3.280	0.000	0.000	-1.682	-4.962
TOTAL CASH LIMIT RESERVE	-19.904	3.519	0.646	-15.412	-31.151
General Reserve	-24.410	0.000	0.000	-4.904	-29.314

- 8 The forecasted increase in Cash Limit and General Reserves is a prudent position to be in given the forecasted levels of savings the Council needs to make of more than £100m over the next three years 2014/15 to 2016/17, as the delivery of such is becoming more and more difficult to achieve.
- 9 The reasons for the major variances are detailed by each Service Grouping below.

Assistant Chief Executive

- 10 The forecast revenue outturn for 2013/14 is a cash limit underspend of £0.366m for the year, after taking account of the forecast use of reserves, and items outside the cash limit.
- 11 The forecast underspend is a managed position, reflecting the proactive management of activity by Heads of Service across ACE to remain within the cash limit. The main reasons for the projected underspend is the net effect of the following items;
- In line with corporate policy, employees are budgeted at 97%. As a result of low vacancy levels within the service following restructures (driven by the requirement to meet MTFP savings targets) employee costs in some areas mentioned below are forecasting a small overspend of the overall employees' budget. The forecast overspend in employees is being managed within the service by adjusting planned activity elsewhere within ACE to ensure this overspend is offset.
 - Partnerships and Community Engagement - £17k overspend in employees budget due to low vacancy levels.
 - Planning and Performance - £0.291m underspend primarily due to proactive management of vacancies in anticipation of future year MTFP savings which accounts for £0.147m of the saving. The balance relates to savings in supplies and services including a managed underspend in relation to resident surveys.

- Policy and Communications - £92k underspend predominantly resulting from a £60k managed underspend on supplies and services with the remainder met from staff vacancies in the Civil Contingencies Unit.
- Each of the 14 area action partnerships (AAP) have an 'Area' budget to contribute to local projects of £0.120m in 2013/14. Combined with revenue budgets carried forward from previous years (related to committed expenditure on agreed projects) the total revenue budget across all 14 AAP's is £2.636m. Committed spend of £1.611m is been held against this budget and it is anticipated that the remaining £1.025m will be committed to investments during 2013/14. The forecast outturn assumes that actual expenditure of £1.680m will be incurred by the year end.
- In 2013/14 Members' Neighbourhood revenue budget, including sums carried forward from the previous year, totalled £2.146m. Committed spend of £1.127m is been held against this budget and it is anticipated that the remaining £1.018m will be committed to the associated projects and initiatives during 2013/14. The forecast outturn assumes that actual expenditure of £1.260m will be incurred by the end of the year.

12 Taking the projected outturn position into account, including items proposed to be treated as outside the cash limit, the total cash limit reserve forecasted to be carried forward for ACE is £1.142m from April 2014.

Children and Adults Services

13 The 2013/14 projected outturn position for Children and Adults Services (CAS) as at 30 September 2013 is a cash limit under spend of £11.986m. This represents 4% of the total budget for CAS and compares to a quarter 1 forecast of a cash limit underspend of £10.052m. This figure takes into account adjustments for sums outside the cash limit such as redundancy costs which are met from the strategic reserves, capital accounting entries and use of / contributions to earmarked reserves.

14 The main reasons accounting for the projected outturn position are as follows:

- Early achievement of a number of future year MTFP management and support service proposals, together with the careful management and control of vacancies and general budgets across the service has created a projected net under spend for the year of approximately £4.4m;
- Net spend on adult care packages is approximately £5.7m below budget, which represents circa 6% of the adult social care budget. This area of spend is closely monitored to assess the impact of demographic and procedural/operational changes. Savings have arisen from tighter and consistent and effective application of the existing eligibility criteria, reducing the level of care packages subsequently commissioned. The transformational change agenda, linked to the provision of social care, will further refine processes.

- The service is reviewing its approach to current savings in order to consider increasing the saving associated with consistent application of eligibility criteria. This will need to be carefully considered in light of transition cases, potential for ordinary residence claims and the potential for increased care package costs linked to older carers and general increases in demand. Inflation rate increases within the MTFP are 2.5% for 2013/14 and 1% for 2014/15. Contracts with residential and domiciliary care providers have increases of 2% for both years in question. This has led to a forecast underspend in 2013/14 of £0.4m which will need to be used to underwrite part of the inflationary uplift in 2014/15 which will be greater than the MTFP provision.
- CAS managers have reviewed plans in respect of available one-off additional funding, which has created an in-year contribution to the overall cash limit of approximately £0.4m. It is anticipated that this funding will be utilised in part to resource the work associated with the outcomes of the LGA efficiency review work linked to the transformation agenda in social care for children and adults;
- £0.525m of funds linked to the joint review of intermediate care provision in the County with NHS partners is identified to be carried forward to meet future expenditure requirements linked to the transformation programme and joint working with health.
- Children's Care (excluding the Secure Services Trading Account) are forecasting an underspend of £0.460m at Quarter 2. Primarily this is a result of underspend on staffing resulting from early achievement of MTFP savings and maintaining vacancies pending a restructure. There is a forecast small overspend on the cost of looked after children of £37k which is a much improved position on previous years in what continues to be a volatile budget area that requires close monitoring.
- The Secure Services Trading Account is projecting a surplus of £0.731m at Quarter 2. £0.297m of the projected surplus relates to increased income achieved in the first 6 months of the financial year from the sale of welfare beds to other local authorities. Secure Services are also holding a number of vacancies pending the award of a new contract from the Youth Justice Board. This leads to a projected underspend on staff of £0.404m at Quarter 2.
- The Education service is forecasting an under spend of £0.188m, an increase of £13k from Quarter 1. Within this there has been an in year reduction of Extended Rights to Free Travel Grant of £0.170m which will result in a shortfall for 2013/14, rising to £0.457m in 2014/15 and options are being explored on how to offset these reductions.
- Early Intervention and Involvement is forecast to under spend by £0.292m an increase of £55k from Quarter 1, largely relating to employees.

