

AGENDA



For a meeting of the
GOVERNANCE AND AUDIT COMMITTEE
to be held on
FRIDAY, 29 JUNE 2012
at
12.00 PM
in the
WITHAM ROOM, COUNCIL OFFICES, ST. PETER'S HILL, GRANTHAM. NG31 6PZ
Beverly Agass, Chief Executive

Committee Members:	Councillor Jean Bevan (Vice-Chairman), Councillor Trevor Scott, Councillor Rob Shorrocks, Councillor Ian Stokes (Chairman), Councillor Jeff Thompson, Councillor Martin Wilkins and Councillor Rosemary H Woolley
Committee Support Officer:	Jo Toomey 01476 406152

Members of the Committee are invited to attend the above meeting to consider the items of business listed below.

1. DRAFT FINANCIAL OUTTURN 2011-12

Report number HOF200 by the Head of Finance.

(Enclosure)

REPORT TO GOVERNANCE AND AUDIT COMMITTEE

REPORT OF: STRATEGIC DIRECTOR AND HEAD OF FINANCE

REPORT NO: HOF200

DATE: 29 June 2012

TITLE:	Outturn Position 2011/12	
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	None	
PORTFOLIO HOLDER: NAME AND DESIGNATION:	Councillor Mike Taylor Well Run Council Portfolio Holder	
CONTACT OFFICER:	Daren Turner – Strategic Director Corporate Focus. 01476 406301 Email: d.turner@southkesteven.gov.uk Richard Wyles –Head of Finance 01476 406210 Email: r.wyles@southkesteven.gov.uk	
INITIAL IMPACT ANALYSIS:	Carried out and Referred to in paragraph (7) below:	Full impact assessment Required:
Equality and Diversity	N/A	No
FREEDOM OF INFORMATION ACT:	This report is publicly available via the Your Council and Democracy link on the Council's website: www.southkesteven.gov.uk	
BACKGROUND PAPERS	HOF148, 166, 171, 182, 187, 193	

1. RECOMMENDATIONS

1.1 It is recommended that members of the Governance and Audit Committee:

- a. Review, appraise and approve the Revenue and Capital Outturn report and associated appendices for 2011/12, including the movement and use of reserves detailed in the report.
- b. Note the commentary to the outturn report and identify any issues which the Committee may wish to make Cabinet and Council aware of in relation to the Council's medium term financial planning arrangements.

2. PURPOSE OF THE REPORT

2.1 The purpose of this report is to present the Council's Revenue and Capital Outturn 2011/12 for both General Fund and Housing Revenue Account. It covers:

- Revenue outturn 2011/12
- Capital outturn 2011/12
- Commentary on the revenue and capital outturn
- Commentary and review of reserves and a reserves statement

The original base budget for 2011/12 was approved by Council on 3 March 2011 (HOF148) for both the capital and revenue budgets including General Fund and the Housing Revenue Account.

2.2 A separate report which will be presented to the Committee at their next meeting will provide details of the Statement of Accounts and will be produced in compliance with the Account and Audit Regulations 2011. The Statement of Accounts must be published by 30 September 2012 following the audit of the statements which is undertaken by the District Auditor.

2.3 A primary source of information for the production of the Statement of Accounts is the Revenue and Capital Outturn position. This report provides a summary of the outturn position together with a commentary of significant variances to the budgeted position.

3. Executive Summary

3.1 This report provides Audit and Governance Committee with the detail of the Council's outturn position for the financial year 2011/12. In order to comply with International Financial Reporting Standards, councils are now asked to make many technical adjustments to the final accounts before the Statements of Accounts are produced. Many are non cash accounting adjustments which do little to aid understanding and transparency. The report tries to ensure that, through explanation and presentation, the final account figures can be reconciled back to the original budget set by Council in March 2011.

3.2 The financial year 2011/12 saw the first year of the Government's 2 year settlement to local authorities and incorporated a significant reduction in the amount of Formula Grant the Authority received. This reduction amounted to 13% or £1.27M in monetary terms. This presented real challenges for the Authority but as a result of careful financial planning and pre-emptive work, the reduction has been contained with minimal impact on front line services. The Council must continue to try and make savings and further efficiencies as grant reductions continue into the current financial year with a further reduction in Formula Grant of £981K compared to 2011/12. Therefore over a 2 year period the overall Grant reduction has been £2.25M and has been met from

introducing a number of efficiency plans and service reviews that will continue in the coming years. The Council will continue to face further financial challenges with the introduction of a localised council tax benefit scheme and the localisation of business rates, both from April 2013.

- 3.3 **General Fund Revenue Account**, has an outturn of £275K (see table 1 page 4) underspent after adjusting for a contribution towards capital financing, set aside for service expenditure carry forwards and the creation of an invest to save provision of £500K (in line with the original budget of March 2011). In addition a further £169K of additional investment income has been received as a result of higher than expected levels of balances (due to profiling differences in the capital programme) and better than budgeted performance in treasury management. Detailed explanations of variances follow in section 4.
- 3.4 **General Fund Capital Programme** has an outturn of £2.595M compared with an original budget of £4.582M. Commentary on individual scheme progress is contained in section 6 of the report. The programme was revised as part of the budget setting process, further work will be undertaken during the coming months to improve programme budgeting to improve cash flow. Details of the full programme are contained at Appendix C.
- 3.5 **Housing Revenue Account (HRA)** will be in surplus at the end of 2011/12, following accounting adjustments (see section 5) of £1.284M which will be added to the housing account working balance. Detailed variances are provided at section 4.
- 3.6 The **Housing Investment Programme (HIP)** shows an outturn position of £4.709M compared to a budget of £6.755M. Commentary on individual scheme progress is contained in section 6 of the report. Detailed variances follow in section 6.4.

4. DETAILS OF REPORT

4.1 Detailed analysis of the 2011/12 Outturn

The following paragraphs give detailed analysis of the areas:

- General Fund Revenue Services (see also Appendix A)
- Housing Revenue Account (see also Appendix B)
- Capital Expenditure (both Housing and General Fund) (see also Appendix C)
- Reserves Statement (see also Appendix D)

4.2 General Fund (Revenue) Variance Analysis

The corporate service headings showing budget and outturn is shown below:

Table 1

Service Area		2011/12 Original Base	2011/12 Adjusted £'000	2011/12 Outturn	2011/12 Variance (adjusted)
		£'000		£'000	£'000
1	Assets	3,171	3,308	1,691	(1,617)
2	Corporate	1,619	1,493	830	(663)
3	Development and Growth	2,179	2,252	2,231	(21)
4	Environmental Services	5,684	5,640	5,578	(62)
5	Finance	1,364	1,422	993	(429)
6	Housing and Neighbourhoods	992	943	1,184	241
7	HR and Customer Services	0	(19)	87	106
8	Legal and Democratic	1,375	1,345	1,185	(160)
9	Special Expense Areas	566	566	663	97
10	Net Total	16,950	16,950	14,442	(2,508)
11	Removal of non accounting adjustments*			1,253	
12	General Fund Total	16,950	16,950	15,695	(1,255)
13	Set aside sums 2011/12**			197	
14	Removal of provisions (Invest to Save Reserve)			500	
15	Revenue contribution to Capital Expenditure			283	
16	Restated General Fund Total	16,950	16,950	16,675	(275)

