

**FOR PUBLICATION**

**DEPUTY LEADER & EXECUTIVE MEMBER FOR PLANNING**  
**ACCOUNTS 2013/14 (J000)**

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**MEETING:** (1) CABINET  
(2) DEPUTY LEADER & EXECUTIVE MEMBER FOR PLANNING

**DATE:** (1) 17<sup>th</sup> JUN 2014  
(2) 10<sup>th</sup> JUN 2014

**REPORT BY:** HEAD OF REGENERATION  
HEAD OF BUSINESS TRANSFORMATION  
HEAD OF FINANCE

**WARD:** ALL

**COMMUNITY FORUM:** ALL

**KEY DECISION REFERENCE** 400(2)

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FOR PUBLICATION

BACKGROUND PAPERS: NONE

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**1.0 PURPOSE OF REPORT**

1.1 To report on the Revenue Outturn for 2013/14 and to provide explanations for significant variations from the Revised Estimates approved by Cabinet on 18th February 2014.

**2.0 RECOMMENDATION**

2.1 That the report be noted.

2.2 That the funding for the Community Infrastructure Levy be carried forward (para 4.1).

### 3.0 REVENUE OUTTURN

3.1 The revenue outturn for 2013/14 is as follows:

	<u>£ 000</u>	
Original Budget	(1,199)	
Revised Budget	(1,264)	
Outturn	(13,401)	See 3.4 below

3.2 The main variations from the Original to the Revised budget of £65k included:

**Table 1 - Significant Variances Original to Revised 2013/14**

Description	Increase / (Decrease) £'000
<u>Changes to controllable budgets:</u>	
General Employee Savings	(96)
Salaries vired to other portfolio	(21)
Redundancy Payments	51
Energy, Water & NNDR	(16)
Street Scene amalgamation	(21)
Arvato/Kier payments – incl GIS support	63
Kier Controllable Non Core Services	45
Professional Services for C.A.M.P.	25
Reduced Estates Rental Income	17
Increased Vicar Lane Rents & Serv Chrges	(83)
Increased Town Centre Rents & Serv Chrg	(11)
VFM – fee from Arvato	(18)
Increased Ind Units & Wkshops Rents & SC	(39)
Grant towards capital charges	(53)
Controllable Income for Kier non core serv	(129)
Funding from Risk Reserve	25
Net of minor variations	18
<b>Changes to controllable budgets</b>	<b>(243)</b>
Pavements Centre	(18)
Changes to Asset Charges	16
Change in support service recharges	180
<b>Overall decrease</b>	<b>(65)</b>

3.3 The Revenue Outturn of (£13,400,703) represents:

- An increase surplus of £12,202k or 1012.3% against the Original Budget; and
- An increase surplus of £12,137k or 960.1% against the Revised Budget.

3.4 The table below sets out the main variations between revised budget and actual outturn separating capital charges and support service recharges, items which are not controllable. It also separates out the Pavements Centre, which has been classed as external. This highlights an over spend of £268k on internal controllable expenditure.

	Original Estimate £'000	Revised Estimate £'000	Actual Outturn £'000	Variance £'000
Capital Charges:				
- Internal	275	291	<b>(12,088)</b>	(12,379)
- External	1,513	1,493	<b>1,508</b>	15
Support Services:				
- Internal	(1,014)	(834)	<b>(852)</b>	(18)
- External	3	1	<b>2</b>	1
Non Controllable Expd	777	951	<b>(11,430)</b>	(12,381)
Controllable Expd:				
- Internal	(108)	(351)	<b>(83)</b>	268
- External	(1,868)	(1,864)	<b>(1,888)</b>	(24)
<b>Portfolio Total</b>	<b>(1,199)</b>	<b>(1,264)</b>	<b>(13,401)</b>	<b>(12,137)</b>

A more detailed analysis of controllable and non-controllable expenditure by Programme Area is shown at **Annexe 1B**.