15 At this stage it has been assumed that MTFP savings targets will be achieved, or mitigated from other areas.

- 16 Taking the projected outturn position into account, the cash limit reserve to be carried forward for Children and Adults Services is £18.727m.

Neighbourhood Services

- 17 The forecast revenue outturn for 2013/14 is a cash limit underspend of £0.955m, after taking account of the forecast use of reserves, and items outside the cash limit.
- 18 Since the original budget was presented to Council in February 2013, the Neighbourhoods' revenue budget has been increased to take into account the 2013/14 Pay Award (£0.649m), appeal outcomes of the pay and reward project (£0.175m), additional funding from contingencies for flood investigations (£0.250m), the transfer of the BSF team from CAS (£0.762m) and some minor transfers from Neighbourhood Services to other Service Groupings. In addition, the budget has now been amended to reflect the forecast use of reserves, and items outside the cash limit that were agreed at Quarter 1. This has resulted in a revised revenue budget of £113.141m.
- 19 The main reasons for the variances are as follows;
- Within Direct Services, it is anticipated that centralised Repairs and Maintenance will overspend by £0.250m, but this is being mitigated by drawing down from the Dilapidations reserve.
 - There are also savings within Direct Services of approximately £0.250m associated with early savings on the corporate fleet review and underspends on premises costs in Facilities Management.
 - There are underspends of approximately £0.175m within Environmental Health and Consumer Protection associated with employees and supplies and services.
 - Within Strategic Waste there is a forecast overspend of approximately £0.200m relating to low levels of income from sale of recyclable materials, but this is being offset by higher than projected income from power generation.
 - There is also a forecast underspend of approximately £0.130m on employees and supplies and services within Business Support, and Policy, Performance and Communications.
 - Due to the delay in the implementation of the Culture and Leisure Management Options Appraisal, there is a projected overspend of £0.640m on NNDR costs, as the MTFP saving assumed that these would be saved in 2013/14. It has been agreed that £0.440m of this should be treated as being outside the cash limit, leaving a potential overspend of £0.200m. This is being partially offset by a projected underspend of £0.130m within Libraries, where some elements of the 2014/15 MTFP savings have been achieved earlier than originally anticipated.
 - There is a forecast underspend of £0.350m in relation to Highways Services Street Lighting as a result of higher than anticipated activity relating to the Street Lighting Energy Reduction Project.

- 20 Taking the projected outturn position into account, including items proposed to be treated as outside the cash limit, the forecasted cash limit reserve to be carried forward for Neighbourhood Services is £2.771m.

Regeneration and Economic Development (RED)

- 21 The 2013/14 forecast outturn for Regeneration and Economic Development is a cash limit underspend of £0.423m. This takes into account adjustments for sums outside the cash limit such as redundancy costs which are met from an earmarked reserve, year end capital accounting entries and use of contributions to earmarked reserves.

- 22 The main reasons accounting for the outturn position are shown below:

- Strategy Programmes and Performance - £85k saving due to the freezing of two vacant posts, the secondment of a post to the Association of North East Councils and other general efficiency savings on supplies and services.
- Economic Development and Housing - £51k overspend primarily due to loss of income on business units.
- Planning and Assets - £0.642m under spend which is broken down into a £0.783m under spend in the Planning service and a £0.141m overspend on Assets. The underspend in the Planning service primarily results from an increase in planning fee income, from vacant posts and other efficiency savings on transport and supplies and services. Assets is experiencing income pressures mainly from Newgate Street in Bishop Auckland, the Brackenhill Centre in Peterlee and Millenium Square in Durham City where rental income is not being achieved.
- Transport - £0.253m overspend which is primarily due to the increase in contract costs to NSL for enforcement of parking policies throughout County Durham.

- 23 Taking the projected outturn position into account, including items proposed to be treated as outside the cash limit, the forecasted cash limit reserve to be carried forward for Regeneration and Economic Development is £3.549m.

Resources

- 24 The forecast revenue outturn for 2013/14 is a cash limit underspend of £1.682m for the year, after excluding centrally administered costs, taking account of the forecast use of reserves, and items outside the cash limit.

- 25 The forecast underspend is a managed position, reflecting the proactive management of activity by Heads of Service across Resources to remain within the cash limit. The main reasons for the projected underspend are the net effect of the following items;

- Centrally Administered Costs – There is a £28k overspend as a result of a £50k under recovery of income against the Teesdale VAT shelter arrangement offset by a saving on external audit fees of £22k

- Corporate Finance – There is a £0.156m underspend, with £64k from the management of staff vacancies reflecting the early achievement of 2014/15 MTFP savings. A further £87k underspend arises from increased income relating to the Procurement team income and VAT services.
- Financial Services – There is a £0.760m underspend, consisting primarily of £0.535m in respect of the management of staff vacancies reflecting the early achievement of 2014/15 MTFP savings. There is also a £0.163m managed overspend in supplies and services. A forecast underspend of £0.270m is as a result of the anticipated over recovery of court fee income in the council tax and business rates service, with further increased income of £34k from SLAs and DWP grant. The careful management of the staff travel budget is resulting in a forecast saving of £84k.
- Human Resources – The underspend of £0.319m arises primarily from a £0.293m underspend against employees, to reflect the early achievement of MTFP savings, together with increased income of £22k from schools SLAs and £4k from other minor variances
- ICT Services – The £15k net overspend comprises several offsetting variances, including underspend of £0.207m in employees costs, arising from the proactive management of vacancies in anticipation of future years' MTFP savings. Further savings of £55k have been made against staff travel budgets. These are offset by overspends of £0.193m on supplies and services, an under-recovery of income of £62k, the £11k costs of a vehicle purchase agreed by the MOWG and other minor overspends of £11k.
- Internal Audit – A forecast underspend of £0.150m, consisting primarily of £0.184m underspend on employees through close management and control of staff vacancies and secondments in anticipation of a staffing restructure, offset by a £34k overspend on supplies and services.
- Legal and Democratic Services – The forecast underspend of £0.325m arises from the early achievement of the 2014/15 MTFP savings of £0.344m across a range of activities. There are additional minor savings of £7k, which are offset by a £26k overspend on computer hardware.
- Service Management – £13k overspend from employee costs, due to the corporate policy of setting employees budgets at 97%, and a bad debt write-off.