Notes:

*Line 11 – There are a number of accounting entries that are charged ‘above the line’ at service cost level (in accordance with accounting requirements) but which will be either financed from specific reserves or will be removed to eliminate any impact on the taxpayer. Therefore the General Fund outturn position can be restated as follows:

the table below provides a breakdown of the entries that have been made

	Accounting Entry	£k	Financing
1	General Fund total	14,442	See above
2	Deferred Charges	332	
3	Non-enhancing capital expenditure	(109)	Financed by useable capital receipts/capital reserve
4	Re-valuation gains on assets	963	Notional valuation increase following DV advice
5	Net IAS19 adjustment	177	Removed to eliminate any impact on Council balances
6	Accounting adjustment for holiday pay	(53)	In accordance with IAS19
8	Other accounting adjustments (including grants, contribution to insurance reserve & interest receivable on investments)	(57)	
9	Re-stated total	15,695	

**Line 13 – services have rolled forward resources into 2012/13 (£63K Property Services, £50K waste services and £84K ICT) in order to complete pieces of work and initiatives that have been planned and been unable to commence in year. Set aside also enables the smoothing out of the costs of reactive spend that are unable to be budgeted for accurately, for example repairs and maintenance (see later notes in reserves and balances review).

The above outturn figure also includes expenditure relating to the 2010/11 set aside sums that were approved by the Committee last year.

It should be noted that the service outturn figures include accounting entries for IAS (international accounting standard) 19 pension adjustments although these charges were not included in the base estimates.

4.3 Assets

- 4.3.1 There is a variance of £185K in respect of Bourne Leisure Centre and £111K in respect of Deepings Leisure Centre. These variances are due to a change in accounting treatment for the holding of the asset. This has resulted in a reduction of the depreciation charge.
- 4.3.2 A change in accounting practice has resulted in a number of the car parking assets being re-valued downwards which has resulted in a lower depreciation charge. Car parking income in respect of Grantham is £16K less than budget but Stamford car parks have shown an increase and have exceeded budgeted levels by £94K.

4.3.3 There have been savings of £101K in respect of the grounds maintenance contract. The service has successfully renegotiated terms with the incumbent contractor as part of the Council's efficiency and service review programme. Income received in respect of Grantham markets was £19K less than budgeted following a reduction in the number of regular traders although it is anticipated the number of regular traders will improve following the successful street scene improvement works in and around the Market Place. The trading performance of Stamford Market has remained strong during the financial year.

4.3.4 A revaluation of the Grantham Meres Leisure Centre has been undertaken by the District Valuer as part of the annual re-valuation of the Council assets. This has the effect of lowering the annual depreciation capital charge and therefore a variance when compared with budgeted costs

4.4 Corporate (includes corporate costs, strategic and operational management costs)

4.4.1 There are two specific provisions within this corporate heading that have not been required during the financial year: invest to save and set-aside for any national pay award settlement.

4.4.2 Invest to Save - £500K, as stated in section 3 above was incorporated into the 2011/12 budget framework in order to fund any initiatives that required up front resourcing based on a business case of demonstrating payback on the outlay over a defined period of time. Whilst initiatives of this nature have been funded during 2011/12, it has been possible to fund them from in-year savings rather than utilise the provision. These include the purchasing and installation of solar PV energy panels at a number of key Council assets and the installation of software in waste freight vehicles which will lead to the review of rounds to maximise efficiencies. As part of the closedown of the accounts, a specific invest-to-save reserve will be created.

4.4.3 Pay provision - £100K. This provision was put in place pending the national settlement with respect to public sector pay awards for 2011/12. The national settlement agreed a pay freeze for the year and therefore the provision will be transferred to the revenue reserve in order for it to be used to support the funding of priority projects.

4.5 Development and Growth

4.5.1 The Development Management service has undertaken a review of its staffing arrangements and introduced a new method of delivering the service to the customer. In addition to this, the service has undertaken a programme of back scanning its information to enable it to be electronically available for staff when dealing with cases and to improve the responsiveness to customer enquiries. This additional work has resulted in planned costs which have been met from overall savings within the Head of Service area.

4.5.2 There has been an underspend in respect of the Local Strategic Partnerships cost centre following the streamlining of the of the LSP during 2011/12. There

has also been an underspend in respect of the Local Development Framework (LDF) programme as a result of the Inspector delaying the start of the examination process until autumn 2012. The LDF is funded by Housing Planning Delivery Grant monies which will be utilised in 2012/13.

- 4.5.3 The Building Control trading account has experienced some trading difficulties and a combined trading deficit of £34k for the financial year which will need to be recovered during 2012/13 in order to maintain the required breakeven position over a 3year rolling period.

4.6 Environmental services

- 4.6.1 Overall this service area has no material variances which require an explanation other than an increase in depreciation charges due to the purchase of 2 street sweepers and on-street hot pavement washer in the year.

4.7 Finance

- 4.7.1 The most significant variance is caused by the requirement to make adjustments in relation to the future pension liabilities of staff in order to align with IAS 19. Following the publication of the Lincolnshire Actuaries report in May 2012, there has been a number of adjustments required to reflect the assumptions stated in the report. These adjustments determine the Authority's pension obligations in respect of its employees (both current and former).

4.8 Housing and Neighbourhoods

- 4.8.1 The variance in respect of homelessness includes £68K of grant received that will be rolled forward into 2012/13 to be utilised on specific projects.
- 4.8.2 Private sector housing – there has been a number of expenditure charges made to the service in accordance with accounting requirements (revenue expenditure funded from capital under statute – REFCUS). These include disabled facilities (£496K), empty homes grant (£75K), and better homes grant (£217K). The cost centre has also been credited with grant income of £336K in respect of grants received in-year. In general terms, these are all accounting adjustments that are necessary in order to comply with accounting standards but do not have a detrimental impact on the service.

4.9 People, Projects and Performance (formerly HR and Customer Service)

- 4.9.1 During the course of the year a new cost centre, Reputation and Communications, has been established and the budget has been moved from the Communications cost centre. There is a salary related underspend in Customer Services as a result of the internal temporary service manager arrangement.

4.10 Legal and Democratic

- 4.10.1 There have been a number of small variances within the Democratic Representation cost centre including underspends in respect of printing and postage costs.

4.11 Special Expense Areas (SEAs)

- 4.11.1 Grantham SEA – there has been an overall overspend for the SEA due to the works undertaken in respect of improvements to the drainage of Grantham Cemetery. The cost of these works will be met from the Grantham SEA over the medium term.

