

# CHILTERN DISTRICT COUNCIL

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## Audit Committee

**Wednesday, 23rd June, 2010 at 6.30 pm**

**Large & Small Committee Room, Council Offices, King George V Road,  
Amersham**

### L A T E R E P O R T

- 7.3 Statement of Accounts (*Pages 1 - 8*)
  - Appendix 7.3a (Pages 9 - 72)*
  - Appendix 7.3b (Pages 73 - 82)*
  - Appendix 7.3c (Pages 83 - 86)*
  - Appendix 7.3d (Pages 87 - 90)*
  - Appendix 7.3e (Pages 91 - 94)*
  - Appendix 7.3f (Pages 95 - 100)*

**Note:** All Reports will be updated orally at the meeting if appropriate and may be supplemented by additional reports at the Chairman's discretion.

**Membership: Audit Committee**

Councillors: D W Phillips  
A K Bacon  
R J Barber  
A Dibbo  
A D Garnett  
D G Meacock  
J F Warder

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**CHILTERN DISTRICT COUNCIL  
AUDIT COMMITTEE – 23 June 2010**

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*Background Papers, if any, are specified at the end of the Report*

**STATEMENT OF ACCOUNTS 2009/10**

*Contact Officer: Alison Howes (01494 732260)*

**RECOMMENDATIONS**

- 1. That the Statement of Accounts 2009/10 be approved and signed by the Chairman of the Audit Committee.**
- 3. That the Annual Governance Statement for 2009/10 be approved.**

**Relationship to Council Objectives**

*The presentation of statutory financial statements for the year is essential to good financial management and corporate governance which in turn support all the Council's objectives.*

**Implications**

*(i) This matter is a key decision within the Forward Plan.*

*(ii) This matter is within the Policy and Budgetary Framework*

**Financial Implications**

*Where applicable, the results of the 2009/10 financial results will be taken into account in preparing the Medium Term Financial Strategy.*

**Risk Management Implications**

*The 2009/10 financial results need to be reflected in the financial planning process otherwise there is a risk that future budgets may be under or overstated.*

*The Council is legally required to approve the Statement of Accounts before 30 June and to publish the accounts by 30 September. It is also required to carry out a review at least once in a year of the effectiveness of its system of internal control. Failure to adhere to these requirements may have an adverse impact on the external auditor's assessment and conclusions.*

**Equalities Implications**

*There are no specific equalities implications.*

## Sustainability Implications

*There are no specific sustainability implications.*

## Report

- 1 The draft Statement of Accounts and Annual Governance Statement for the financial year 2009/10 are presented for consideration and approval.
- 2 The accounts are subject to inspection by the Council's appointed external auditor and further amendments may be required as a result of their findings. It is anticipated that the Council's external auditors will report the results of their audit to the meeting of this committee on 23 September 2010.
- 4 The unaudited Statement of Accounts for 2009/10 is attached at *Appendix 7.3a*. The document has been prepared in accordance with the Code of Practice on Local Authority Accounting in the UK 2009 (SORP), the Best Value Accounting Code of Practice 2009 (BVACOP) and the Accounts & Audit Regulations 2003. The Cashflow Statement is missing from the current draft but will be tabled at the meeting. The finance team is still in the process of carrying out final checks and any further amendments identified will be tabled and explained at the meeting.
- 5 The financial year 2009/10 will be the last year of production of the SORP as from 2010/11 it will be replaced by the Code of Practice on Local Authority Accounting (the Code) which will be based on International Financial Reporting Standards (IFRS) to harmonise public sector reporting with best practice in the corporate sector.
- 6 There have been further substantive changes in the 2009 SORP and the draft accounts reflect these changes. In summary these include:-
  - a) *Accounting for Local Taxes (Council Tax and National Non Domestic Rates)* – the 2009 SORP requires the Council acting as a Billing Authority for Council Tax and NNDR to be classified as an agency arrangement with the major preceptors and central government. Previously the Balance Sheet included all Local Tax debtors and creditors and the Cash Flow included all related cash flows. Under the new requirements only Chiltern District Council's share of these balances will be included. As this is a material adjustment the comparative figures for 2008/09 have been restated and a prior period adjustment note added to the accounts.
  - b) True and Fair – the 2009 SORP requires the accounts to be prepared on a “true and fair view” basis as opposed to a “presenting fairly” basis. This change has no practical effect on the way the accounts are drafted but is a recognition of the convergence of local authority accounting requirements with UK GAAP.

- c) *Disclosure of Officers Remuneration* – Historically there has been a requirement to disclose by way of a note to the accounts the number of officers whose remuneration in the year was greater than £50,000, grouped in rising bands of £10,000. There is now a new legal requirement to expand the information disclosed in the accounts to increase transparency and accountability. The practical changes are a change to the bandings from £10,000 to £5,000 and a new disclosure in respect of individual remuneration for senior officers (by post title rather than name) whose salary is £50,000 or more, broken down into relevant categories.
- d) The requirement for a number of other disclosure notes has been removed e.g. expenditure on publicity and the Building Control Account.
- 7 The approved timeframe for the Statement of Accounts is set out in statutory regulation. This requires approval of the accounts by the Council by 30 June and publication of the accounts by 30 September. There will also be a period of public inspection from Monday, 9 August to Monday, 6 September.
- 8 The Statement of Accounts is a complex document and to assist Members in reviewing and understanding the accounts the following paragraphs constitute a short guide to understanding the main sections of the Statement of Accounts and also summarise the main issues and points to note for the 2009/10 financial year.
- 9 The Statement of Accounts is broken down into the following sections:-
- Explanatory Forward, Accounting Policies and Statement of Responsibilities
  - Core Financial Statements
    - Income and Expenditure Account
    - Statement of Movement on the General Fund Balance
    - Statement of Total Recognised Gains and Losses
    - Balance Sheet
    - Cash Flow Statement
  - Collection Fund
  - Annual Governance Statement

*Explanatory Forward, Accounting Policies and Statement of Responsibilities*

- 10 The purpose of the Explanatory Forward is to offer interested parties an easily understandable guide to the most significant matters reported in the accounts. It gives a high level overview of the year's performance in terms of both revenue and capital spend and highlights the authority's financial position at the end of the year and the outlook for the future. It also outlines significant factors that affect the understanding of the accounts. The detailed General Fund revenue outturn and the detailed Capital Programme outturn were reported to the Cabinet on 15 June. This report is attached in **Appendix 7.3b** for information. One amendment has been made to the figures since the provisional revenue out-turn was reported to reflect an accrual that had been

omitted. The effect of this has been to increase the reported surplus from £432,665 to £459,017.

- 11 The key points to note for 2009/10 are:-
- (a) A revenue budget underspend of £459k or 4.2% of the approved budget
  - (b) A significantly improved position on the General Fund balance.
  - (c) A fall in income from investments as a result of the impact of the recession on interest rates.
  - (d) Capital expenditure during the year of £1.6 million.
  - (e) A decrease in the Council's net worth of £12.8 million mainly attributable to an increase in the council's net liability on the pension fund.
  - (f) 99.2% of Council Tax and 98.4% of Non Domestic Rate income due for the year was collected.
- 12 The Statement of Accounting Policies sets out policies that have been adopted in compiling the accounts and gives a brief outline of reserve funds and the reasons why they are held. The main change under SORP 2009 is a requirement to account for Council Tax and National Non Domestic Rates as an agency arrangement.
- 13 The Statement of Responsibilities explains the individual responsibilities of the Council and the Section 151 Officer (Head of Financial Services) in respect of the Statement of Accounts.

### *Income and Expenditure Account*

- 14 The Income and Expenditure Account is fundamental to the understanding of the Council's activities in that it reports the net cost for the year of all the functions for which the Council is responsible and demonstrates how that cost has been financed from general government grants and income from local taxpayers. The statement is split into three sections:-
- (a) The first section provides information on the costs of the Council's different operations, net of specific grants and income from fees and charges, to give the net cost of services - £9.6 million.
  - (b) The second section comprises items of income and expenditure relating to the Council as a whole i.e. not service specific. When added to (a) this gives the Council's net operating expenditure - £13.0 million.
  - (c) The third section shows the income from local taxation and general government grants in the year - £13.3 million - giving the final net deficit for the year of £319k.
- 15 Accompanying the income and expenditure account is a number of disclosure notes that give further explanations of the figures. The notes are required under the Statement of Recommended Practice (SORP) to give added clarity and understanding for the readers of the accounts.

*Statement of Movement on General Fund Balance*

- 16 The Income and Expenditure Account discloses the income receivable and expenditure incurred in operating the Council for the year. The surplus or deficit achieved on the Income and Expenditure Account represents the amount by which income is greater than, or less than, expenditure.
- 17 In addition to the entries in the Income and Expenditure Account there are a number of amounts that are required by the special legislative regime under which local authority accounts are compiled to be charged or credited to the General Fund to determine the movement on the General Fund balance. The Statement of Movement on the General Fund Balance shows these amounts.
- 18 The final position on the General Fund at the end of the year is an important indication of the Council's financial stewardship. There is no statutory requirement as to the level of revenue reserves that should be maintained. Local authorities are expected, on the advice of their chief finance officer, to make their own judgements on minimum levels taking into account all relevant local circumstances. The balance on the fund is in effect a working balance and can be used for contingency purposes e.g. in emergencies. The position on the fund has improved this year and now stands at 25% of the 2010/11 net budget. This is a significantly high balance but in light of the future financial and budgetary challenges ahead is not considered excessive and will give the council more flexibility in its financial planning.