26 Taking the projected outturn position into account, including items proposed to be treated as outside the cash limit, the forecasted cash limit reserve to be carried forward for Resources is £4.962m.

Schools

27 Schools are currently reviewing their budgets with support from the School Funding Team, in order to be able to provide updated projections of their spending and cumulative balances at the end of the year. These projections are then reported to governing bodies.

- 28 This is the first year in which schools have been asked to perform this exercise so that the Council can keep an overview of the cumulative position, in light of the financial risks to the Council when a school is in deficit position. This review is being incorporated into the normal budget review undertaken in the autumn term.
- 29 The autumn budget review looks ahead to the following year, taking into account fluctuations in pupil numbers and formula funding changes and identifies where a school may need to start a re-structuring exercise to balance its budget. Where a budget deficit is identified, including any problems in the current year, the School Funding Team provides advice and guidance to the Education Development Partner for that school to ensure this is raised with the school's senior leadership team, including the Board of Governors.
- 30 At 29 October, 129 out of 261 schools (49%) have completed their review and have provided updated projections for forecast spend and projected retained balances at 31 March 2014.
- 31 At 31 March 2013, retained schools balances totalled £20.1m. There were 246 schools with a positive balance carried forward to the current year and 15 schools with a deficit balance at 31 March 2013. Where a deficit balance exists, the School Funding Team work closely with that school to ensure a deficit recovery plan is in place and is being implemented. Concerns are raised through Education Development Partners where the retained balance is within 2.5% of the school's total of funding plus income from the Pupil Premium.
- 32 The planned / approved use of schools balances built into the 2013/14 schools budget plans was £4.5m, but this was offset by plans to increase the balances of other schools by £2.7m, giving a net use of balances of £1.8m. Accordingly, the budgeted position was for retained schools balances to be £18.3m at 31 March 2014, with 248 schools planning to have positive retained balances totalling £19.5m, and the 13 schools planning to have deficit balances totalling £1.2m. Of the 15 schools with deficit balances at 31 March 2013, 8 were planning to have surplus balances at 31 March 2014 and 7 were planning to still have deficit balances at 31 March 2014.
- 33 Of the 129 schools that had completed their in-year projections at 29 October, 2013, 121 had a positive balance brought forward at 1 April 2013, whereas 8 were in a deficit position. The net cumulative balance of these 129 schools was £9.0m, accounting for 45% of the overall schools balances held at the beginning of 2013/14.
- 34 The budget plans approved for these 129 schools included the net use of £0.5m of their retained balances in 2013/14, reducing their cumulative balances to £8.4m. The reasons for utilising their balances in year include one-off projects, for which funding has been set aside in previous years, re-balancing of budgets where surpluses are excessive and need to be reduced, and using surpluses to maintain staffing levels.
- 35 The latest budget projections for these 129 schools shows that they are planning to spend a further £1.5m of their schools balances this year, which will reduce their balances to £6.9m at the end of 2013/14. Four of these

schools are now forecasting deficit balances at the end of 2013/14, two of which had planned deficit positions in their original budget plans. Of the remaining 125 schools that will have a positive retained balance 25 (20%) will have a retained balance of less than 2.5% of their total of funding plus income from the Pupil Premium at the year end.

- 36 The School Funding Team is working with the remaining 132 schools to obtain details of their forecast outturn position for 2013/14, including updates on their planned use of retained balances and forecast balances at the year end. Assuming the use of balances for these schools is in line with the planned position and factoring in the updated forecasts for the 129 schools that have completed their budget reviews to date, the forecast retained school balances at 31 March 2014 are £15.1m, which is £3.2m less than the original forecast when the budget plans were agreed.

Central Budgets

- Interest Payable and Similar Charges - Capital Financing

- 37 During the previous quarter, a review of capital financing costs has led to a forecast underspend of £2.033m. This saving is being achieved due to lower than forecast interest rates on loans and borrowing not needing to take place yet due to higher levels of cash balances than forecast.

- Interest and Investment Income

- 38 The forecast of outturn is an overachievement of income of £0.259m which is due to a higher than anticipated level of cash balances. This is due in the main to slower than expected use of reserves and capital spend.

- Education Services Grant

- 39 The forecast of outturn reflects net additional grant income of £0.462m which is due to the actual grant notification being higher than the amount budgeted for in 2013/14.

Earmarked Reserves Forecast

- 40 Appendix 4 details the forecast use of Earmarked Reserves in 2013/14. Based on the latest forecast the position at the end of the year is estimated to be as follows:

	Non-Schools	Schools and DSG	Cash Limits	TOTAL
	£m	£m	£m	£m
Opening Earmarked Balances as at 1 April 2013	-61.925	-24.041	-19.904	-105.870
Less/Plus Forecasted usage/increase of Earmarked Reserves	7.157	3.270	-11.247	-0.820
Forecasted Earmarked Reserve Balance as at 31 March 2014	-54.768	-20.771	-31.151	-106.690

Housing Revenue Account (HRA)

41 In summary, the HRA shows a forecasted balanced outturn position on the revenue account after using a projected surplus of £0.931m towards the capital programme. The following table summarises the position with the detail shown in Appendix 5:

Housing Revenue Account	2013/14 Budget	2013/14 Projected Outturn	Variance
	£000	£000	£000
Income			
Dwelling Rents	-63,633	-63,205	428
Other Income	-1,449	-1,409	40
Interest and Investment Income	-104	-104	0
Total Income	-65,186	-64,718	468
Expenditure			
ALMO Fees	16,469	16,469	0
Repairs, Supervision and Management Costs	12,203	12,389	186
Depreciation	7,850	7,850	0
Interest Payable	12,447	10,862	-1,585
Revenue Contribution to Capital Programme	16,217	17,148	931
Total Expenditure	65,186	64,718	-468
2013/14 Surplus transferred to balances	0	0	0