5. HOUSING REVENUE ACCOUNT – Variance analysis

- 5.1 The housing revenue account (HRA) (Appendix B) is a 'ringfenced' account and relates to the Council's Landlord functions. Revenue raised by rents and service charges must be sufficient to match expenditure.

The HRA outturn position shows a net operating deficit of £2.042M for the financial year. However, included within the operating expenditure is non-enhancing capital expenditure (shown at line 15) which has been financed from the major repairs allowance (shown at line 33). After applying the allowance, a surplus of £1.284M has been added to the working balance.

Overall there are a number of issues that have contributed to this outturn position.

- 5.2. **Dwelling rents and other income** – the performance for the collection of rents has improved during the financial year (98.02%) and the remaining rents due will continue to be recovered during 2012/13. The bad debt provision has been credited to reflect the position.
- 5.3. **Repairs and maintenance** – this budget covers expenditure on a range of work areas including insulation, painting, digital upgrades, water testing and gas servicing. The overall underspend of £350k reflects a number of schemes that have been delivered below budget as a result of savings achieved – these are insulation (£148K due to external grant being awarded), painting (£42K), gas servicing (£11K) and chimney sweeping (£15K). The disabled adaptations cost centre underspent by £218K due to a delay with commencing the procurement framework with the contractor. This caused delay in undertaking the works, however time efficiencies are now being gained with the use of the framework along with the employment of a designated officer within the improvements team. It is anticipated all current referrals, together with the backlog, will be cleared within 6 months. To give this some context since April 2012 40 instructions have been issued to the contractor and £106,000 of the budget has been allocated. There have been overspends in respect of specified works of £88K and materials of £35K. These are due to an increase in the number of type of repairs required to the housing stock during the year. An analysis of these overspends is underway to determine corrective actions to mitigate a re-occurrence of the situation.
- 5.4. **Supervision and management** – compared with a combined budget of £4.706M the outturn is £4.113M which gives an overall variance of £593K. £280K relates to employee related expenditure savings – a review of the vacant posts has been completed with 4 of the posts being removed from the establishment. Grounds maintenance achieved an overall saving of £60K

following re-negotiation of the current contract. A budget allocation of £50K was not required for the introduction of choice based lettings scheme.

- 5.5 **Depreciation and Impairments** – the criteria used by the District Valuer for the valuation of social housing stock has decreased from 50% to 34% which has resulted in a reduced depreciation charge when compared with original budgets. This is due to the valuation change being introduced after the original budgets had been agreed.

6. **CAPITAL EXPENDITURE**

- 6.1 During 2011/12 the Council's total capital investment was £11.337M (details are provided at appendix C). A summary of the expenditure is set out below and is compared to the original estimated and revised base programme.

Table 2

	Corporate Area	2011/12 Original Base	2011/12 Outturn	2011/12 Variance
		£k	£k	£k
1	Good for Business	2,150	153	(1,997)
2	Quality Living	1,762	1,585	(177)
3	Customer First	150	20	(130)
4	Quality Organisation	520	837	317
5	General Fund Sub Total	4,582	2,595	(1,987)
6	Housing Revenue Account	6,755	4,709	(2,046)
7	Total Capital Programme	11,337	7,304	(4,033)

- 6.2 **Capital General Fund** - The revised capital general programme for 2011/12 was agreed by Council at its meeting on 3 March 2011 and included a number of capital projects that were continued in the following financial year. The outturn position of £2.595M represents a variance of £1.987M compared with the original base. The major variances compared to the programme are in respect of:

6.3 **Variance Analysis – General Fund (Appendix C Page 2)**

- 6.3.1 **Bourne Core Area** – during the course of the year significant progress has been made to enable the delivery of the Bourne core area project. Work started during the latter part of 2011/12 and the retail and residential development will be delivered during 2012/13. Funding has been allocated across these financial years to enable the project to progress as planned. Significant capital receipts are expected from the scheme in the future, market conditions will affect timing of the crystallisation of the receipts.

- 6.3.2 **Grantham growth** continues to be a priority for the Council and funding has been set aside for delivery of key components of the project, specifically these include Station Approach and public realm. Servicing land at Station Approach by private treaty has not been successful and this has resulted in the commencement of compulsory purchase orders. These schemes will therefore continue to receive funding over the period of the medium term financial plan and the underspend in 2011/12 will contribute to the funding proposals.
- 6.3.3 **Housing improvement Grants** – there are a number of specific schemes within this category that are utilised in accordance with customer demand and compliance with criteria. The underspends for the current year will be carried forward to use to finance future expenditure within these headings.
- 6.3.4 **Customer First** - There is an ongoing review of the area office upgrade requirements which complements and supports the Council's customer access strategy. The most significant element of this is the Bourne Customer Access scheme. Work is progressing on the conversion of part of the Corn Exchange building which will see the development of a Customer Access Point incorporating access to district, library and town council services. The majority of the expenditure will be incurred during 2012/13 with a target opening of spring 2013. Budget not used during 2011/12 will be made available during 2012 to fund the remainder of the works.
- 6.3.5 **Quality organisation** – there a number of projects under this heading which have been delivered in accordance with the asset management plan. Details of the projects are provided in appendix C. Specifically these include the introduction of BMS (business management systems) at the leisure centres, the refurbishment of the roof and clock tower at the Guildhall Grantham, ICT infrastructure improvements and the acquisition of replacement pool vehicles.
- 6.3.6 **Housing Revenue Account Capital Programme** – the capital programme for 2011/12 was set at 6.755M. A forecast position was undertaken in January 2012 downwards to £5.410M (and presented in the 2012/13 budget estimates to Council in March 2012). This was in order to deliver a more economical way of working and improving value for money, particularly relating to re-roofing and associated external works. The outturn for 2011/12 is £4.709M. This represents a variance of £0.701M compared with the forecast position and a variance of £2.046M compared to original budget.

6.4 Variance Analysis HRA (Appendix C Page 1)

- 6.4.1 Heating and ventilation – 570 boilers were renewed during 2011/12. There was an overspend of £114K due to the number of condemned boilers in addition to the planned maintenance and improvement programme. A further £1.4M has been allocated to this programme for 2012/13.
- 6.4.2 Property refurbishments – in total 47 properties were refurbished which resulted in an overspend of £200K due to additional properties requiring refurbishment than originally envisaged. These were properties that became void during the year and required significant upgrades to meet decent homes standards.