*Statement of Total Recognised Gains and Losses*

- 19 Not all the gains and losses experienced by the Council are reflected in the Income and Expenditure Account. In addition to any surplus or deficit on the Income and Expenditure Account there may be other gains or losses, for example gains or losses on revaluations of fixed assets or pension fund actuarial gains and losses that need to be recognised. All gains and losses are brought together in the Statement of Total Recognised Gains and Losses. The accounts show that the authority's overall resources decreased by £12.8 million.

*Balance Sheet*

- 20 The balance sheet reports on the Council's financial position as at 31 March and shows the value of its assets and liabilities. Again, there are a number of disclosure notes required by the SORP that accompany the balance sheet to provide further explanation of the figures.
- 21 Fixed Assets – this is the cost of the Council's assets and includes the main assets such as the Council Offices, leisure centres, car parks, London Road depot and public conveniences and stands at £32.7 million. The Council's assets were last revalued as at 31 March 2007, the next full revaluation is scheduled for this year.

- 22 Long Term Assets – this comprises investments of over one year, outstanding debt on the Council’s remaining mortgage portfolio and other loans over 365 days, a total of £106k.
- 23 Current Assets – this relates to items that could be turned into cash at short notice and is made up of debtors i.e. money owed to the Council, or short term investments. The Council’s short term investments are primarily monies invested with various institutions for less than one year or deposits held in call or notice accounts. Total current assets stands at £18.4 million, an increase of £1.7 million over the 2008/09 position which mainly reflects the fact that at the moment all of the Council’s investments are held on a short term basis.
- 24 Current Liabilities – this is the opposite of current assets and relates to money the Council owes to external bodies and organisations amounting to £3.4 million, a small decrease over the previous year.
- 25 Equity – this section shows how assets and liabilities are funded. Not all of the items shown here are cash backed reserves. For example, the Revaluation Reserve and the Capital Adjustment Account are used to reflect changes in the value of fixed assets, either by revaluation or disposal, and therefore most of the entries in these accounts are internal transactions that do not give rise to cash income or expenditure. Capital Receipts, Grants and Contributions show how much is available to finance the Capital Programme. The Pension Reserve is entirely an accounting entry to offset the Pension Liability figure. The revenue Reserves include the General Fund reserve and other reserves earmarked for specific purposes.

### *Cashflow*

- 26 The cashflow statement shows the inflow and outflow of cash for the year for both revenue and capital and shows whether the Council’s cash position has improved on a year on year basis.

### *Collection Fund*

- 27 The Collection Fund is a separate account which receives all income from Council Tax and Non Domestic Rates (NDR). This account then pays out Council Tax, in the form of precepts, to Bucks County Council, Chiltern District Council (including an element for Town/Parish Councils), Thames Valley Police Authority, Bucks and Milton Keynes Fire and Rescue Authority. The NDR collected is paid direct to central government and a contribution is received back into the General Fund Revenue Account from the NDR Pool. The account also provides for and absorbs any bad debts arising on collection of the income. Any surplus, or (deficit), arising on the account is either paid out to, or recovered from, the main preceptors (excluding Towns/Parishes) in the following year. During 2009/10 the account collected over £61 million of Council Tax income and over £20 million of NDR income.

### **Annual Governance Statement**



- 28 One of the key requirements of the Accounts and Audit Regulations is that an Annual Governance Statement is produced and published alongside the financial statements. This statement describes the Council's framework of internal control and governance arrangements.
- 29 The best practice framework sets out what the statement should contain including:-
- responsibilities for ensuring there is a sound system of governance (incorporating the system of internal control)
  - an indication of the level of assurance that the systems and processes that comprise the Council's governance arrangements can provide
  - a brief description of the key elements of the governance framework
  - a brief description of the process that has been applied in maintaining and reviewing effectiveness of the governance framework
  - an outline of the actions taken, or proposed, to deal with significant governance issues, including an agreed action plan.
- 30 The AGS is incorporated into the Statement of Accounts document at *Appendix 7.3a*. Although it is presented as part of the financial statements, the AGS is a statutory requirement and has to be approved and signed in its own right.
- 31 Any significant control issues are identified in the statement together with details of plans to address these.

### **Formal Approval of Accounts**

- 32 The Accounts and Audit Regulations require the Chairman of the Committee receiving the accounts to sign and date the Accounts to formally represent completion of the Authority's approval process. The Chairman of the Audit Committee is therefore requested to sign the declaration in the financial statements once Members have considered this report and approved the Accounts.

*Background Papers: None*

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**CHILTERN DISTRICT COUNCIL**

**2009/2010**

**STATEMENT OF ACCOUNTS**

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## Explanatory Forward

### Introduction

The Council's accounts for the financial year 1 April 2009 to 31 March 2010 are set out in the following pages. They have been prepared in accordance with the Accounts and Audit Regulations 2003, issued under Sections 23 and 35 of the Local Government Act 1982, and the Chartered Institute of Public Finance's Code of Practice on Local Authority Accounting 2009 (SORP) and Best Value Accounting Code of Practice 2009 (BVACOP). There have been further changes to the presentation of the accounts this year, in accordance with the SORP to bring the financial statements into line with generally accepted accounting practices known as UK GAAP.

The Statement of Accounts is a complete record of the financial activities of the Council. The 'core' single entity financial statements are as follows:

- (a) **Income and Expenditure Account:** This statement is fundamental to the understanding of the Council's finances as it reports the net cost for the year of all the functions the Council is responsible for and demonstrates how that cost has been financed from general government grants and income from local council taxpayers.
- (b) **Statement of Movement on the General Fund Balance:** This statement shows the amounts, in addition to the Income and Expenditure Account surplus or deficit for the year, that are required by statute and non-statutory proper practices to be charged or credited to the General Fund in determining the movement on the General Fund Balance for the year.
- (c) **Statement of Total Recognised Gains and Losses (STRGL):** This statement shows all gains and losses recognised in the period, not just those reflected in the Income and Expenditure Account.
- (d) **Balance Sheet:** The balance sheet shows the financial position of the Council at the end of the financial year. It incorporates all assets and liabilities of all sections of the Council.
- (e) **Cashflow Statement:** This statement summarises the inflow and outflow of cash within the Council's accounts. It shows where money was spent on both revenue and capital activities and how this expenditure was funded.

The 'supplementary' financial statements are as follows:

- (a) **Collection Fund:** It is a legal requirement to maintain this fund separately from all the other funds and accounts of the council. It shows the transactions that have arisen because Chiltern is the billing authority, responsible for the collection of Council Tax on behalf of precepting authorities – the police, fire authority, county council, town and parish councils as well as the district council - and collection of National Non-Domestic Rates (NNDR) on behalf of central government. The fund records the income received from local taxpayers and the money that is distributed as precept payments to Buckinghamshire County Council, Thames Valley Police Authority, Buckinghamshire & Milton Keynes Fire Authority, Towns and Parishes and to Chiltern District Council.

### Overview of the Financial Results for 2009/2010

The Council provides, directly and in partnership with others, a variety of services to meet the needs of the local community. It has set itself three over-riding key objectives:-

- Efficient and Effective Customer Focused Services
- Safe, Healthy and Cohesive Communities
- Conserve the Environment and Promote Sustainability

The main services provided include planning, housing benefits, waste management (including waste collection, recycling and composting) community support and leisure facilities, environmental health, housing enabling, community safety, licensing, building regulations, parking management and council tax/business rate collection.

The 2009/10 financial year saw the downturn in the national and global economy continue and this has impacted on the Council's key income streams such as Planning, Land Charges and Building Control. Interest rates remained at their lowest ever level and this has reduced the amount of investment income the Council earns which in turn has affected the level of capital investment that can be afforded for new projects. This coupled with an increased demand in certain service areas e.g. Housing Benefits and Homelessness has meant the Council has again had to manage its finances very carefully.

The detailed financial results and position for the year are set out in pages 16 to 43. The following sections provide a summary of the main financial results.

### Summary Revenue Out-turn:

The revenue account – known as the General Fund – bears the net cost of providing the day to day services outlined above. A summary of the actual net cost (or out-turn) by service area, compared to the budget is shown in the table below. It should be noted that the out-turn figures included in the table do not include year end accounting entries in respect of Revenue Expenditure Funded from Capital under Statute (REFCUS) charges or FRS17 pension costs; this is to enable proper comparison with the budget which does not include these items. These accounting entries have no impact on the Council's overall position. As statutorily required, the Income and Expenditure Account figures on page 17 do include the accounting entries in respect of these two items and are therefore different to the figures shown here.