3.5 A detailed analysis of the variances from the revised budget to the outturn is shown in **Annexe 4** but the most significant variances are summarised below:-

<b>Significant Variances Revised to Outturn 2013/14</b>	
<u>Description</u>	Overspend / (Underspend) £'000
Employee Accumulated Absences (see para 3.6 below)	3
Current Service Pension Costs Adjustment (see para 3.6)	91
Employee Expenses	(9)
Project Academy costs	21
GPGS costs	41
Energy Costs	(8)
General Repairs & Maintenance	25
Bad Debt Provision	27
Professional & Contracted Services	6
Engineering – Managed Budgets (£10k to off-set expenditure in different portfolio)	(22)
BCN – share of surplus	(28)
Property Management – Rental Income & charges	(6)
Best Value – fees & charges	(5)
Town Centre – Income	14
Planning Fees & Charges	(4)
Rent Equalisation – Operating Leases	25
Drainage Scheme grant (offset by Capital Charges saving)	107
Net of all other variances	(10)
<b>* Changes to controllable budgets</b>	<b>268</b>
Pavements Centre	(8)
Change in support service recharges	(18)
Change in capital charges (see para 3.8 below)	(12,379)
<b>Overall Increase</b>	<b>(12,137)</b>

**\*Controllable budget variances excluding the Pension & Accumulated Absences, Current Service Pension Costs & Drainage Scheme Grant adjustments** **£67k**

3.6 In order to comply with accounting standards, the employee accumulated absences listed in the variances at **Annexe 4** must be shown in the revenue accounts. This is only an internal adjustment which is reversed elsewhere in the accounts and so will have no impact on the level of surplus or reserves available to the Council. Similarly, the over spend described as 'Current Service Pension Costs Adjustment' is an internal accounting adjustment which is matched by an under-spend in the Governance Portfolio.

- 3.7 The Engineering Services managed budget under-spend relates to Street Naming, Street Lighting, Bus Shelters and Street Scene. Part of this under spend was used to off-set expenditure (£10k) in another portfolio for essential electrical works to the Open Markets and identified during the Market Hall refurbishment.
- 3.8 The major variance on capital charges is due to an increase in the value of investment properties on Industrial Units & Estates Premises. This change in value must be reflected in revenue in the year in which it occurs. This however is reversed out with an equal and opposite entry made to the Income & Expenditure Statement; the 'bottom line' is therefore unaffected.
- 3.9 The following information is attached.

**Annexe 1 Summary by Programme Area**

**Annexe 2 Detailed by Programme Area and Cost Centre**

**Annexe 3 Subjective Analysis**

**Annexe 4 Variations– Revised Budget 2013-14 to Actual 2013-14**

**Annexe 5 Capital Outturn**

**Annexe 6 Carry Forward Requests**

#### **4.0 CARRY FORWARDS**

- 4.1 That the funding for the Community Infrastructure Levy (£5,100) be carried forward in respect of consultancy advice relating to Community Infrastructure adoption & strategic site assessment.

#### **5.0 RECOMMENDATION**

- 5.1 That the report be noted.
- 5.2 That the funding for the Community Infrastructure Levy be carried forward (para 4.1).

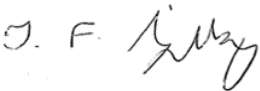
**6.0 REASONS FOR RECOMMENDATION**

6.1 To enable the portfolio’s Revenue Outturn to be included in the Council’s overall Statement of Accounts.

**MIKE HAYDEN - HEAD OF REGENERATION**

**MARK EVANS – HEAD OF BUSINESS TRANSFORMATION**

**BARRY DAWSON – HEAD OF FINANCE**

Officer recommendation supported/not supported/modified as below or Executive Member’s recommendation/comments if no officer recommendation.	
	
Signed	Executive Member
Date: 10.6.14	
Reference	

Author & Contact Name: Linda Coupe (Ext. 2008)