- 6.4.3 Re-roofing – an underspend of £526K due to the re-profiling of the programme based on geographical areas which will ensure value for money is obtained by the contracts. Comparisons of pricing between roofs completed under both the current and the previous contracts have shown a 23.17% saving due to economies gained in labour, travelling, supervision, scaffolding and procurement.
- 6.4.4 Re-wiring – an underspend of £279K due to a reduction in the number of properties requiring re-wiring during 2011/12 due to the implementation of a pre-inspection testing programme which identified the wiring is in better condition than the visual inspection indicated.
- 6.4.5 Kitchen and Bathroom Refurbishments – 146 kitchens and 124 bathrooms were upgraded in 2011/12. There was an underspend of £365K due, to difficulties in accessing properties to undertake the works and following the refusal of tenants not wanting the disruption of having works carried out.
- 6.4.6 Communal door replacement programme – an underspend of £56K due to delays in the commencement of the works. It is anticipated the works will be undertaken during 2012/13 once consultation with leaseholders has been completed.
- 6.4.7 Disabled adaptations – an underspend of £88K due to the small number of major adaptation schemes being referred to the Authority by occupational health.
- 6.4.8 Chimney works – an underspend of £145K due to re-profiling of the programme based on geographical areas which will ensure value for money is obtained by the contracts. This work is being procured as part of the roofing contract (referred to in paragraph 6.4.4 rather than as a separate contract to prevent return visits.
- 6.4.9 Wall finishes – an underspend of £190K due to re-profiling of the programme based on geographical areas which will ensure value for money is obtained by the contracts. These works will be undertaken during 2012/13. As with the chimney works this work is being procured as part of the roofing contract to avoid return visits.
- 6.4.10 Essential works – During the year £129k was incurred on the installation of condensate pipes and sound insulation works carried out at Clare Close Stamford. There was an underspend of £166k due to the flat roof programme of £99,500 being included in the roofing contract (see section 6.4.3). The additional £66,500 was not spent as this was originally intended for the refurbishment of Swedish timber properties. Following survey of these properties further works are needed and additional funding will be sought for the works to be carried out in 2013/14.
- 6.4.11 Contingency allocation of £150K was not required during the course of the financial year. This amount will be credited to the HRA reserve and used to fund future projects.

- 6.4.12 Refurbishment of bin stores – an underspend of £67K of which £40K will be spent in 2012/13 due to delays in the commencement of the programme.
- 6.4.13 DDA compliance works – this programme of works will continue in 2012/13 and £200K has been allocated to support this work.

7. COMMENTARY ON BALANCES AND RESERVES

- 7.1 An integral part of the closedown of the accounts is to review the usage and balances of the Council's reserves and balances. The financial statements reflect the proposed use of these and specific details of each balance and reserve are set out below and detailed at Appendix D.

7.2 Capital Reserves

7.2.1 General Fund - Capital Reserve £3.061M

The General Fund capital programme has been increased by an additional contribution of £1.5M in order to have available funds to contribute to the financing of the capital programme in the medium term. The Council has developed a significant capital programme over the course of the next three years and capital financing arrangements are in place to support the overall programme of £11.602M based on the delivery of current spending plans.

7.2.2 Useable Capital Receipts Reserve £6.756M

This reserve has been utilised during 2011/12 to finance the General Fund capital programme by £1.195M. During the year capital receipts of £886K have been received (£728K in respect of General Fund sales and £158K for RTB receipts) and £2.132M has been used to contribute to the financing of the General Fund capital programme. The closing balance of £6.756M is incorporated into the medium term financial model and will be utilised to fund the future capital programme.

7.2.3 Major Repairs Reserve £4.313M

This is a mechanism whereby the Council is required to account for the resources given through the Major Repairs Allowance (MRA) which is provided via the Housing Revenue Account Subsidy and is used to fund capital expenditure on HRA assets. The closing balance of £4.313M reflects the application of £4.709M to finance the HRA capital programme and the contribution of MRA received of £3.674M. This reserve continues to be the primary source of financing for the HRA capital programme.

7.3 Specific Revenue Reserves

7.3.1 Insurance Fund - £719K

The Council, over recent years, has chosen to carry out a certain amount of insurance risk through a process known as self insured. This has enabled the Council to keep insurance premiums lower in a volatile market with a balance of retaining an element of 'in-house' risk. This strategy has also led to a review of the excess level of each risk category with a number of excess levels being increased. This has resulted in a reduction in the annual premium paid to the Council's insurer of £72K.

The policy of this reserve includes contingencies such as financing the costs of any Judicial Reviews the Council may face in the future. Movements during the year includes a settlement in respect of 3 planning appeals amounting to £171K.

7.3.2 Pension Reserves

Whilst the Council does not currently operate a pension policy with "added years" the former employees reserve provides for matching added years payments in respect of former employees when such a policy operated.

The current employees reserve provides for potential capital costs of any future early retirements and also helps to protect the Council from large changes in Council Tax resulting from unanticipated rises in the employer's contribution rate following future triennial valuations. The reserve will be kept under constant review as the Council awaits the outcome of the national review of the Local Government pension scheme arrangements.

7.3.3 Priority Themes and Service Improvement Reserve £4.606M

This reserve (together with New Homes Bonus allocation) is available to help finance delivery of the priority actions and one-off service improvement proposals. The Council is progressing a number of key priority projects and funds have been agreed and allocated to deliver these during 2012/13. These are listed and detailed at Appendix D.

7.3.4 Building Control Account Reserve (£34K)

The Building Control service is split between chargeable and non-chargeable activities. The reserve position as at 31 March 2012 shows an overall trading deficit of £34K. This is an accumulated deficit over the last 2 years. It is a requirement that the trading element of the service must achieve a breakeven position over a 3 year rolling period. Therefore the service will be undertaking a review of its trading activities to ensure this requirement is achieved.

7.3.5 Special Expense Area (SEA) reserve £80K

This reserve is utilised to financially support transactions and future spending proposals in respect of the SEAs. At the year end the balance on the reserve is £80K. During the course of the year £50K has been transferred from the Grantham SEA reserve to contribute towards the financing of the cemetery works. The balance of these works will be met from revenue contributions over the coming years. £1K has been transferred from Deepings SEA reserve in order to meet the overspend for 2011/12. Contributions to the reserve include £3K Bourne SEA, £37K Grantham SEA, £1K Langtoft SEA and £6K Stamford SEA.

7.3.6 Service specific funds – set asides

In order to assist services continue to deliver specific projects which overrun the financial year, a number of service funds have been created following the closure of the 2011/12 financial year. Specifically these are:

- Asset Development £63K
- Information Technology £84K
- Human Resources learning and development programme £170K
- Waste and Recycling £50K

All of these reserves require specific delivery and works plans before they are agreed.

7.4 **Working Balances**

7.4.1 **The General Fund working balance** at the end of the financial year stands at £2.370m. This is equivalent to 13.9% of net original base budget for 2011/12 (net operating expenditure) and is in accordance with the council's current policy. The purpose of this working balance is to ensure there is sufficient financial resource available in order to meet unforeseen events during the course of the financial year.

7.4.2 **The HRA working balance** as at 31 March 2012 is £9.452M. This balance serves the same purpose as the General Fund working balance. In accordance with the medium term financial plan it is anticipated that there will be revenue contributions towards the housing capital programme which will be finance from the revenue working balance.