<b>SUMMARY REVENUE OUT-TURN COMPARED TO BUDGET</b>			
	Budget 2009/2010	Out-turn 2009/2010	(Under) / Over Spend
	£	£	£
Cultural, Environmental & Planning	8,168,700	8,203,210	34,510
Highways, Roads & Transport	(291,410)	(247,834)	43,576
Housing	1,226,170	1,061,553	(164,617)
Central Services	1,006,920	841,618	(165,302)
Corporate & Democratic Core	1,355,090	1,270,692	(84,398)
Non Distributed Costs	56,410	66,227	9,817
(Surplus)/Deficit on Trading Operations	108,350	116,215	7,865
Capital Charges reversal	(814,110)	(954,578)	(140,468)
<b>Net Cost of Services</b>	<b>10,816,120</b>	<b>10,357,103</b>	<b>(459,017)</b>
Transformation Contingency	89,860	89,860	0
Use of Interest	(150,250)	(150,250)	0
Added to/(taken from) Balances	95,240	554,257	459,017
<b>Council Funding Requirement</b>	<b>10,850,970</b>	<b>10,850,970</b>	<b>0</b>
Transfer to / from collection fund	(60,000)	(60,000)	0
Redistributed NNDR	(3,193,502)	(3,193,502)	0
Revenue Support Grant	(737,101)	(737,101)	0
<b>Chiltern DC Council Tax Levy</b>	<b>6,860,367</b>	<b>6,860,367</b>	<b>0</b>

The final out-turn position was an underspend of £459,017 or 4.2% against the approved budget. In most service areas the out-turn position was in line with budgets with only minor variances being incurred across the majority of service headings; an analysis of the most significant variances contributing to the underspend is shown below. The difference on the Capital Charges reversal line is offset by a corresponding variation in the amount of depreciation charged to services.

<b>SIGNIFICANT VARIANCES</b>	<b>£000</b>
<b>Key Underspends / Additional Income</b>	
Housing Benefit & Council Benefit Subsidy adjustment	(287)
Support Services running expenses	(200)
Receipt of LPSA2 Reward Grant	(95)
Recycling credits and sales of recycling materials income higher than expected	(64)
Land Charges income higher than expected	(24)
Gross Salaries	(21)
	<b>(691)</b>
<b>Key Overspends / Reduced Income</b>	
Development Control fee income & pre planning application advice income lower than predicted	110
Chiltern's share of Civil Enforcement Area deficit for the year	29
Car Park business rates	28
Car Park Pay & Display and Season Ticket income slightly under budget	14
Balance of other small (under)/over spends against service budgets	51
	<b>232</b>
<b>Total Underspend</b>	<b>(459)</b>

A contribution of £554,257 has been added to the General Fund from revenue. As at 31 March 2010 the balance on the fund stood at £2,826,910. This balance is in effect the council's working balance and contingency in case of emergency. It equates to 25% of net budget and is now considerably higher than it has been in recent years. Given current circumstances and the significant financial pressures ahead this level of balance is not considered excessive and will give the council greater flexibility in its future financial planning.

#### **Investment Income:**

The income received from the Council's investments in 2009/10 was £154,960, of which £150,250 was used to support revenue expenditure as planned. Traditionally the majority of interest earned has been allocated to earmarked reserves and used primarily to fund the Council's ongoing Capital Programme. The amount set aside this year is minimal and may impact on the level of capital investment that can be supported in future years.

Throughout 2009/10 interest rates remained at a historical low of 0.5%. The outlook for interest rates during 2010/11 remains similar with only modest increases at best. This is having a significant and detrimental impact on income from investments and consequently on the Council's medium term financial plans.

#### **Government Grant and Council Tax:**

The Council received £737,101 in Revenue Support Grant (RSG) and £3,193,502 from the Non Domestic Rate Pool (NNDR). It is interesting to note that the Chiltern district area (including parishes) received the lowest proportion of government grant (RSG and NNDR) of all district areas in 2009/10, being 29.8% of its budget. The average general grant received by district areas was 52.0%. The Council received £6,860,370 from its precept on the Collection Fund, being its share of Council Tax due to be collected.

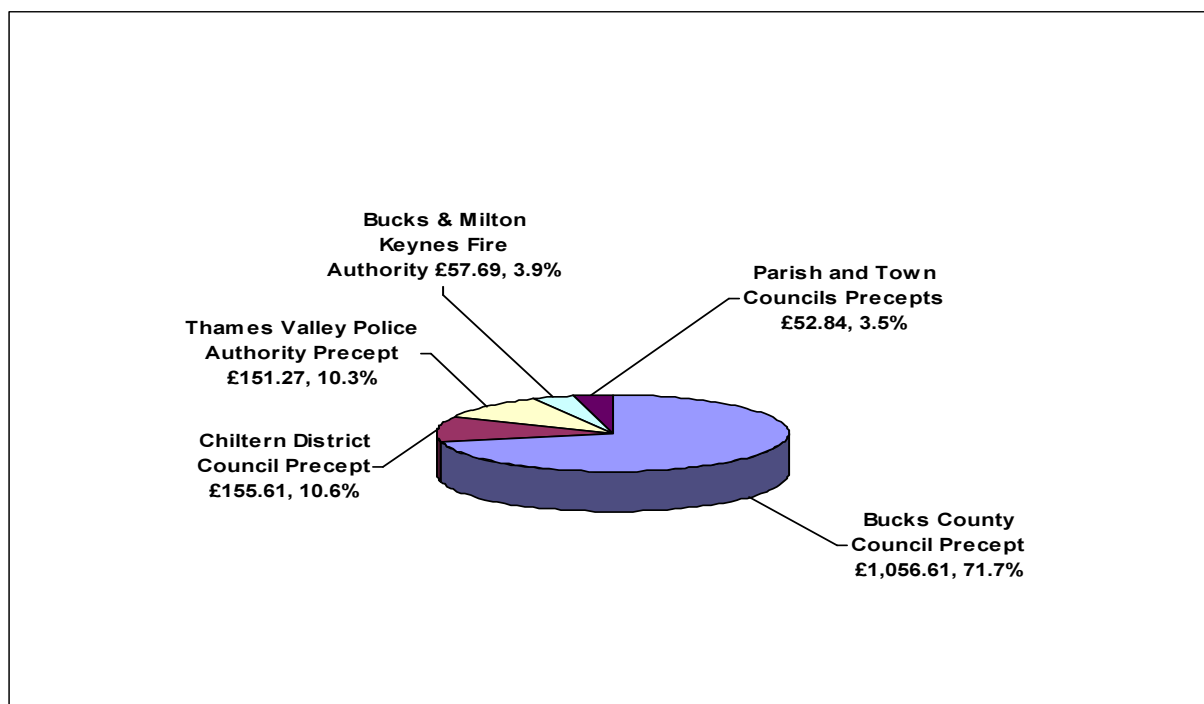
The Council received £49,911 in Local Authority Business Growth Incentive grant, a government incentive scheme to encourage local authorities to increase business growth in their area, of which £25,000 has been set aside into a new Economic Development Reserve; £22,811 in Area Based Grant and £94,886 as its share of reward grant from central government under the Local Public Service Agreement. These grants are not ring fenced and can be used to fund local priorities. They have been added to the General Fund balance for future use.

### Pension Fund:

Financial Reporting Standard 17 Retirement Benefits (FRS17) has been fully adopted in the accounts. This affects the way in which Pension Fund costs are reflected in the Council's accounts. In addition, a notional split has been applied to the pension fund figures supplied by the pension fund actuaries to reflect the fact that they include both Chiltern District Council and Chilterns Crematorium employees. These two bodies are entirely separate and the figures reported in these accounts relate to Chiltern District Council employees only (see page 37 for further details). Further details of the accounting policy and how pension costs have been treated are set out in greater detail within the relevant section of the accounts. The FRS17 requirements do not impact on the Council's financial performance but do ensure that the Council's net Pension Fund liability is recognised in the balance sheet. The total net liability as at 31 March 2010 is £31.2 million but the financial position of the Council does remain healthy as the deficit on the pension fund will be made good in the longer term by increased contributions into the fund over the remaining working life of employees. The level of contributions required is assessed by the scheme actuary. A revaluation of the fund was carried out in March 2010 and the results of this are expected in autumn 2010 and outcomes will be reflected in the 2011/12 accounts.

### Collection Fund:

The average Band D Council Tax in 2009/2010 was £1,474.02, an increase of 3.83% over the level for 2008/2009. Council Tax is used to fund services across all three tiers of local government (County, District and Parish) as well as the police and fire services. Of the total Council Tax 10.6% goes to Chiltern District Council although the Council is responsible for the collection of the tax and meets all of the collection costs.



The Council is also responsible for collecting business rates (National Non Domestic Rates NNDR). This is collected on behalf of the Government and a total of £21m was passed over to the NNDR Pool. Of the total amount of business rates collected in the year the proportion retained by central government is 85%, with 15% being redistributed to Chiltern. Buckinghamshire County Council, Police and Fire authorities also receive money from the NNDR Pool and an element of this will be spent within Chiltern district.



Performance in collecting local taxes continues to be good, shown in the table below, with arrears a very low proportion of the total amount due. Details of arrears can be found in Note 26 to the core financial statements.

2008/2009	% of Amount Collected in Year	2009/2010
99.2%	Council Tax	99.2%
98.2%	Business Rates	98.4%

The total amount collected in Council Tax in 2009/10 was £61,164,002 (see note 2 of the Collection Fund for detail). The amount collected in Business Rates was £20,283,785.