Note: Negative figures in the variance column represent an underspend

42 The main variances are explained below:

- Dwelling Rents £0.428m reduced income – this results from an anticipated increase in “Right to Buy” sales and an increase in the

numbers of void properties across all three housing management areas;

- Charges for Services £48k reduced income – this results from reduced income on garden tidies, furniture packs and intruder alarms in the Durham City area;
- General Supervision and Management £0.130m overspend – this results from the customer service charge for Durham City Homes being higher than the original budget;
- Special Supervision and Management £20k underspend – this results from general efficiency savings on the running expenses of communal halls in the Durham City area;
- Rents , Rates and Taxes £76k overspend – this is an increase in council tax charges resulting from increased voids;
- Interest Payments £1.585m underspend – this results from a lower interest rate and lower outstanding loan debt than originally anticipated;
- Revenue Support to Capital £0.931m surplus – the balancing item on the HRA which identifies the potential resources available to support the capital programme and reduce our reliance on

Capital

Background

- 43 At Full Council on 20 February 2013 a 2013/14 General Fund (GF) capital budget of £159.462m was approved.
- 44 The 2013/14 Housing Revenue Account (HRA) capital budget of £49.271m was also approved.
- 45 The Capital Member Officer Working Group (MOWG) has since reviewed the capital programme and taken into account further developments and analysis of changes and demands on resources. The recommendations following the latest MOWG review on 14 October 2013 are included in this report.

Current Position

- 46 The following table summarises the original budget and revisions reported to MOWG. The table also summarises the forecast outturn for each service and actual spend as at 30 September 2013.

Summary General Fund Capital Programme 2013/14

Service	Original Budget	Revised Budget Previously Reported at Quarter 1	Revised Budget 2013-14 as per MOWG 14/10/2013	Projected Outturn	Actual Spend as at 30/09/2013
	£'000	£'000	£'000	£'000	£'000
ACE	3,959	2,575	2,545	2,545	399
CAS	56,046	76,743	77,826	77,826	21,421
NEI	32,533	39,446	38,370	36,070	11,882
RED	49,318	48,043	48,996	48,996	13,243
RES	17,605	6,080	6,105	6,105	1,234
Total General Fund	159,461	172,887	173,842	171,542	48,179

- 47 Included in the above table is a summary of revisions in the 2013/14 capital budget approved by MOWG (9 September 2013 and 14 October 2013). The following adjustments are of note:

Neighbourhoods Virement Within Service

- 48 **Procurement of Wheeled Bins** - The following virements within Neighbourhood Services have been approved to facilitate the procurement of wheeled refuse bins and lids at an estimated cost of £0.500m:

Scheme	£'000
Crook and Stainton Grove HWRC	330
Environmental Improvements	70
Balance financed from Revenue	100
	500

Neighbourhoods – Reprofiting of Budget

- 49 **Replacement of Todhills Site** - Technical Services are now project managing the Household Waste Recycling Centre project, following the site investigation, which proved the levels of contamination too great to allow development to proceed. It has been established that only the design costs at a value of £0.200m will now be incurred in 2013/14. As a result of the delay, £1.185m has been reprofiled into 2014/15 and £0.600m into 2015/16
- 50 **The Joint Stock Mothballing Project** – This project has been delayed to meet Environment Agency regulations relating to gas control and leachate management before tendering can take place. However, it is anticipated that the project will progress in the next financial year and therefore the sum of £0.357m has been reprofiled from 2013/14 to 2014/15.

RED - Reprofiting of Budgets

- 51 **'Away From G'** – The request to bring forward £88k has been agreed to enable the boiler improvement scheme to progress in 2013/14.

52 **'Pinch Point' Scheme** –The total cost the scheme to reduce congestion on the section of the A167 between Park Road and Junction 63, is £3.172m. It is to be funded as follows:

- Department of Transport grant £2.220m,
- Capital Contingencies £0.400m and
- Existing Transport Budgets £0.552m

53 It is anticipated that work to the value of £0.722m will be completed in the current financial year and approval has therefore been granted to reprofile £2.450m into 2014/15 when work on the scheme will be complete.

CAS – Additional Funding

54 **External Grant** - An external grant to the value of £1.023m has been secured from the Department of Health for Improving the Care Environment for People with Dementia. It is intended that this funding will be passed to defined care homes on completion of agreed projects.

RED – Additional Funding

55 **External Grant** – Cycle Safety grant funding from the Department of Transport to the value of £0.100m has been secured to improve cyclist safety and the design and layout of roads throughout the county.

56 **External Grant** – A grant of £2.220m has been secured from the Department of Transport towards the Pinch Point Scheme. (See paragraph 52 above).

57 **Town Council Contribution** - Stanley Town Council has made a contribution of £0.400m towards the Stanley Public Realm scheme.

58 **Section 106 Funding** - Funding to the value of £0.193m has been secured towards the Consett Streetscape project.

RED – Update

59 **DurhamGate** - Cabinet endorsed support for this project in November 2009 to revitalise a 55 acre brownfield site in Spennymoor through provision of office space, housing and leisure facilities. Specifically, the development involved the creation of 440,000 square feet of office space, 400 new homes and creation of 2,000 new jobs as well as safeguarding 200 existing jobs.

60 As a result of the development, significant improvements to the highway network were required relating to the A167, A688, a new internal road network and Thinford roundabout. The estimated cost of the scheme was £9.2m which included a Council capital contribution of £2.5m and the balance from a number of public and private sector partners. As a consequence of obtaining external funding, conditions were placed upon the Council which prevented it carrying out the highway works directly. The grant conditions required the scheme to be externally advertised and works were awarded based upon a formal tender process.