8. **OTHER OPTIONS CONSIDERED**

8.1 None

9. **RESOURCE IMPLICATIONS**

9.1 These are stated in the report.

10. RISK AND MITIGATION (INCLUDING HEALTH & SAFETY AND DATA QUALITY)

10.1 None

11. ISSUES ARISING FROM EQUALITY ANALYSIS

11.1 None – this report provides a retrospective explanation of the Council's outturn position for 2011/12.

12. CRIME AND DISORDER IMPLICATIONS

12.1 None

13. COMMENTS OF FINANCIAL SERVICES

13.1 These are included in the report.

14. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

14.1 This report provides the Council's financial position in comparison to service budgets and capital programme as set in accordance with the Council's budgetary and policy framework.

15. COMMENTS OF OTHER RELEVANT SERVICE MANAGER

15.1 None

16. APPENDICES:

Appendix A - General Fund Revenue Outturn 2011/12

Appendix B - Housing Revenue Account Outturn 2011/12

Appendix C - Capital Programme Outturn 2011/12

Appendix D – Reserves Statement as at 31st March 2012

SUMMARY OF GENERAL FUND ESTIMATES

2011/12 Outturn

	2011/12 Original Base	2011/12 Adjusted Base	2011/12 Outturn	2011/12 Variance Original	2011/12 Variance Adjusted
	£'000	£'000	£'000	£'000	£'000
1 Assets	3,171	3,308	1,691	(1,480)	(1,617)
2 Corporate	1,619	1,493	830	(789)	(663)
3 Development and Growth	2,179	2,252	2,231	52	(21)
4 Environmental Services	5,684	5,640	5,578	(106)	(62)
5 Finance	1,364	1,422	993	(371)	(429)
6 Housing and Neighbourhoods	992	943	1,184	192	241
7 HR and Customer Services	0	(19)	87	87	106
8 Legal and Democratic	1,375	1,345	1,185	(190)	(160)
9 Special Expense Areas	566	566	663	97	97
10 TOTAL SERVICE COSTS	16,950	16,950	14,442	(2,508)	(2,508)
11 Precepts of Local Precepting Authorities	1,350	1,350	1,350	0	0
12 Depreciation and Impairment charged to Revenue Accounts	(2,669)	(2,669)	(2,398)	271	271
13 Other operating income	0	0	(80)	(80)	(80)
14 Interest and Investment Income	(230)	(230)	(399)	(169)	(169)
15 Interest Payable	154	154	155	1	1
16 NET OPERATING EXPENDITURE	15,555	15,555	13,070	(2,485)	(2,485)
17 Net movement in General Fund Specific Reserves	(71)	(71)	3,100	3,171	3,171
18 Revaluation Gains/ (losses)	0	0	876	876	876
19 Amortisation of Intangible Assets	0	0	(31)	(31)	(31)
20 Financing of Capital Expenditure	500	500	435	(65)	(65)
21 Accounting adjustment for holiday and maternity pay	0	0	37	37	37
22 Revenue Expenditure Financed by Capital Through Statute	0	0	(800)	(800)	(800)
23 Minimum Revenue Provision	194	194	193	(1)	(1)
24 AMOUNT TO BE MET FROM GOVERNMENT GRANTS AND LOCAL TAXPAYERS	16,178	16,178	16,880	702	702
25 Council Tax Income	(7,641)	(7,641)	(7,645)	(4)	(4)
26 Formula Grant	(8,350)	(8,350)	(8,350)	0	0
27 Council Tax Freeze Grant	(157)	(157)	(157)	0	0
28 Other Grants (ABG and Performance Reward)	0	0	(702)	(702)	(702)
29 Capital Grants & Contributions	0	0	0	0	0
30 Collection Fund Surplus	(30)	(30)	(26)	4	4
31 (SURPLUS)/DEFICIT IN YEAR	0	0	0	0	0
General Fund Revenue Balances					
32 (Increase)/Reduction in working balance	0	0	0	0	0
33 Transfer to Priority Planning and Service Improvement Reserve	0	0	0	0	0
34 Balance at Beginning of Year	2,470	2,370	2,370	(100)	0
35 BALANCE AT END OF YEAR	2,470	2,370	2,370	(100)	0

COMMUNITY ENVIRONMENT FOCUS - ASSETS

Appendix A

2011/12 Outturn

Ref	Detail	2011/12	2011/12	2011/12	2011/12	2011/12
		Original Base £'000	Adjusted Base £'000	Outturn £'000	Variance Adjusted £'000	Variance Adjusted %
	Front Line Services					
1	Alma Park, Grantham	9	9	8	(1)	(11)%
2	Arts and Events	38	38	41	3	8 %
3	Awarded Watercourses	33	33	33	0	0 %
4	Bourne Corn Exchange	146	146	138	(8)	(5)%
5	Bourne Fair	1	1	1	0	0 %
6	Bourne Leisure Centre	330	330	145	(185)	(56)%
7	Bourne Market	18	18	25	7	39 %
8	Bus Stations	78	78	44	(34)	(44)%
9	Car Parks	(591)	(460)	(590)	(130)	28 %
10	Closed Burial Grounds	49	49	37	(12)	(24)%
11	Community Activities	140	136	118	(18)	(13)%
12	Cycle Centre and Cycleways	13	13	2	(11)	(85)%
13	Deepings Leisure Centre	263	263	152	(111)	(42)%
14	Flood Prevention	106	106	95	(11)	(10)%
15	Footway Lighting	228	228	208	(20)	(9)%
16	Graham Hill Way, Bourne	(23)	(23)	(24)	(1)	4 %
17	Grantham Canal	17	17	16	(1)	(6)%
18	Grantham Fair	(2)	(2)	(8)	(6)	300 %
19	Grantham Market	49	49	59	10	20 %
20	Grantham Meres Leisure Centre	774	774	(19)	(793)	(102)%
21	Guildhall Arts Centre	502	497	548	51	10 %
22	Hollis Road, Grantham	(7)	(7)	(9)	(2)	29 %
23	Leisure Grants and Loans	(6)	(6)	(9)	(3)	50 %
24	Leisure Premises	(11)	(11)	(18)	(7)	64 %
25	Miscellaneous Property	90	90	56	(34)	(38)%
26	Mowbeck Way, Grantham	(6)	(6)	(8)	(2)	33 %
27	Northfields, Market Deeping	(355)	(355)	(375)	(20)	6 %
28	Play Areas & Open Spaces	347	353	252	(101)	(29)%
29	Sports Stadium	174	174	153	(21)	(12)%
30	Stamford Arts Centre	527	529	464	(65)	(12)%
31	Stamford Fair	(15)	(15)	(11)	4	(27)%
32	Stamford Leisure Centre	239	239	112	(127)	(53)%
33	Stamford Market	(17)	(17)	(33)	(16)	94 %
34	Street Furniture	33	33	22	(11)	(33)%
35	Street Grass Cutting	0	0	0	0	100%
36	Travellers Rest Caravan Site	0	0	0	0	100%
37	Withambrook, Grantham	0	0	66	66	100%
	Front Line Services	3,171	3,301	1,691	(1,610)	(49)%
	Support Services					
38	Asset & Facilities Management	731	731	726	(5)	(1)%
	Recharged to Services	(731)	(731)	(726)	5	(1)%
	Under/ (Over) Allocation of Support Services	0	7	0	(7)	(100)%
39	NET GENERAL FUND CHARGE	3,171	3,308	1,691	(1,617)	(49)%