### Capital Expenditure:

The Council incurred capital expenditure of £1,581,000 during the year. This included investment in enhanced Information & Communication Technology (ICT) facilities, improvements to leisure centres, an ongoing programme of housing grants and improved car parking facilities. The expenditure was funded by a mixture of external capital grants and contributions and the council's own resources.

### Future Funding Plans:

As part of the last government Comprehensive Spending Review, covering the years 2008/09 to 2010/11, a three year Local Government Finance Settlement was announced setting out how much each authority could expect to receive by way of government grant for each of the three years. For shire districts such as Chiltern the increase in grant for 2010/11 will be 0.5% which equates to an increase in government funding of £20,000. The next government spending review is due in autumn 2010 and an overall reduction in government support is expected although the extent of the reduction is not yet known.

The Council's Medium Term Financial Strategy (MTFS) will be reviewed during the summer of 2010 and whilst we are starting from the sound financial base of 2009/10, there are many significant pressures and challenges ahead in what is a period of financial constraint for local government as a whole. Against this current climate of financial stringency we have to maintain and improve our services, either wholly or in partnership with other organisations and, in addition, the Council is setting its own local priorities such as seeking to improve its waste collection and recycling services in response to the increasing concern about climate change and sustainability. Difficult decisions will need to be made on how best to use our limited resources and to direct them towards meeting our key priorities.

The MTFS assesses the Council's future financial position and includes a five year forecast for both the capital programme and the revenue budget. The Council maintains sufficient internal capital resources to fund the planned capital programme and keep a significant sum in reserve. Details of the Council's available capital resources are shown in note 38 to the Core Financial Statements.

The Council's revenue expenditure plans rely on the amount it can raise in Council Tax (subject to the capping limit or other government announcements), general Government grant, specific Government grants, fees and charges and interest on investments. The Council's MTFS balances the contribution that each of these make to future expenditure.

### Significant Factors Affecting the Accounts:

The following issues affect the understanding and reading of the statement of accounts:

*Housing Transfer* - On 12 December 1988 the Council sold its housing stock to the Chiltern Hundreds Housing Association (Paradigm). The Council retains responsibility for homelessness and has an agreement with Paradigm for temporary accommodation and for nomination rights in respect of permanent tenancies.

*Debt Free Status* - All external borrowing was repaid during 1990/1991 and since April 1991 the Council had been debt free. However on 1 April 2004 several finance leases were inherited from the Chiltern Leisure Trust which technically classify as borrowing. These will have been repaid by 2010/11.

*Leisure Services* – The Council first transferred responsibility for the operational management of its leisure facilities, including Community Play and Sports Development, to an external provider in October 2000. A contract was awarded to Nexus Community (previously known as Wycombe Leisure Limited) to manage the leisure facilities for a period of ten years from 1 April 2005. The Council retains a strategic and policy making role in the provision of leisure services.

*Pension fund liability* – As a result of the valuation methodology and the derivation of the main financial assumptions required by Financial Reporting Standard 17 (FRS17) when accounting for pensions it is likely that volatile changes in pension fund assets and liabilities will occur from year to year. The Council's net liability in the Local Government Pensions Scheme has increased significantly in comparison with last year. This is mainly attributable to changes to demographic and financial assumptions used by the fund actuaries to estimate fund liabilities.

*Civil Enforcement Area (previously Special Parking Area)* - During 2005/06 the Council entered into a partnership arrangement with Buckinghamshire County Council for the joint enforcement of a Civil Enforcement Area (CEA) within the district. The agreement was for a five year period and the aim was for the CEA to be self financing within this period. The business case for the CEA was predicated on the introduction of on-street charging across the district in year 3 of operation. In April 2010 it was agreed that negotiations should commence with the County to reach a mutually agreeable termination date from which Chiltern would no longer have any responsibilities for on-street parking. In the event of an acceptable position not being reached for early transfer the agreement will be allowed to continue until the end date of 31 March 2012. Further details are disclosed at note 39 to the core financial statements.

*Exceptional Item* – the Council was successful in its claim for a VAT refund in respect of VAT paid over to Her Majesty's Revenues & Customs in relation to income from sporting activities over the period January 1990 to March 1994. It was also successful in securing compound interest on the amount due. In total almost £1.2 million, net of fees, has been received and has been shown as an exceptional item in the Income & Expenditure Account.

*Change to accounting policy* – the 2009 SORP has changed the way that billing authorities are required to account for Council Tax and National Non Domestic rates. The new accounting arrangements are predicated on billing authorities acting on an agency basis. This change represents a change to accounting policy and it has therefore been necessary to restate prior year comparatives where necessary. Further details on these changes are set out in Note 2 to the Core Financial Statements.

### **Further Information:**

Further information on the financial affairs of the Council can be obtained from Alison Howes, Head of Financial Services. Please write to the Council Offices, King George V Road, Amersham, Bucks, HP6 5AW, or phone on 01494 732260 (direct dial), or contact via e-mail on [finance@chiltern.gov.uk](mailto:finance@chiltern.gov.uk).

## Statement of Accounting Policies

### General Principles

The Statement of Accounts summarises the council's transactions for the 2009/10 financial year and its position at the year end of 31 March 2010. It has been compiled in accordance with the Chartered Institute of Public Finance's *Code of Practice on Local Authority Accounting in the United Kingdom 2009: A Statement of Recommended Practice (the SORP)* and the Best Value Accounting Code of Practice which are recognised by statute as representing proper accounting practices.

### SORP 2009: Changes to the Statement of Accounts

There have been a number of changes to the SORP for the current year. The most notable change has been to accounting for Local Taxes (Council Tax and National Non Domestic Rates) which must now be prepared on both an agency and accruals accounting basis. The Council is responsible for the collection of council tax on behalf of the major preceptors Buckinghamshire County Council, Thames Valley Police Authority and Bucks & Milton Keynes Fire Authority and the collection of business rates on behalf of the government. The changes mean that only the elements relating to this Authority are to be included in the accounts, with the remaining balances to be categorised as creditors or debtors as appropriate.

### Accruals of Income and Expenditure

All revenue and capital transactions are recorded in the accounts on an income and expenditure basis. Debtor balances include sums still due to the Council but not yet received, and creditor balances include sums for goods delivered and services received for which payment has not yet been made. In both cases, where precise amounts cannot be determined, estimates are included.

### Provisions

Proper provisions are established for any liabilities or losses, which are likely to be incurred or certain to be incurred but uncertain as to the amounts or the dates on which they will arise. The provisions established are disclosed by way of a note to the core financial statements and indicate the purpose for establishing the provision.

### Reserves

Any amounts set aside by the Council that are not provisions are considered as reserves. Reserves include statutory reserves and earmarked reserves set aside for specific policy purposes, for general contingencies and for cash flow management. Reserves are created by appropriating amounts in the Statement of Movement on the General Fund Balance. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service revenue account in that year to score against the Net Cost of Services in the Income and Expenditure Account. The reserve is then appropriated back into the General Fund Balance statement so that there is no net charge against council tax for the expenditure. The Council maintains reserves, both revenue and capital, for a number of purposes and the major reserves are described below (notes 37 and 38 to the core financial statements show analysis of balances held):

#### *Statutory Reserves*

- a) **Revaluation Reserve** - this amount is not available for spending but reflects adjustments to the value of fixed assets arising from revaluations. The reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.
- b) **Capital Adjustment Account** - this is a capital account and records the level of set aside

capital receipts and amounts set aside for debt redemption.

- c) **Usable Capital Receipts Reserve** - income received from the disposal of fixed assets is credited to this reserve and is available to fund future capital projects. This reserve can only be used for capital purposes or debt redemption.
- d) **Pensions Reserve** – a reserve established to comply with the accounting requirements of FRS17. It represents the Council’s share of the Pension Fund’s estimated actuarial deficit. Appropriations are made from this reserve to the Statement of Movement in the General Fund Balance in respect of any difference between the amount to be funded from council tax in line with pension regulations and the cost of pensions in the Income & Expenditure Account as defined by FRS17.

#### *Earmarked Reserves*

- a) **Repairs and Renewals Fund** - for the replacement of vehicles, plant, machinery and equipment as required and as a contingency for major repairs to buildings.
- b) **Grants Fund** - to provide support to local voluntary and charitable organisations.
- c) **General Fund** - representing the cumulative surplus or deficit on the Income and Expenditure Account.
- d) **Vat Refund Reserve** – to cover liabilities arising as a result of VAT inspections and changes to VAT legislation
- e) **Insurance Fund** - to cover the risks borne by the Council and not covered through appropriate insurance cover in relation to staff car loans.
- f) **Election Fund** - to meet the cost of local elections as and when required.
- g) **Asset Valuation Fund** - to meet the costs of future asset valuations.
- h) **Information & Communication Technology Reserve** – to provide for future, or unforeseen, ICT requirements.
- i) **Planning Reserve Fund** - to meet the costs of enforcement action and planning appeals, which can vary greatly from year to year, and to manage the significant costs arising from the periodic preparation, examination in public and approval of the Local Development Framework.
- j) **Homelessness Prevention** – small reserves set aside to enable the Council to assist low income households to access private rented accommodation.
- k) **Housing Benefits Reserve** – to meet fluctuations in respect of housing benefits subsidy.
- l) **Capital Projects Reserve** - this reserve is credited with interest earned on revenue balances and is held to provide further resources for capital expenditure.
- m) **Staff Equity Share Reserve** – a reserve set aside to provide a buffer against potential losses on future house sales.
- n) **Concessionary Travel Reserve** – a reserve set aside to fund the continuation of the discretionary TaxiCard scheme for existing non – disabled customers until March 2011.
- o) **Waste Initiatives Reserve** – a reserve established to support the delivery of waste and recycling services across the district.