- 61 Work began on site with highways works in February 2011 and they are now completed. The total forecast cost for the overall project is now £14.2m resulting in an over spend of £5m. The reasons for the delays to programme and the anticipated over spend include:
- Delays caused by unforeseen public utilities.
 - Adverse weather conditions during the winter of 2010/11 and 2011/12.
 - Land ownership issues. In particular a requirement to purchase third party land where an Option to Buy had been agreed, but the third party went into Administration.
 - Unforeseen traffic management constraints. Requirements of the Police Authority.
 - Poor condition of existing highways which required reinforcement.
 - Design Issues
- 62 Negotiations have been undertaken to both reduce construction costs and to seek additional funding from the developer to help reduce the sum of £5.0m. The developer has agreed to make payment of up to £0.700m, which has the potential to reduce the final overspend figure to £4.3m. The Council is also exploring other opportunities to reduce the overspend further.
- 63 To address the overspend existing capital schemes were considered, reviewed and re-profiled to enable the necessary budget to be secured to finance the additional spend. This was undertaken within the existing Regeneration and Economic Development capital budget available.

Neighbourhood Services – Update

- 64 **Seaham North Pier** – £1.9M Under spend. This scheme is currently in the process of design. The latest risk assessment suggests there is no immediate threat of structural damage; however it is still a high risk project which must be completed. As a result this scheme is anticipated to slip into next financial year.
- 65 **Browney Lane, Burnigill Bank** - £0.400m Under spend This project is to alleviate a long term subsidence problem and is being delivered in partnership with Network Rail. Aecom Consultants were commissioned to produce a desk top review and write a site investigation tender document for this scheme. An agreement is yet to be reached regarding land access however negotiations are continuing between Network Rail, Durham County Council and the landowner relating this issue and it is anticipated that progress will be made late into 2013/2014

Housing Revenue Account

RED – Update

Housing Revenue Account Capital Programme 2013/14

Service	Original Budget	Revised Budget Previously Reported Quarter 1	Revised Budget 2013/14 as per MOWG 14/10/2013	Projected Outturn	Actual Spend as at 30/09/2013
	£'000	£'000	£'000	£'000	£'000
HRA	49,271	55,583	55,583	55,583	14,971

66 It is anticipated that the projected outturn at 31 March 2014 will be in line with the revised budget.

67 The following tables summarise the recommended financing of the revised capital programme:

Financing – General Fund Capital Programme 2013/14

Financed By	Original Budget	Revised Budget Previously Reported Quarter 1	Revised Budget 2013/14 as per MOWG 14/10/2013
	£'000	£'000	£'000s
Grant and Contributions	66,497	72,174	74,884
Revenue and Reserves	987	7,232	7,755
Capital Receipts	19,774	19,784	19,784
Borrowing	72,204	73,697	71,419
Total General Fund	159,462	172,887	173,842

Financing – Housing Revenue Account Capital Programme 2013/14

Financed By	Original Budget	Revised Budget Previously Reported Quarter 1	Revised Budget 2013/14 as per MOWG 14/10/2013
	£'000	£'000	£'000
Grant and Contributions	19,400	19,400	19,400
Revenue and Reserves	24,069	25,618	25,618
Capital Receipts	426	426	426
Borrowing	5,376	10,139	10,139
Total General Fund	49,271	55,583	55,583

Collection Funds

- 68 The Collection Funds consists of two main income streams – Council Tax and Business Rates.

Council Tax

- 69 Council Tax is charged for all residential dwellings in bandings agreed by the Valuation Office (part of HMRC). Exemptions, reliefs and discounts are awarded dependent upon the state of the property and Council Taxpayers' personal circumstances.
- 70 Since its inception in 1993, the council tax system has remained relatively unchanged. However, from 1 April 2013, no reduction is now awarded for void properties (previously, no charge for first six months empty and 50% chargeable up to two years empty). Now, 100% is chargeable up to two years empty, and then an additional 50% premium is charged for properties over two years empty.
- 71 Collection rates do not appear to have been adversely affected by the changes. As at 30 September 2013, the Council tax collection rate was 55.18%. This is below the challenging profiled collection rate of 57% but compares with the almost identical collection rate at 30 September 2012 of 55.15% despite the changes mentioned above increasing the amounts collectable. A major factor in this achievement is the adjustment made to recovery cycles, ensuring late payers are picked up more quickly and recovery action taken against bad payers in a timelier manner.
- 72 The collection rates for the last three years including the current year are shown below:

Billing Year	30 September
2013/14	55.18%
2012/13	55.15%
2011/12	53.83%

- 73 The income shown in the Council Tax Collection Fund is the amount collectable from Council Tax payers in the long run, rather than the actual cash collected. Likely bad debts are accounted for by maintaining a bad debt provision. The amount estimated to be collectable is estimated each year by reference to the actual council taxbase for all domestic properties in the county (schedule of all properties, discounts and reliefs) with an allowance for non-collection, currently 1.5%.
- 74 The Band D Council Tax (on which all other bands are based) is calculated by dividing the Council Tax Budget requirement, net of Parish/Town Council Precepts by the council taxbase.
- 75 Because of changes in the number of properties, eligibility of discounts and reliefs during the year, the actual amount collectable increases or decreases from the estimate. In addition, adjustments for previous billing years take place during each accounting year. All of these adjustments mean that the actual amounts collectable differ from the estimate. Such differences at the end of each accounting year, after taking into account the calculated change

required in the 'bad debt' provision, whether surplus or deficit are shared between the major preceptors, Durham County Council, Durham Police Authority and County Durham and Darlington Fire and Rescue Authority.