Ref	Comments
6	Change in accounting treatment for the holding of a lease has resulted in a reduction in the depreciation charge
9	These assets have been re-valued upwards resulting in a lesser depreciation charge than budgeted (£60k). Income in respect of Grantham is £16k less than budget (3%) which primarily relates to changes in customer usage patterns at Welham Street Car Park. Income levels at Stamford Car Parks have exceeded budgeted levels by £94k (14%).
13	The useful life of this asset was reassessed and has resulted in a lesser depreciation charge than budgeted (£92k).
20	This asset was re-valued upwards and the useful life has been extended resulting in lower capital charges than budgeted.
28	Following a review of the Grounds Maintenance service, negotiations have been undertaken with the contractor and savings have been achieved.
32	This asset was re-valued upwards resulting in lower capital charges than budgeted.
37	Delapidation works undertaken following end of lease term. Expenditure will be covered by general under spends elsewhere in the Authority.

2011/12 Outturn

	Detail	2011/12 Original Base £'000	2011/12 Adjusted Base £'000	2011/12 Outturn £'000	2011/12 Variance Adjusted £'000	2011/12 Variance Adjusted %
Ref	<u>Front Line Services</u>					
1	Corporate Costs	1,619	1,479	830	(649)	(44)%
	<u>Support Services</u>					
2	Operational Management	600	600	523	(77)	(13)%
3	Strategic Management	656	656	651	(5)	(1)%
	Recharged to Services	(1,256)	(1,256)	(1,174)	82	(7)%
	Under/ (Over) Allocation of Support Services	0	14	0	(14)	(100)%
4	NET GENERAL FUND CHARGE	1,619	1,493	830	(663)	(44)%

Ref	<u>Comments</u>
1	There are two specific provisions that have not been required during the financial year; Invest to Save (£500k) and Pay Award (£100k). The Invest to Save provision will be reinstated for the 2012/13 financial year.
2	Savings have been achieved through the sharing of senior posts with other local authorities.

2011/12 Outturn

	Detail	2011/12 Original Base £'000	2011/12 Adjusted Base £'000	2011/12 Outturn £'000	2011/12 Variance Adjusted £'000	2011/12 Variance Adjusted %
Ref	<u>Front Line Services</u>					
1	Building Control	141	138	177	39	28 %
2	Conservation	36	36	66	30	83 %
3	Development Control	627	639	855	216	34 %
4	Economic Development	632	632	623	(9)	(1)%
5	Land Charges	0	0	(26)	(26)	100%
6	Partnerships	39	135	73	(62)	(46)%
7	Planning Policy	650	618	416	(202)	(33)%
8	Street Naming & Numbering	54	54	47	(7)	(13)%
9	NET GENERAL FUND CHARGE	2,179	2,252	2,231	(21)	(1)%

Ref	<u>Comments</u>
3	Various projects have been undertaken within Development Services including Manthorpe public inquiry, lean project and back scanning project (£100k). In addition to this, the council has incurred costs relating to planning appeals (£100k). This expenditure will be funded by under spends elsewhere within the Authority.
6	The Local Strategic Partnerships projects ceased during the financial year resulting in an under spend compared to budget.
7	Under spend relates to slippage on the Local Development Framework (LDF) programme of work.

COMMUNITY AND ENVIRONMENT FOCUS - ENVIRONMENTAL SERVICES

Appendix A

2011/12 Outturn

	Detail	2011/12 Original Base	2011/12 Adjusted Base	2011/12 Outturn	2011/12 Variance Adjusted	2011/12 Variance Adjusted
		£'000	£'000	£'000	£'000	%
Ref	Front Line Services					
1	Air Pollution	34	33	40	7	21 %
2	Animal Health & Welfare	7	7	5	(2)	(29)%
3	Climate Change	56	56	45	(11)	(20)%
4	Closed Circuit Television	308	260	240	(20)	(8)%
5	Community Safety	196	196	181	(15)	(8)%
6	Control of Dogs	69	69	63	(6)	(9)%
7	Emergency Planning	48	48	43	(5)	(10)%
8	Enforcement	94	94	99	5	5 %
9	Food Safety	238	236	229	(7)	(3)%
10	Gambling Licensing	10	10	6	(4)	(40)%
11	Hackney Carriage Registration	0	0	0	0	100%
12	Health & Safety Enforcement	125	124	114	(10)	(8)%
13	Infectious Disease Control	42	41	36	(5)	(12)%
14	Liquor Licensing	0	0	0	0	100%
15	Local Licences	0	0	0	0	100%
16	Noise Control	97	100	82	(18)	(18)%
17	Private Sector Landlords	76	76	55	(21)	(28)%
18	Public Conveniences	136	136	132	(4)	(3)%
19	Public Health	192	192	169	(23)	(12)%
20	Street Scene	1,013	1,013	1,085	72	7 %
21	Waste Management	2,921	2,921	2,939	18	1 %
22	Water Quality	22	22	15	(7)	(32)%
	Front Line Services	5,684	5,634	5,578	(56)	(1)%
	Support Services					
23	Healthy Communities	0	0	0	0	100%
24	Waste & Recycling Management	265	336	297	(39)	(12)%
	Recharged to Services	(265)	(336)	(297)	39	(12)%
	Under/ (Over) Allocation of Support Services	0	6	0	(6)	(100)%
25	NET GENERAL FUND CHARGE	5,684	5,640	5,578	(62)	(1)%

Ref	Comments
20	The purchase of new sweepers has increased the depreciation charge for the year.

2011/12 Outturn

	Detail	2011/12 Original Base £'000	2011/12 Adjusted Base £'000	2011/12 Outturn £'000	2011/12 Variance Adjusted £'000	2011/12 Variance Adjusted %
Ref	<u>Front Line Services</u>					
1	Council Tax & Benefits Administration	626	609	582	(27)	(4)%
2	Drainage Rates	638	638	609	(29)	(5)%
3	Financial Services	0	0	(232)	(232)	100%
4	Non Domestic Rate Collection	(26)	(26)	(14)	12	(46)%
5	Pension Costs	78	78	6	(72)	(92)%
6	Supported Travel	0	0	(11)	(11)	100%
7	Treasury Management	48	43	53	10	23 %
	Front Line Services	1,364	1,342	993	(349)	(26)%
	<u>Support Services</u>					
8	Financial Services	951	948	936	(12)	(1)%
9	I.C.T. Services	1,037	1,074	1,041	(33)	(3)%
10	Procurement	34	34	40	6	18 %
	<u>Recharged to Services</u>					
	Under/ (Over) Allocation of Support Services	(2,022)	(2,056)	(2,017)	39	(2)%
		0	80	0	(80)	(100)%
11	NET GENERAL FUND CHARGE	1,364	1,422	993	(429)	(30)%

Ref	<u>Comments</u>
3	Contribution to Insurance Reserve to provide sufficient level to meet unforeseen insurance costs.
5	The variance relates to the year end accounting adjustments in respect of Employee Benefits.