- p) **Transformation Reserve** – a reserve established to enable the council to achieve further savings and efficiencies through service delivery review and other organisational change.
- q) **Website Development Reserve** – a reserve set aside to enable further enhancements to the council's website and improvements in customer access to services.
- r) **Economic Development Reserve** – a reserve set aside to fund projects that will contribute to the economic development of the district.

In addition the Council has a Housing Projects Reserve, set up at the time of the housing transfer and originally called the Homelessness Fund, to be used for future housing and homelessness purposes. The Fund is not specifically identified within the statement of accounts, although a memorandum account is shown in note 38 to the core financial statements.

### Government Grants and Contributions (Revenue)

Government grants and third party contributions are recognised as income at the date that the conditions of entitlement are satisfied, there is reasonable assurance that the monies will be received and the expenditure for which the grant is given has been incurred. Revenue grants are matched in service revenue accounts with the expenditure to which they relate. Grants to cover general expenditure e.g. Revenue Support Grant are credited to the foot of the Income and Expenditure Account after Net Operating Expenditure.

### Retirement Benefits

Employees of the council are members of the Local Government Pensions Scheme administered by Buckinghamshire County Council. This scheme provides a defined benefit to members (retirement lump sums and pensions), earned as employees worked for the council.

The Local Government Pension Scheme is accounted for as a defined benefit scheme:-

- o The liabilities of the Buckinghamshire County Council Scheme attributable to the council are included in the Balance Sheet on an actuarial basis using the projected unit method i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates etc and projections of projected earnings for current employees.
- o Liabilities are discounted to their value at current prices, using a discount rate of 5.5% (the yield on the iBoxx AA rated over 15 year corporate bond index).
- o The assets of the Buckinghamshire County Council Scheme attributable to the council are included in the Balance Sheet at their fair value
- o The change in the net pensions liabilities analysed into seven components:-
  - i. Current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the Income and Expenditure Account to the revenue accounts of services for which the employees worked.
  - ii. Past service cost – the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years – debited to Net Cost of Services in the Income & Expenditure Account as part of Non Distributed Costs
  - iii. Interest cost – the expected increase in the present value of liabilities during the year as they move one year closer to being paid – debited to Net Operating expenditure in the Income & Expenditure Account
  - iv. Expected return on assets – the annual investment return on fund assets attributable to the council, based on an average of the expected long term return – credited to Net Operating Expenditure in the Income & Expenditure Account
  - v. Gains / losses on settlements and curtailments – the result of actions to relieve the council of liabilities or events that reduce the expected future service or accrual of benefits of employees – debited Net Cost of Services in the Income & Expenditure Account as part of Non Distributed Costs

- vi. Actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – debited to the Statement of Total recognised Gains and Losses.
- vii. Contributions paid to the Buckinghamshire County Council Pension Fund – cash paid as employer’s contributions to the pension fund.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the council to the pension fund in the year, not the amount calculated according to the relevant accounting standards. In the Statement of Movement on the General Fund Balance this means that there are appropriations to and from the Pension reserve to remove the notional debits and credits for retirement benefits and replace them with debits for cash paid to the pension fund and any amounts payable to the fund but unpaid at the year end.

Discretionary Benefits – the council also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any members of staff are accrued in the year of the decision to make the award and accounted for using the same policies applied to the Local Government Pension Scheme.

### VAT

Income and expenditure excludes any amounts related to VAT as all VAT collected is payable to HM Revenue & Customs and all VAT paid is recoverable from it.

### Overheads and Support Services

The costs of overheads and support services are charged to those that benefit from the supply or service in accordance with the costing principles of the CIPFA Best Value Accounting Code of Practice 2009 (BVACOP). The total absorption costing principle is used in that the full cost of overheads and support services are shared between users in proportion to the benefits received. Most of the charges are allocated on the basis of staff time on the services although other methods may be used e.g. accommodation costs are allocated on a floor area basis.

There are two exceptions to the above permitted by the BVACOP:-

- Corporate and Democratic Core – costs relating to the council’s status as a multi-functional, democratic organisation
- Non Distributed Costs - the costs of discretionary benefits awarded to employees retiring early and any depreciation and impairment losses chargeable on non-operational properties.

### Intangible Fixed Assets

Expenditure on assets which are identifiable but not in tangible form is capitalised when it brings benefits for more than one financial year e.g. expenditure on IT software licenses. Such expenditure is charged to service revenue accounts with amounts representing the benefit obtained in the year. Prior to 2009/10 it was charged to revenue in full in the year of expenditure but the policy has been amended to better match the cost with the periods which receive the benefit i.e. charged over the useful life of the asset.

### Tangible Fixed Assets

Tangible assets are assets that have physical substance and are held for use in provision of services or for administrative purposes on a continuing basis.

**Recognition:** expenditure on the acquisition, creation or enhancement of tangible fixed assets is capitalised on an accrual basis provided that it yields benefits to the council and the services that it provides for more than one financial year. Expenditure that secures but does not extend the previously

assessed standard of performance of an asset e.g. repairs and maintenance is charged to revenue as it occurs. The Council has established a de-minimis level of £20,000. Expenditure on assets under this level is not capitalised within the accounts.

**Measurement:** assets are initially measured at cost, comprising all expenditure that is directly attributable to bringing the asset into working condition for its intended use. Assets are then carried in the Balance Sheet using the following measurement bases:-

- Investment properties and assets surplus to requirements are carried at the lower of net current replacement costs or net realisable value
- Infrastructure assets and community assets are carried at historic cost, net of depreciation where appropriate
- Land and buildings, vehicles, plant and equipment are carried at the lower of net current replacement cost or net realisable value in existing use.

Net current replacement cost is assessed as:-

- Non-specialised operational properties – existing use value
- Specialised operational properties – depreciated replacement cost
- Investment properties and surplus assets – market value

Assets included in the Balance Sheet at current value are revalued where there have been material changes in value, but as a minimum every five years. The last full revaluation was as at 31 March 2007. Increases in valuation are matched by credits to the Revaluation Reserve to recognise unrealised gains.

**Impairment:** A review for impairment of a fixed asset will be carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable, for example a significant decline in a fixed asset's market value during the period or evidence of obsolescence or physical damage to the fixed asset.

**Disposals:** When an asset is disposed of or decommissioned, the value of the asset in the Balance Sheet is written off to the Income and Expenditure Account as part of the gain or loss on disposal. Receipts from disposal are credited to the Income and Expenditure Account as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains in the Revaluation Reserve are transferred to the Capital Adjustments Account.

Amounts in excess of £10,000 are categorised as capital receipts. A proportion of receipts relating to old housing disposals is payable to the Government. The balance of receipts is required to be credited to the Capital Receipts reserve, and can then only be used for new capital investment. Receipts are appropriated to the Reserve from the Statement of Movement on the General Fund Balance.

The written-off value of disposals is not a charge against council tax, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the Statement of Movement on the General Fund Balance.

**Depreciation:** Assets other than land are being depreciated in accordance with FRS 15 and IAS 16. Where depreciation is provided for, assets are being depreciated using the straight-line method over the following periods:

Buildings (where appropriate)	20 - 60 years
Infrastructure	30 - 60 years
Vehicles and equipment	3 - 10 years

Assets acquired under finance leases are depreciated over the term of the lease or estimated useful life if shorter.

**Charges to Revenue for Fixed Assets:** Service revenue accounts, support services and trading

accounts are charged with the following amounts to record the real cost of holding fixed assets during the year:

- Depreciation attributable to the assets used by the relevant service
- Impairment losses attributable to the clear consumption of economic benefits on tangible fixed assets used by the services
- Amortisation of intangible fixed assets attributable to the service

The council is not required to raise council tax to cover depreciation, impairment losses or amortisations. These charges therefore have no net effect on the level of council tax and are reversed out in the Statement of Movement on the General Fund balance.

Contributions towards the cost of fixed assets, other than government grants are, in general, credited to a deferred contribution account. Amounts are released from this account to offset any provision for depreciation charged to the revenue account in respect of assets to which the grants relate. There is no material effect of this policy on the subsequent capital charges made to the revenue account.

### **Revenue Expenditure Funded from Capital under Statute (REFCUS)**

Expenditure incurred during the year that may be funded from capital under statutory provisions but does not result in the creation of fixed tangible assets is charged to the relevant service revenue account in the year. In the main this relates to expenditure on disabled facilities grants and other home improvement loans. Where the cost of this expenditure is met from existing capital resources a transfer to the Capital Adjustment Account reverses out the amounts charged in the Statement of Movement on the General Fund Balance so there is no impact on the level of council tax.

### **Finance Leases**

Leases are accounted for as finance leases when substantially all risks and rewards relating to the leased property transfer to the council. They are included in the balance sheet and depreciated in accordance with SSAP21. The present value of future rentals is shown as a long term liability. The interest element of rental obligations is charged to revenue over the period of the lease so as to produce a constant periodic rate of charge.