- 76 Each month the changes in council tax liability are tracked and the provision for bad debts recalculated, at rates agreed for 2012/13 accounts, to enable an outturn position to be assessed. As at 30 September 2013, the position is as follows:

	£'000
Net Bills issued during Accounting Year 2013/14	264,708
LCTRS and previous year CTB adjustments	-52,631
Calculated change in provision required	-5,917
Net income receivable (a)	206,160
Precepts and Demands Durham County Council (including Parish/Town Councils)	174,452
Durham Police Authority	20,060
County Durham and Darlington Fire and Rescue Authority	11,596
Total Precepts and Demands (b)	206,108
Net Income for year (a) – (b)	52
Surplus Brought Forward from 2012/13	6
Estimated Surplus at 30 September 2013	58

- 77 Durham County Council's share of this surplus would be approximately £46k. However, there will continue to be changes to the council tax collectable in respect of new and deleted properties, exemptions, reliefs, discounts and provision required. At 15 January 2014, the surplus or deficit estimated for the year end is calculated and notified to the major preceptors for inclusion in the budget setting process for 2014/15 as an additional income or expenditure item.

The effect of Council Tax Benefit changes on Town and Parish Councils

- 78 The national Council Tax Benefit Scheme was abolished on 1 April 2013 and replaced with a requirement for local authorities to work with their precepting bodies to establish a Council Tax Support Scheme, aiming to provide a discount against Council Tax, rather than a benefit and as such impacting on the council taxbase, and therefore on the precept raising ability of Town and Parish Councils.

- 79 The Local Council Tax Support Scheme Grant replaced the Council Tax Benefit subsidy and the amount so paid to Durham County Council in 2013/14 included an element relating to Town and Parish Councils. In 2013/14 this was passed on in full to those bodies. However, from 2014/15, there will be no separate information provided as to the level of Council Tax Support Grant and therefore assumptions have to be made regarding the level of support provided.
- 80 In the absence of other indicators, it is reasonable to assume that the grant receivable would be reduced in line with the Council's RSG reductions, but partially increased in line with RPI. If the Council agrees to pass on these reductions in full to Town and Parish Councils then the annual percentage decrease in their grants would be as follows:

Year	Annual Reduction %
2014/15	10.21
2015/16	14.57
2016/17	12.91
2017/18	14.83

- 81 All Town and Parish Councils were contacted in August 2013 with a full explanation of the synopsis shown above, together with an early indication of their 2014/15 Tax Base and the anticipated grant payable for 2014/15. In order to aid the medium term financial planning of Town and Parish Councils, the potential impact of Local Council Tax Support Grant payments for the following four years was also provided.

Business Rates

- 82 Business rates have been levied on all non-domestic properties since 1990. In all previous years, Durham County Council acted as a tax collector, with all amounts receivable, debtor and creditor balances and provisions owing to or from Central Government.
- 83 2013/14 is the first year of the Business Rates Retention Scheme whereby income generated from Business Rates is shared between Central Government (50%), Durham County Council (49%) and County Durham and Darlington Fire and Rescue Authority (1%). For the first time, therefore, it is not only the accuracy and timeliness of bills levied and collected that is monitored and audited, but the level of income anticipated for the year is of utmost importance and new monitoring procedures have been devised for this purpose.
- 84 Bills raised, exemptions and reliefs awarded are examined together with local knowledge of anticipated changes in reliefs such as Mandatory Charitable on a monthly basis to enable a comparison with the January 2013 estimate used for budget setting purposes. At 30 September 2013 the position is as follows:

	£'000
Net rate yield for 2013/14, including previous year adjustments	116,433
Estimate of changes due to appeals lodged	-5,890
Estimated losses in Collection	-2,341
Net Income receivable	108,202
Agreed allocated shares	
Central Government	54,037
Durham County Council	52,957
County Durham and Darlington Fire and Rescue Authority	1,081
	108,075
Estimated surplus at 30 September 2013	127

- 85 As at 30 September 2013, the estimated outturn is within 0.1% of the estimated value at 31 January 2013, showing an estimated surplus of £127k of which approximately £62k would accrue to Durham County Council on an original estimate of £52.956m
- 86 However, there will continue to be changes to the Business Rates collectable as amendments to ratepayers' accounts are processed. At 15 January 2014, the surplus or deficit estimated for the year end is calculated and notified to the major share-holders for inclusion in the budget setting process for 2014/15 as an additional income or expenditure item.
- 87 The Business Rates Retention Scheme has not changed the actual business rates charged to ratepayers and therefore was not expected to have a detrimental effect on collection rates. In fact, the adjustments to the recovery cycles ensuring that late payers are picked up more quickly and recovery action taken against bad payers in a timelier manner were expected to improve collection. At 30 September 2013, the collection rate for 2013/14 charges is 60.71% and has increased by 0.7% compared with the same point last year, although still below the profiled year to date of 62.0%. It is expected that this trend will continue and collection targets will be met.
- 88 The collection rates for the last three years including the current year are shown below:

Billing year	30 September
2013/14	60.71%
2012/13	60.00%
2011/12	47.62%

Section 31 Grant- Small Business Rate Relief

- 89 Business properties with rateable values under £12,000 benefit from relief on the rates payable. It had been intended that the enhanced relief granted in recent years would be returned to standard rates for 2013/14. Central Government decided to extend the enhanced rates for the whole of 2013/14. This meant that the income receivable under the new Rates retention Scheme would be reduced and a special grant has been awarded to recompense authorities for the shortfall so produced.
- 90 Properties with rateable values up to £6,000 are granted full relief instead of 50% relief under the previous scheme, and properties with rateable values between £6,000 and £12,000 have relief tapered from 100% down to 0%, but in all cases double the standard relief.
- 91 The grant has been calculated as 50% of the small business rate relief given. Under rules governing the share of Business Rates income, the Local Share of the grant will be 25% of the relief granted, with 98% of that coming to Durham County Council.
- 92 As at 30 September 2013, the Small Business Relief awarded is £8.889m. Of this Durham County Council would receive £2.178m. This figure may increase or decrease during the remainder of the year, as amendments are made to ratepayers' accounts.

Recommendations and Reasons

- 93 It is recommended that Cabinet:
- Note the projected change in the Council's overall financial position for 2013/14.
 - Agree the proposed 'sums outside the cash limit' for approval.
 - Agree the revenue and capital budget adjustments
 - Note the forecast use of Earmarked Reserves.
 - Note the forecast end of year position for the Cash Limit and General Reserves position.
 - Note the position for the Housing Revenue Account, Capital Programme and the Collection Funds in respect of Council Tax and Business Rates.