2011/12 Outturn

	Detail	2011/12 Original Base £'000	2011/12 Adjusted Base £'000	2011/12 Outturn £'000	2011/12 Variance Adjusted £'000	2011/12 Variance Adjusted %
Ref	<u>Front Line Services</u>					
1	Citizens Advice Bureau	60	60	59	(1)	(2)%
2	Helpline	113	112	101	(11)	(10)%
3	Homelessness	316	316	204	(112)	(35)%
4	Housing Solutions	276	256	258	2	1 %
5	Private Sector Housing	227	199	562	363	182 %
6	NET GENERAL FUND CHARGE	992	943	1,184	241	26 %

Ref	<u>Comments</u>
3	£68k grant funding to be utilised next financial year. £25k variance relates to a reduced take up of private sector rented scheme and £20k relates to savings on mediation & advice services.
5	Grant funding of £27k will offset expenditure but due to accounting rules will not show on this line. £336k relates to revenue expenditure funded from capital under statute.

2011/12 Outturn

	Detail	2011/12 Original Base £'000	2011/12 Adjusted Base £'000	2011/12 Outturn £'000	2011/12 Variance Adjusted £'000	2011/12 Variance Adjusted %
Ref	<u>Front Line Services</u>					
1	Reputation & Communications	0	100	87	(13)	(13)%
	<u>Support Services</u>					
2	Communications	218	218	134	(84)	(39)%
3	Customer Services	883	883	839	(44)	(5)%
4	Human Resources	285	285	278	(7)	(2)%
5	Performance Management	149	149	122	(27)	(18)%
	Recharged to Services	(1,535)	(1,535)	(1,373)	162	(11)%
	Under/ (Over) Allocation of Support Services	0	(119)	0	119	(100)%
6	NET GENERAL FUND CHARGE	0	(19)	87	106	(558)%

Ref	<u>Comments</u>
2	Reduced support service recharge due to new Reputation & Communications service being established in year.

2011/12 Outturn

	Detail	2011/12 Original Base £'000	2011/12 Adjusted Base £'000	2011/12 Outturn £'000	2011/12 Variance Adjusted £'000	2011/12 Variance Adjusted %
Ref	<u>Front Line Services</u>					
1	Democratic Representation	967	967	832	(135)	(14)%
2	District Elections	182	165	121	(44)	(27)%
3	Non-District Elections	0	(8)	(8)	0	0 %
4	Register of Electors	226	221	240	19	9 %
	Front Line Services	1,375	1,345	1,185	(160)	(12)%
	<u>Support Services</u>					
5	Democratic Services	110	129	94	(35)	(27)%
6	Legal Services	271	271	251	(20)	(7)%
	Recharged to Services	(381)	(400)	(345)	55	(14)%
	Under/ (Over) Allocation of Support Services				0	100%
7	NET GENERAL FUND CHARGE	1,375	1,345	1,185	(160)	(12)%

Ref	<u>Comments</u>
1	Reduced support service recharges due to variances within support services. Savings achieved on Members Allowances, printing & postages.

SPECIAL EXPENSE AREAS

2011/12 Outturn

	Detail	2011/12 Original Base £'000	2011/12 Adjusted Base £'000	2011/12 Outturn £'000	2011/12 Variance Adjusted £'000	2011/12 Variance Adjusted %
Ref	<u>Front Line Services</u>					
1	Bourne Special Expense Area	25	25	22	(3)	(12)%
2	Deepings Special Expense Area	14	14	14	0	0 %
3	Grantham Special Expense Area	416	416	541	125	30 %
4	Langtoft Special Expense Area	17	17	8	(9)	(53)%
5	Stamford Special Expense Area	94	94	78	(16)	(17)%
	Sub total prior to Capital Charges Adjustment	566	566	663	97	17 %
	<u>Support Services</u>					
6	Capital Charges Adjustment	(59)	(59)	(156)	(97)	164 %
7	NET GENERAL FUND CHARGE	507	507	507	0	0 %

Ref	<u>Comments</u>
3	Works undertaken at Grantham Cemetery (£119k) will be financed by the Grantham SEA reserve.
5	Savings have been achieved on the grounds maintenance contract and the Empingham Road playing field has been re-valued upwards resulting in lower capital charges than budgeted.

Housing Revenue Account Summary

Appendix B

2011/12 Outturn

		2011/12 Estimate Base £'000	2011/12 Outturn £'000	Variance Against Estimate Base £'000
	INCOME			
1	Dwelling Rents	(21,174)	(21,378)	(204)
2	Non Dwelling Rents	(262)	(261)	1
3	Charges for Services and Facilities	(1,212)	(1,259)	(47)
4	Other Income	(60)	(54)	6
5	TOTAL INCOME	(22,708)	(22,952)	(244)
	EXPENDITURE			
6	Repair and Maintenance	6,178	5,828	(350)
7	Supervision and Management - General	2,705	2,321	(384)
8	Supervision and Management - Special	2,001	1,792	(209)
9	Housing Revenue Account Subsidy	11,451	11,388	(63)
10	Major Repairs Allowance	(3,673)	(3,673)	0
11	HRA share of Corporate and Democratic Costs	296	296	0
12	Depreciation and Impairment of Fixed Assets	4,325	2,999	(1,326)
13	Reversal of Impairment	0	0	0
14	Debt Management Expenses	28	22	(6)
15	Provision for deferred charges	0	4,244	4,244
16	Provision for bad debts	50	29	(21)
17	Transfer to General Fund in respect of Rent Rebates	200	10	(190)
18	TOTAL EXPENDITURE	23,561	25,256	1,695
19	NET COST OF HRA SERVICES	853	2,304	1,451
20	Interest Payable and Similar Charges	95	131	36
21	Interest and Investment Income	(236)	(172)	64
22	Other Operating Income (Repaid RTB discounts)	0	(10)	(10)
23	Return on Pension Assests	0	117	117
24	Net Loss impact on sale of HRA Assets	0	(328)	(328)
25	DEFICIT (SURPLUS) FOR THE YEAR ON THE HRA	712	2,042	1,330
	MOVEMENT ON THE HRA BALANCE			
26	(Deficit)/Surplus for the Year	(712)	(2,042)	(1,330)
27	Net charges made on Retirement Benefits (FRS17)	0	649	649
28	Employer's contribution to Pension Fund	0	(532)	(532)
29	Net gain impact on revaluation of HRA stock	0	387	387
30	Net Loss impact on sale of HRA Assets	0	(328)	(328)
31	Transfer from Major Repairs Reserve (Depn less MRA)	652	(949)	(1,601)
32	Revenue Contribution to Capital	(1,000)	0	0
33	Non-Enhancing Capital Expenditure Financed from MRR	0	4,244	0
34	Other Adjustments	0	(145)	(145)
35	Housing Revenue Account balance at start of Year	7,408	8,171	763
36	Housing Revenue Account Balance at end of year	6,348	9,455	3,107