### **Operating Leases**

Leases that do not meet the definition of finance leases are accounted for as operating leases. Rentals payable under operating leases are charged to the appropriate service revenue account on a straight-line basis over the term of the lease.

### **Financial Assets**

Financial assets are classified into two types:-

- loans and receivables – assets that have fixed or determinable payments but are not quoted in an active market
- available-for-sale assets – assets that have a quoted market price and/or do not have fixed or determinable payments

### ***Loans and Receivables***

Loans and receivables are initially measured at fair value and carried at their amortised cost. Annual credits to the Income and Expenditure Account for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the loans that the council has made this means that the amount presented in the Balance Sheet is the outstanding principle receivable (plus accrued interest) and interest credited to the Income and Expenditure Accounts is the amount receivable in the year for the loan.



The council has a small portfolio of residual mortgages and has made a number of car loans to employees - these are categorised as soft loans. The council has determined that as the value of advances made is low and there has not been any significant discounting of interest rates that the amounts involved are de minimis for the purposes of accounting fully for the loans.

## ***Available-for-sale Assets***

Available-for-sale assets are initially measured and carried at fair value. Where the asset has fixed or determinable payments, annual credits to the Income and Expenditure Account for interest receivable are based on the amortised cost of the asset multiplied by the effective rate of interest for the instrument. Where there are no fixed or determinable payments, income e.g. dividends, is credited to the Income and Expenditure Account when it becomes receivable by the council.

Assets are maintained in the Balance Sheet at fair value. Values are generally based on market price.

Changes in fair value are balanced by an entry in the Available for Sale Reserve and the gain/loss is recognised in the Statement of Total Recognised Gains and Losses (STRGL). The exception is where impairment losses have been incurred – these are debited to the Income and Expenditure Account, along with any net gain/loss for the asset accumulated in the Reserve.

Where assets are identified as impaired because of a likelihood arising from a past event that payments due under the contract will not be made (fixed or determinable payments) or fair value falls below cost, the asset is written down and a charge made to the Income and Expenditure Account.

Any gains and losses that arise on the derecognition of the asset are credited/debited to the Income and Expenditure Account along with any accumulated gains/losses previously recognised in the STRGL.

## **Contingent Assets and Liabilities**

Contingent assets are not recognised in the accounting statements. Instead they are disclosed by way of a note if the inflow of a receipt or economic benefit is probable.

Contingent liabilities are not recognised in the accounting statements. Instead they are disclosed by way of a note if there is a possible obligation that may require a payment or transfer of an economic benefit.

## **Stocks**

Stocks are included in the balance sheet at the lower of cost and net realisable value.

## Statement of Responsibilities for the Statement of Accounts

Responsibility for the statement of accounts lies in three places:

(1) **The Council's responsibilities**

The Council is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. For Chiltern District Council that officer is the Head of Financial Services and Section 151 Officer, Alison Howes.

The Council is also required to manage its affairs to secure the economic, efficient and effective use of resources and to safeguard its assets and to approve the statement of accounts.

(2) **The Section 151 Officer's responsibilities**

The Section 151 Officer is responsible for the preparation of the Council's statement of accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in Great Britain and which is required to present a true and fair view of the financial position of the Council.

In preparing the statement of accounts the Section 151 Officer has to select accounting policies and to apply them consistently, make judgements and estimates that are reasonable and prudent and comply with all legislative provisions, the Code of Practice on Local Authority Accounting and the Best Value Accounting Code of Practice.

The Section 151 Officer also has to keep proper accounting records, which are up to date, and to take reasonable steps to prevent and detect fraud and other irregularities.

I confirm that the Statement of Accounts presents a true and fair view of the financial position of the Council as at 31 March 2010 and its income and expenditure for the year then ended.

**Head of Financial Services**

**Date: 23 June 2010**

**Certificate of Approval – Chair of Audit Committee**

I confirm that these accounts were approved by the Audit Committee at its meeting held on 23 June 2010.

**Chair of Audit Committee**

**Date: 23 June 2010**

## CORE FINANCIAL STATEMENTS

### Income and Expenditure Account

for the year ended 31 March 2010

Net Expenditure £'s 2008/2009	Expenditure on Services	Note	Gross Expenditure £'s 2009/2010	Gross Income £'s 2009/2010	Net Expenditure £'s 2009/2010
9,350,056	Cultural, Environmental & Planning Services	3	12,034,145	(4,340,844)	7,693,301
0	Cultural Exceptional Income – VAT refund	1	0	(1,194,303)	(1,194,303)
(182,963)	Highways, Roads and Transport	4	1,919,471	(2,242,861)	(323,390)
1,631,067	Housing	5	18,324,136	(17,098,628)	1,225,508
1,341,644	Central Services	6	5,644,697	(4,846,058)	798,639
2,286,821	Corporate and Democratic Core		1,361,272	(18,896)	1,342,376
54,545	Non Distributed Costs		67,825	(1,598)	66,227
<b>14,481,170</b>	<b>Net Cost of Services</b>		<b>39,351,546</b>	<b>(29,743,186)</b>	<b>9,608,360</b>
0	(Gain) / loss on disposal of fixed assets				(21,750)
2,256,304	Parish and Town Council Precepts				2,329,640
49,144	Deficit on trading operations	7			78,203
24,884	Interest payable				14,828
11,633	Amounts payable into the housing capital receipts Government Pool				5,788
(810,653)	Interest and investment income				(155,360)
1,034,706	Pensions interest cost & expected return on pension assets	40			1,158,424
<b>17,047,188</b>	<b>Net Operating Expenditure</b>				<b>13,018,133</b>
(8,844,304)	Income from the Collection Fund				(9,190,007)
(32,000)	Share of Collection Fund surplus				(60,000)
(5,446)	Movement in element of Collection Fund attributable to Chiltern				12,192
(477,920)	Revenue Support Grant				(737,101)
(3,433,130)	Distribution from non-domestic rate pool				(3,193,502)
(114,490)	Other Government Grant	8			(167,068)
<b>4,139,898</b>	<b>(Surplus) / Deficit for the Year</b>				<b>(318,353)</b>

**Statement of Movement on the General Fund Balance**  
**for the year ended 31 March 2010**

The Income and Expenditure Account shows the Council's actual performance for the year measured in terms of the resources consumed and generated over the period and in accordance with UK GAAP requirements. However, the Council is required to raise council tax on a different accounting basis as determined by statute and non-statutory proper practices and in order to give a full presentation of the Council's financial performance and the actual spending power carried forward to future years the surplus / (deficit) on the Income and Expenditure account needs to be reconciled to the balance on the General Fund i.e. the balance established by relevant statutory provisions. The General Fund balance compares the Council's spending against the council tax that it raised for the year taking into account use of reserves built up in the past and contributions to reserves earmarked for future expenditure. This statement provides the necessary reconciliation between the Income and Expenditure account and the General Fund balance.

<b>£'s 2008/2009</b>		<b>Note</b>	<b>£'s 2009/2010</b>
4,139,898	(Surplus)/deficit for year on Income and Expenditure Account		(318,353)
(4,364,169)	Net additional amount required by statute and non-statutory proper practices to be credited to the General Fund Balance for the year	14	(1,477,928)
<b>(224,271)</b>	<b>(Increase)/decrease in General Fund Balance for year</b>		<b>(1,796,281)</b>
(806,358)	General Fund Balance brought forward		(1,030,629)
<b>(1,030,629)</b>	<b>General Fund Balance carried forward</b>		<b>(2,826,910)</b>

**Statement of Total Recognised Gains and Losses**  
**for the year ended 31 March 2010**

This statement brings together all the gains and losses of the Council for the year and shows the aggregate increase or decrease in its net worth. In addition to the deficit generated in the Income and Expenditure Account, it includes gains and losses relating to the revaluation of fixed assets and re-measurement of the net liability to cover the cost of retirement benefits.

<b>£'s</b> <b>2008/2009</b>		<b>£'s</b> <b>2009/2010</b>
4,139,898	(Surplus)/deficit for year on Income and Expenditure Account	(318,353)
0	(Surplus)/deficit arising on revaluation of fixed assets	0
952,465	Actuarial (gains) and losses on pension fund assets and liabilities	13,142,778
(165,272)	Other (gains) and losses	0
<b>4,927,091</b>	<b>Total recognised (gains) and losses for the year</b>	<b>12,824,425</b>

Note: The SORP 2009 introduced changes to accounting for Local Taxes which must now be accounted for on both an agency and accruals accounting basis. The Council is responsible for the collection of council tax on behalf of the major preceptors Buckinghamshire County Council, Thames Valley Police Authority and Bucks & Milton Keynes Fire Authority and the collection of business rates on behalf of the government. The changes mean that only the elements relating to this Authority are to be included in the accounts, with the remaining balances to be categorised as creditors or debtors as appropriate.

The line in last year's Statement of Total Recognised Gains and Losses showing Movement on the Collection Fund balance (CDC element) has been removed and the net movement adjusted in the Income and Expenditure Account, which in turn is reflected in the deficit for the year figure included in the above statement. Further information on the impact of these prior period adjustments is shown in Note 2 to the accounts.