Appendix 1: Implications

Finance -

The report details the 2013/14 forecast of outturn position for Revenue and Capital and details the forecast movement on Reserves.

Staffing -

None

Risk -

None

Equality and Diversity / Public Sector Equality Duty -

None

Accommodation -

None

Crime and Disorder -

None

Human Rights -

None

Consultation -

None

Procurement -

None

Disability Issues -

None

Legal Implications -

None

Appendix 2: Revenue Summary 2013/14

	Original Budget 2013/14	Revised Budget	Proposed Budget Revisions	Cash Limit Reserve	Contribution to / Use of Earmarked Reserves	Budget - incorporating adjustments	Service Groupings Forecast of Outturn	Forecasted Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Assistant Chief Executive	11,178	11,311	80	0	40	11,431	11,065	-366
Children and Adults Services	291,815	290,216	-962	0	3,521	292,775	280,789	-11,986
Neighbourhood Services	108,776	111,771	1,370	125	1,344	114,610	113,655	-955
Regeneration and Economic Development	41,801	43,381	126	-36	-259	43,212	42,789	-423
Resources	22,246	21,878	-2,602	0	218	19,494	17,812	-1,682
Cash Limit Position	475,816	478,557	-1,988	89	4,864	481,522	466,110	-15,412
Contingencies	7,852	8,251	-1,981	0	0	6,270	6,270	0
Corporate Costs	80	-951	3,969	0	0	3,018	3,046	28
NET COST OF SERVICES	483,748	485,857	-0	89	4,864	490,810	475,426	-15,384
Capital charges	-51,723	-51,723				-51,723	-51,723	0
Interest and Investment income	-1,441	-1,441				-1,441	-1,700	-259
Interest payable and similar charges	35,148	34,796				34,796	32,763	-2,033
Net Expenditure	465,732	467,489	-0	89	4,864	472,442	454,766	-17,676
Funded By:								
Council tax	-164,469	-164,469				-164,469	-164,469	0
Council tax freeze grant	-2,033	-2,033				-2,033	-2,033	0
Use of earmarked reserves	-4,399	-5,563			-4,864	-10,427	-10,427	0
Estimated net surplus on Collection Fund	0	0				0	0	0
Start up Funding Assessment	-278,370	-278,370				-278,370	-278,370	0
New Homes Bonus	-4,799	-4,799				-4,799	-4,799	0
New Homes Bonus - Re-imbusement	-943	-943				-943	-943	0
Section 31 Grant - Small business rate relief	0	0				0	-2,178	-2,178
Education Services Grant	-7,200	-7,236				-7,236	-7,698	-462
Forecast contribution to Cash Limit Reserve	-3,519	-4,076		-89		-4,165	11,247	15,412
Forecast contribution to General Reserves	0	0				0	4,904	4,904
TOTAL	0	0	-0	0	0	-0	-0	0

Appendix 3: Revenue Summary by Expenditure / Income for the period ended 31 March 2014

	Original Budget 2013/14	Agreed Budget	Service Groupings Forecast of Outturn	Corporate Costs	Sums Outside the Cash Limit	Cash Limit Reserve	Contribution to / Use of Earmarked Reserves	Revised Service Outturn	Forecasted Variance (including Corporate Costs)	Forecasted Variance - Corporate Costs
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Employees	474,689	510,836	508,901	0	-28	28	-1,766	507,135	-3,701	0
Premises	49,324	51,544	51,930	0	0	0	-424	51,506	-38	0
Transport	50,097	50,373	48,894	0	0	0	-2	48,892	-1,481	0
Supplies & Services	113,513	125,565	125,285	1,803	0	-49	-158	126,881	1,316	-22
Agency & Contracted	269,897	265,201	261,236	4,380	0	-118	-110	265,388	187	0
Transfer Payments	210,685	212,843	212,013	0	0	0	-6	212,007	-836	0
Central Costs	101,309	103,247	107,227	0	0	0	-2,461	104,766	1,519	0
Other	1,265	9,757	10,366	0	0	0	0	10,366	609	0
Capital Charges	51,723	51,723	51,723	0	0	0	0	51,723	-0	0
GROSS EXPENDITURE	1,322,502	1,381,089	1,377,575	6,183	-28	-139	-4,927	1,378,664	-2,425	-22
Income										
- Specific Grants	528,182	572,109	570,257	3,037	0	0	-24	573,270	-1,161	0
- Other Grants & conts	25,320	24,624	26,566	0	0	-57	-45	26,464	-1,840	0
- Sales	6,720	4,742	4,721	0	0	0	0	4,721	21	0
- Fees & charges	108,122	105,639	106,902	0	0	7	-164	106,745	-1,106	0
- Recharges	169,661	183,913	192,453	0	0	0	170	192,623	-8,710	0
- Other	8,602	10,504	10,566	100	0	0	0	10,666	-162	50
Total Income	846,607	901,530	911,465	3,137	0	-50	-63	914,489	-12,959	50
NET EXPENDITURE	475,895	479,559	466,110	3,046	-28	-89	-4,864	464,175	-15,384	28