HOUSING CAPITAL PROGRAMME
2011/12 Outturn

Appendix C

	Description	2011/12 Estimate Base £'000	2011/12 Outturn £'000	2011/12 Variance £'000
	HOUSING REVENUE ACCOUNT			
	Stock Improvements			
1	Passenger Lifts, Supported Housing	90	51	(39)
2	Upgrading Sheltered Housing Schemes	150	120	(30)
3	Structural Repairs	100	82	(18)
		340	253	(87)
	Energy Efficiency Initiatives			
4	Windows	100	63	(37)
5	Heating & Ventilation	1,650	1,764	114
		1,750	1,827	77
	Refurbishment and Improvement			
6	Property Refurbishments	100	300	200
7	Re-Roofing	590	64	(526)
8	Re-wiring	420	141	(279)
9	Kitchen and Bathroom Refurbishments	1,350	985	(365)
10	Communal Doors	60	4	(56)
11	Disabled Adaptations	100	12	(88)
12	Chimney Works	145	0	(145)
13	Wall Finishes	190	0	(190)
14	Essential Works	295	129	(166)
15	Contingency	150	0	(150)
16	Refurbishment of Bin Stores, Earlesfield Estate	100	33	(67)
17	Refurbishment of Homeless Units	30	52	22
18	Hard Wiring of Fire Alarms	270	311	41
19	DDA Compliance	400	148	(252)
		4,200	2,179	(2,021)
	Purchase of Vehicles			
20	Tenancy and Care Services	465	450	(15)
		465	450	(15)
21	TOTAL - HOUSING INVESTMENT PROGRAMME	6,755	4,709	(2,046)

**General Fund Capital Programme
2011/12 Outturn**

Appendix C

Description	2011/12 Estimate Base	2011/12 Outturn	2011/12 Variance
	£'000	£'000	£'000
Good For Business			
1 Town Centre Projects - Bourne Core Area Purchases	1,700	114	(1,586)
2 Station Approach	200	0	(200)
3 Public Realm	170	0	(170)
4 Retail Enhancement	80	2	(78)
5 Scotgate Factory Market Deeping	0	37	37
	2,150	153	(1,997)
Quality Living			
6 Disabled Facilities Grant	500	496	(4)
7 Private Sector Renewal : Warm Front Top-Up	15	4	(11)
8 Housing Improvement Grant : Empty Homes Grants	100	75	(25)
9 Housing Improvement Grant : Better Homes Grants	450	216	(234)
10 Housing Improvement Grant : Handyperson Scheme	10	10	0
11 Street Scene Vehicle Procurement	617	697	80
12 Wheelie Bin Replacements	70	87	17
	1,762	1,585	(177)
Customer First			
13 Area Offices Upgrades	150	20	(130)
	150	20	(130)
Quality Organisation			
Provision for Existing Assets			
14 BMS Trend System - Bourne Leisure Centre	47	44	(3)
15 BMS Trend System - Stamford Leisure Centre	47	39	(8)
16 Air Handling Unit - Stamford Leisure Centre	20	(14)	(34)
17 Pool Hall Emergency Lighting - Stamford Leisure Centre	10	10	0
18 Roof and Clock Tower Refurbishment - Guildhall Arts Centre	100	69	(31)
19 Cemetery Works	100	119	19
20 Provision (unspecified)	66	0	(66)
21 Box Office System	50	7	(43)
22 ICT System Replacements and Delivery	80	50	(30)
23 Wharf Road Car Park	0	17	17
24 Pool Vehicles	0	32	32
	520	373	(147)
Schemes Completed In Previous Years			
25 Asbestos Removal	0	(26)	(26)
26 Automatic Monitoring For Utilities	0	(2)	(2)
27 Energy Efficiency Initiatives	0	(2)	(2)
28 Demolition Stamford Cattle Market	0	(3)	(3)
29 Northfields Industrial Estate	0	(2)	(2)
	0	(35)	(35)
Schemes funded by revenue underspends			
30 Depot Shower Block	0	18	18
31 Crowd Control Barriers	0	13	13
32 Lift - Guildhall Arts Centre	0	31	31
33 Photovoltaic Panels	0	334	334
34 Bartec system	0	70	70
35 CCTV Equipment	0	33	33
	0	499	499
36 TOTAL - OTHER (GENERAL FUND)	4,582	2,595	(1,987)

RESERVES STATEMENT AS AT 31st MARCH 2012

	Balance as at 31 March 2011 £'000	Transfer to Reserve in year £'000	Transfer from Reserve in year £'000	Balance as at 31 March 2012 £'000
General Fund				
Capital Reserve				
General Fund Capital Reserve	1,630	1,500	(69)	3,061
Revenue Reserves				
Insurance Reserve	650	240	(171)	719
Pensions Reserve - Former Employees	307			307
- Current Employees	1,486			1,486
Building Control	0		(34)	(34)
SEA Reserve	84	47	(51)	80
Service Specific Funds	638	367	(638)	367
Invest to Save	0	500		500
Capacity Building, Priority Setting and Service Improvement Reserve	3,099	1,507		4,606
Destination SK		100	(100)	priority projects to be delivered during 2012/13
Events and Festivals		295	(295)	priority projects to be delivered during 2012/13
Asset Rationalisation		500	(500)	priority projects to be delivered during 2012/13
Apprenticeships		100	(100)	priority projects to be delivered during 2012/13
Retro Fit		500	(500)	priority projects to be delivered during 2012/13
Broadband infrastructure		550	(550)	priority projects to be delivered during 2012/13
	6,264	4,706	(2,939)	8,032
Unapplied Grants	1,887	134	(616)	1,405
Working Balance	2,370			2,370
Total General Fund Reserves	12,151	6,340	(3,623)	14,868
Net Movement in General Fund Specific Reserves			2,716	
Housing Revenue Account(HRA)				
Capital Reserve				
Major Repairs Reserve	5,348	3,674	(4,709)	4,313
Working Balance				
Housing Revenue Account	8,171	1,282	-	9,453
Total HRA Reserves	13,518	4,956	(4,709)	13,766
Other Capital Reserves				
Useable Capital Receipts Reserve	7,951	886	(2,081)	6,756
Total Other Capital Reserves	7,951	886	(2,081)	6,756
Total Reserves	33,621	12,182	(10,413)	35,390