## Balance Sheet

as at 31 March 2010

£'s 2008/2009	BALANCE SHEET	Note	£'s 2009/2010
28,075,410	Land and Buildings		27,752,823
761,835	Vehicle, Plant, Furniture and Equipment		815,835
489,410	Infrastructure Assets		457,215
1,165,500	Community Assets		1,165,500
0	Intangible Assets		209,767
<b>30,492,155</b>	<b>Total Operational Assets</b>		<b>30,401,140</b>
1,600,000	Investment Properties		1,600,000
0	Assets Under Construction		0
1,000,000	Surplus Assets Held For Disposal		700,000
<b>2,600,000</b>	<b>Total Non-Operational Assets</b>		<b>2,300,000</b>
<b>33,092,155</b>	<b>Total Fixed Assets</b>	15	<b>32,701,140</b>
40,000	Long Term Investments	23 & 27	40,000
347,391	Long Term Debtors	24	65,536
<b>387,391</b>	<b>Total Long Term Assets</b>		<b>105,536</b>
8,383	Stocks and Work in Progress	25	10,802
2,475,480	Debtors	26	4,507,995
13,700,000	Investments – short term	27	13,000,000
521,041	Cash and bank		926,161
<b>16,704,904</b>	<b>Total Current Assets</b>		<b>18,444,958</b>
(3,577,133)	Creditors	28	(3,419,641)
0	Provisions		0
0	Cash Overdrawn		0
<b>(3,577,133)</b>	<b>Total Current Liabilities</b>		<b>(3,419,641)</b>
<b>13,127,771</b>	<b>Net Current Assets / Liabilities</b>		<b>15,008,051</b>
<b>(17,456,035)</b>	<b>Long Term Liabilities</b>	29	<b>(31,505,136)</b>
<b>29,151,282</b>	<b>Total Assets less Liabilities</b>		<b>16,326,857</b>
	Financed By :-		
0	Revaluation Reserve	34	0
33,021,091	Capital Adjustment Account	34	32,513,237
(54,032)	Deferred Credits	35	(61,332)
4,920,429	Usable Capital Receipts Reserve	36	5,186,171
(17,240,901)	Pensions Reserve	40	(31,173,159)
8,451,457	Reserves	37	9,820,894
53,238	Collection Fund Adjustment Account		41,046
<b>29,151,282</b>	<b>Total Equity</b>		<b>16,326,857</b>

**Cash Flow Statement**  
**for the year ended 31 March 2010**

**STATEMENT TO FOLLOW**

<b>£'s</b> <b>2008/2009</b>		<b>£'s</b> <b>2009/2010</b>
(59,051,881)	Council Tax Receipts	
(20,410,403)	Business Rate Receipts	
(4,157,626)	NNDR Pool receipts	
(477,920)	Revenue Support Grant	
(17,586,378)	DWP Grants for Benefits	
(440,557)	Other Government Grants	
(6,784,776)	Cash Received for Goods and Services	
<b>(108,909,541)</b>	<b>Total Revenue Cash Inflows</b>	
8,235,397	Cash Paid to Employees	
9,468,422	Other Operating Costs	
13,239,040	Housing Benefits Paid Out	
20,805,823	NNDR Payments to National Pool	
56,056,221	Precepts Paid	
11,633	Payments to Housing Capital Receipts Pool	
<b>107,816,536</b>	<b>Total Revenue Cash Outflows</b>	
<b>(1,093,006)</b>	<b>Revenue Activities Net Cash (Inflow) / Outflow</b>	
(1,240,403)	Interest Received	
24,884	Interest Paid on Finance Leases	
<b>(1,215,519)</b>	<b>Returns on Investment Net Cash Inflow</b>	
0	Sale of Fixed Assets	
(240,000)	Capital Grants Received	
(201,404)	Other Capital Cash Receipts	
207,586	Purchase of Fixed Assets	
609,324	Other Capital Expenditure	
<b>375,506</b>	<b>Capital Activities Net Cash Outflow</b>	
<b>(1,933,018)</b>	<b>Net Cash (Inflow) / Outflow – All Activities</b>	
	<b>Management of Liquid Resources</b>	
2,000,000	Net (Increase) / Decrease in Long Term Deposits	
(3,500,000)	Net (Increase) / Decrease in Short Term Deposits	
(130,240)	Net (Increase) / Decrease in Other Liquid Resources	
<b>(302,778)</b>	<b>Net (Increase) / Decrease in Cash</b>	
<b>(1,933,018)</b>	<b>Net Cash (Inflow) / Outflow</b>	

(Note 41)

## Notes to the Core Financial Statements

### 1. Exceptional Item

The council was successful in its claim for a VAT refund in respect of VAT paid over to Her Majesty's Revenues & Customs in relation to certain items of leisure related income over the period January 1990 to March 1994. It was also successful in securing compound interest on the amount due. In total almost £1.2 million, net of fees, has been received and has been shown as an exceptional item in the Income & Expenditure Account. This sum has been transferred to the General Fund balance for future use.

### 2. Prior Period Adjustment

The 2009 SORP requires a change to accounting for Local Taxes (Council Tax and National Non Domestic Rates) which must now be prepared on both an agency and accruals accounting basis. The Council is responsible for the collection of council tax on behalf of the major preceptors Buckinghamshire County Council, Thames Valley Police Authority and Bucks & Milton Keynes Fire Authority and the collection of business rates on behalf of the government. The changes mean that only the elements relating to this Authority are to be included in the accounts, with the remaining balances to be categorised as creditors or debtors as appropriate.

This has resulted in the following changes to the financial statements.

	<b>2008/09 £ Restated</b>	<b>2008/09 £</b>
<b>Income &amp; Expenditure Account</b>		
Movement in element of Collection Fund attributable to Chiltern	(5,446)	0
Deficit for the Year	4,139,898	4,145,344
<b>Statement of Movement on General Fund Balance</b>		
Deficit for the Year on the Income & Expenditure Account	4,139,898	4,145,344
Net additional amount required by statute and non statutory proper practices to be credited to the General Fund balance for the year	(4,364,169)	(4,369,747)
<b>Statement of Recognised Gains &amp; Losses</b>		
Deficit for the Year on the Income & Expenditure Account	4,139,898	4,145,344
Movement on Collection Fund balance	0	(5,446)
<b>Balance Sheet</b>		
Debtors	2,475,480	3,204,156
Total Current Assets	16,704,904	17,443,580
Creditors	(3,577,133)	(4,305,809)
Total Current Liabilities	(3,577,133)	(4,305,809)
Net Current Assets / Liabilities	13,127,771	13,127,771
Reserves	8,451,457	8,504,695
Collection Fund Adjustment Account	53,238	0

The presentation of amounts in the Cashflow Statement has also changed although there has been no change in overall cash movement.

There is no change to the net worth of the Council.

3. **Cultural, Environmental and Planning Services** – The services included within this heading are shown below.



2008/2009 £	Service Area	2009/2010 £
207,288	Culture and Heritage	189,046
1,091,821	Recreation, Sport & Open Spaces	951,667
100,219	Tourism	15,329
13,826	Cemeteries and Crematoria	11,061
1,505,890	Environmental Health & Community Safety	1,174,705
900	Land Drainage	2,056
782,431	Street Cleansing	750,480
2,592,031	Waste Collection	2,598,443
491,841	Building Control	294,764
1,780,443	Development Control	1,147,406
493,894	Planning Policy	488,518
289,472	Economic Development	69,827
<b>9,350,056</b>	<b>Total Cultural, Environmental and Planning Services</b>	<b>7,693,301</b>

4. **Highways, Roads and Transport** – The services included within this heading are shown below.

2008/2009 £	Service Area	2009/2010 £
67,640	Traffic Management	63,836
(644,632)	Parking Services	(649,278)
394,029	Support for Public Transport	262,053
<b>(182,963)</b>	<b>Total Highways, Roads and Transport</b>	<b>(323,390)</b>

5. **Housing** – The services included within this heading are shown below.

2008/2009 £	Service Area	2009/2010 £
701,597	Housing Benefits	393,076
461,548	Private Sector Housing	423,020
158,009	Housing Strategy	144,100
309,913	Homelessness	265,312
<b>1,631,067</b>	<b>Total Housing</b>	<b>1,225,508</b>

Central Government has given the Council permission to no longer maintain a Housing Revenue Account (HRA) with effect from 1 April 1999. Mortgage interest and housing subsidy received from the Government in respect of Housing Defect Grants, previously credited to the HRA, is now credited to the Income and Expenditure Account and included within the cost of the housing service.

6. **Central Services** – The services included within this heading are shown below.

2008/2009 £	Service Area	2009/2010 £
613,945	Local Taxation	266,424
246,715	Registration & Conducting Elections	193,370
66,846	Emergency Planning	44,597
92,399	Local Land Charges	(24,653)
321,739	General Grants	318,890
<b>1,341,644</b>	<b>Total Central Services</b>	<b>798,639</b>

7. **Trading Services** – The services included within this heading are shown below.

2008/2009 £	Service Area	2009/2010 £
	<i>Markets</i>	
(34,207)	Income	(26,341)
26,534	Expenditure	31,421
7,673	(Surplus)/Deficit in year	5,080
	<i>Property Management</i>	
(321,473)	Income	(292,164)
362,943	Expenditure	365,287
41,470	(Surplus)/Deficit in year	73,123
<b>49,143</b>	<b>Total Trading Services Deficit</b>	<b>78,203</b>

8. **Other Government Grants** – General Government grant income for the year is shown below.