Appendix 4: Earmarked Reserves Position as at 30 September 2013

EARMARKED RESERVES AND CASH LIMIT RESERVES	SERVICE GROUPING	2012/13 CLOSING BALANCE	USE OF RESERVES	CONTRIBUTION TO RESERVES	TRANSFERS BETWEEN RESERVES	TOTAL MOVEMENT ON RESERVES	2013/14 CLOSING BALANCE AS AT 30 SEPTEMBER 2013
		£,000	£,000	£,000	£,000	£,000	£,000
ACE AAP/Members Reserve	ACE	-1,854	0	0	0	0	-1,854
ACE Grant Reserve	ACE	-233	40	0	0	40	-193
ACE Operational Reserve	ACE	-140	0	0	0	0	-140
Social Care Reserve	CAS	-4,053	1,671	0	0	1,671	-2,382
Health and Wellbeing Reserve	CAS	-500	500	0	0	500	0
Community Safety Reserve	CAS	-22	22	0	0	22	0
Aycliffe Young People's Centre Reserve	CAS	-428	0	-731	0	-731	-1,159
Continuing Professional Development Reserve	CAS	-469	0	-78	0	-78	-547
Education Reserve	CAS	-383	0	0	0	0	-383
Tackling Troubled Families	CAS	-942	0	0	0	0	-942
Special Projects Reserve	CAS	-60	0	0	0	0	-60
Neighbourhoods AAP Reserve	NS	-66	13	0	0	13	-53
Customer Services Reserve	NS	-110	73	0	0	73	-37
Direct Services Reserve	NS	-2,594	646	0	0	646	-1,948
Env. Health and Consumer Protection Reserve	NS	-430	110	0	0	110	-320
Culture and Sport Reserve	NS	-2,291	928	-54	0	874	-1,417
Strategic Waste Reserve	NS	-376	376	0	0	376	0
Technical Services Reserve	NS	-445	207	0	0	207	-238
Transport Asset Management Programme Reserve	NS	-318	9	0	0	9	-309
Economic Development Reserve	RED	-1,018	102	0	0	102	-916
Planning Reserve	RED	-1,688	435	0	0	435	-1,253
North Pennines AONB Partnership Reserve	RED	-919	0	0	0	0	-919
Employability and Training Reserve	RED	-846	196	-186	0	10	-836
RED Regeneration Reserve	RED	-1,051	0	0	0	0	-1,051
Housing Regeneration Reserve	RED	-77	16	0	0	16	-61
Housing Solutions Reserve	RED	-987	177	0	0	177	-810
Restructure Reserve	RED	-729	0	0	0	0	-729
LSVT Reserve	RED	-111	11	0	0	11	-100
Transport Reserve	RED	-364	0	0	0	0	-364
Funding and Programmes Management Reserve	RED	-175	50	0	0	50	-125
Resources Corporate Reserve	Resources	-1,843	0	0	0	0	-1,843
Resources DWP Grant Reserve	Resources	-107	0	-201	0	-201	-308
Resources System Development Reserve	Resources	-850	500	0	0	500	-350
Resources Housing Benefit Subsidy Reserve	Resources	-2,579	0	0	0	0	-2,579
Local Council Tax Support Scheme Reserve	Resources	0	0	-1,031	0	-1,031	-1,031
Resources Land Search Fees Reserve	Resources	-1,000	0	0	0	0	-1,000
Resources Legal Expenses	Resources	-200	0	0	0	0	-200
Resources Elections Reserve	Resources	-800	650	-700	0	-50	-850
Resources ICT Reserves	Resources	-480	0	0	0	0	-480
Cabinet Reserve	Corporate Fin	-220	0	0	0	0	-220
Corporate Reserve - Demographic Pressures	Corporate Fin	-8,650	2,150	0	0	2,150	-6,500
Equal Pay Reserve	Corporate Fin	-7,111	1,203	-1,200	0	3	-7,108
Insurance Reserve	Corporate Fin	-7,832	0	-1,162	0	-1,162	-8,994
Performance Reward Grant Reserve	Corporate Fin	-1,735	134	0	0	134	-1,601
MTFP Redundancy and Early Retirement Reserve	Corporate Fin	-4,839	2,281	0	0	2,281	-2,558
Total Non-Schools Reserve		-61,925	12,500	-5,343	0	7,157	-54,768
Schools' Balances							
Schools' Revenue Balance	CAS	-19,418	3,270	0	0	3,270	-16,148
DSG Reserve	CAS	-4,623	0	0	0	0	-4,623
Total Schools and DSG Reserve		-24,041	3,270	0	0	3,270	-20,771
Cash Limit Reserves							
Assistant Chief Executive		-1,165	389	-366	0	23	-1,142
Children and Adults Services		-9,732	2,991	-11,986	0	-8,995	-18,727
Neighbourhood Services		-2,311	495	-955	0	-460	-2,771
Regeneration and Economic Dev		-3,416	290	-423	0	-133	-3,549
Resources		-3,280	0	-1,682	0	-1,682	-4,962
Total Cash Limit Reserves		-19,904	4,165	-15,412	0	-11,247	-31,151
Total Earmarked Reserves		-105,870	19,935	-20,755	0	-820	-106,690

Appendix 5: Forecasted Housing Revenue Account to 31 March 2014

	Annual Budget	Projected Outturn	Forecasted Variance
	£000	£000	£000
Income			
Dwelling Rents	-63,633	-63,205	428
Non Dwelling Rents			
- Garages [net of voids]	-954	-962	-8
- Shops/Other	-121	-121	0
Charges for Services & Facilities	-374	-326	48
Contributions towards Expenditure	0	0	0
Total Income	-65,082	-64,614	468
Expenditure			
ALMO Management Fee + Outsourced Contract	16,469	16,469	0
Repairs & Maintenance	4,353	4,353	0
Supervision & Management - General	4,400	4,530	130
Supervision & Management - Special	491	471	-20
Rents, Rates, Taxes & other Charges	310	386	76
Depreciation & Impairment of fixed assets	7,850	7,850	0
Increase/Decrease in bad debt provision	968	968	0
Debt Management Costs	194	194	0
Total Expenditure	35,035	35,221	186
Net cost of HRA services per Authority I&E Account	-30,047	-29,393	654
HRA services share of Corporate & Democratic Core	1,085	1,085	0
Net Cost of services but not allocated to specific services	402	402	0
Net cost of HRA Services	-28,560	-27,906	654
Interest Payable & Similar Charges	12,447	10,862	-1,585
Direct Revenue Financing [Balancing Item on HRA]	16,217	17,148	931
Interest & Investment Income	-104	-104	0
[Surplus] / Deficit for the year on HRA services	0	0	0