2008/2009 £		2009/2010 £
23,456	Local Authority Business Growth Incentive (LABGI) Grant	49,911
22,500	Area Based Grant	22,811
68,534	Local Public Service Agreement Grant	94,886
<b>114,490</b>	<b>Total General Government Grant Income</b>	<b>167,608</b>

9. **Members' Allowances** – In line with Government requirements the Council's Scheme of Allowances consists of a Basic Allowance of £4,490 (£4,490 in 2008/09) and a Special Responsibility Allowance that depends on each individual Member's role in the Council. The allowance is not based on attendance. The total payments made under each category are shown below.

2008/2009 £		2009/2010 £
194,231	Basic Allowance	194,376
79,307	Special Responsibility Allowance	71,994
<b>273,538</b>	<b>Total Members' Allowances</b>	<b>266,370</b>

10. **Remuneration of Employees** - In accordance with the Accounts and Audit Regulations 2009, the table below reports the number of employees whose remuneration in the year exceeded £50,000. Note that remuneration as defined in the regulations excludes both employee and employer pension contributions.

2008/2009 Number	Remuneration Bands	2009/2010 Number
2	£50,000 to £54,999	2
0	£55,000 to £59,999	1
2	£60,000 to £64,999	2
5	£65,000 to £69,999	4
2	£70,000 to £74,999	1
0	£75,000 to £79,999	0
0	£80,000 to £84,999	0
1	£85,000 to £89,999	1
0	£90,000 to £94,999	0
0	£95,000 to £99,999	0
0	£100,000 to £104,999	0
1	£105,000 to £109,999	1
<b>13</b>	<b>Total</b>	<b>12</b>

11. **Senior Officer Remuneration** - In accordance with the Accounts and Audit Regulations 2009, the table below discloses individual remuneration details for senior employees whose salary is £50,000 or more per year.

Post title	Salary incl fees & allowances	Performance Related Pay	Expense allowances	Compensation for loss of office	Benefits in kind	Total remuneration excluding pension contributions	Employers pension contributions	Total remuneration including employers pension contributions
Chief Executive	102,050	4,160	553	0	426	107,189	24,960	132,149
Director of Planning & Environment	82,882	3,445	861	0	426	87,614	20,069	107,683
Head of Financial Services	68,958	2,876	302	0	0	72,136	17,671	89,807
Head of Planning Services	64,640	2,095	570	0	426	67,731	16,521	84,252
Head of Health & Housing	64,224	2,693	220	0	426	67,563	15,501	83,064
Head of Customer Services & Revenues	64,064	1,796	89	0	426	66,375	16,306	82,681
Head of Personnel & Performance	62,574	2,334	437	0	426	65,771	16,072	81,843
Head of ICT	61,256	1,997	0	0	426	63,679	14,629	78,308
Head of Building Control	61,092	1,991	170	0	426	63,679	14,587	78,266
Acting Legal Services Manager (see note)	37,777	1,321	102	0	279	39,479	9,132	48,611
<b>Total</b>	<b>669,517</b>	<b>24,708</b>	<b>3,304</b>	<b>0</b>	<b>3,687</b>	<b>701,216</b>	<b>165,448</b>	<b>866,664</b>

Note: The Acting Legal Services Manager has worked variable part-time hours during the year. The whole time equivalent salary of this post is £53,185 per year.

12. **Related Party Transactions** - A related party transaction is one where there is a transfer of assets or liabilities or the performance of services by to or for a related party. The related parties of Chiltern District Council are considered to be Central Government, local authorities and other bodies' precepting demands on the Collection Fund, associated companies, Members, Chief Officers and the Pension Fund. The majority of transactions with these parties are disclosed elsewhere in the accounts. Such items are not repeated again here; instead this section concentrates on those material transactions that are not already disclosed.

(a) *Paradigm Housing Association* - The Council is entitled to nominate two Councillors to sit on the Board of the Association and one Councillor to a subsidiary company. The Council works closely with the Housing Association to meet social housing needs in the district. The Association also manages the Council's housing waiting list and homelessness assessment and advice service. In the year the following payments were made to the Association.

<b>2008/2009</b> <b>£</b>		<b>2009/2010</b> <b>£</b>
142,673	Homelessness Agency Agreement	147,809
<b>142,673</b>	<b>Total</b>	<b>147,809</b>

(c) *Citizens Advice Bureau* - The Council nominates one Councillor to sit on the Management Committee of the Chesham, Amersham and District Citizens Advice Bureau. In addition a number of Councillors sit on the Management Committee either in a personal capacity or as representatives of other organisations. The Council is the principal funder for the CAB and gave a grant of £122,900 during the year (2008/2009 £122,900).

(d) *Nexus Community* - Nexus Community (formerly Wycombe Leisure) took over responsibilities for leisure management on an interim basis from 1 April 2004 and on a permanent basis, having won the tender for the contract, from 1 April 2005. This includes responsibility for the operational management of the Council's leisure facilities, including Community Play and Sports

Development. The Council retains a strategic and policy making role in the provision of leisure services. Nexus Community Ltd is an Industrial and Provident Society which has exempt charity status and which operates on a "not for profit" basis. The Society is governed by a Board of Directors. Two nominated members and a Director of the Council are members of the Chiltern Leisure Advisory Board (CLAB) – a committee of the Society's Board. The CLAB has no legal liability and the decision making process principally remains with the Society's Board with the exception of delegated authority decisions as set out in the CLAB's terms of reference.

(e) *Members and Chief Officers* - A review has been made of the register of Members' Interests and of the declarations of interests made by Members and Chief Officers during the year. In addition, Members and Chief Officers have been requested to sign a form declaring whether there were any related party transactions during the year. There are no matters that require disclosure.

13. **Audit Costs** – the Council incurred the following fees relating to external audit and inspection. The note is prepared based on the fee payable for the audit work related to the financial year rather than amounts that have actually been paid in the year. The fee for work on the 2009/10 audit of accounts is still under discussion and the final figure may be different from that shown below.

2008/2009 £		2009/2010 £
61,300	Fees payable to the Audit Commission with regard to external audit services carried out by the appointed auditor	78,000
6,500	Fees payable to the Audit Commission in respect of statutory inspection	9,152
17,895	Fees payable to the Audit Commission for the certification of grant claims and returns	20,000
1,582	Fees payable in respect of other services provided by the appointed auditor	1,100
<b>87,277</b>	<b>Total</b>	<b>108,252</b>

14. **Statement of Movement on the General Fund Balance** – an analysis of the net additional amount required by statute and non-statutory proper practices to be debited or credited to the General Fund Balance for the year is as shown below. It should be noted that whilst the surplus or deficit on the Income and Expenditure Account is the best measure of the Council's financial result for the year in accordance with Generally Accepted Accounting Practice, the movement on the General Fund Balance is also an important aspect of the Council's stewardship.

2008/2009 £	Amounts included in the Income and Expenditure Account but required by statute to be excluded when determining the Movement on the General Fund Balance for the year:	2009/2010 £
(4,321,251)	Depreciation and impairment of fixed assets	(954,577)
0	Government Grants Deferred Amortisation	(27,019)
(400,412)	Revenue Expenditure funded from capital under statute	(399,290)
0	Net gain or loss on sale of fixed assets	(21,750)
(2,343,029)	Net charges made for retirement benefits in accordance with FRS17	(2,011,047)
5,446	Amount by which Council Tax income is included in the Income & Expenditure Account is different from the amount taken to the General Fund in accordance with regulation	(12,192)

	<b>Amounts not included in the Income and Expenditure Account but required to be included by statute when determining the Movement on the General Fund Balance for the year:</b>	
(11,633)	Transfer from Usable Capital Receipts equal to the amount payable into the Housing Capital Receipts Pool	(5,788)
1,225,007	Employer's contributions payable to Bucks County Council Pension Fund and retirement benefits payable direct to pensioners	1,155,566
	<b>Transfers to or from the General Fund Balance that are required to be taken into account when determining the Movement on the General Fund Balance for the year:</b>	
1,481,703	Net transfer to earmarked reserves	798,169
<b>(4,364,169)</b>	<b>Net additional amount required by statute and non-statutory proper practices to be credited to the General Fund Balance for the year</b>	<b>(1,477,928)</b>

15. **Assets** - An analysis of movements in assets is shown below.

	<b>Land &amp; Buildings £</b>	<b>Vehicles, Plant &amp; Equipment £</b>	<b>Infrast- ructure Assets £</b>	<b>Community Assets £</b>	<b>Intangible Assets £</b>	<b>Non Operational Assets £</b>	<b>Total £</b>
<b>Cost or valuation at 1<sup>st</sup> April 2009</b>	<b>34,115,203</b>	<b>3,099,368</b>	<b>907,911</b>	<b>1,165,500</b>	<b>0</b>	<b>2,600,000</b>	<b>41,887,982</b>
Additions	376,114	271,772	0	0	262,209	0	910,095
Disposals	0	0	0	0	0	(325,000)	(325,000)
Reclassifications	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	25,000	25,000
<b>At 31<sup>st</sup> March 2010</b>	<b>34,491,317</b>	<b>3,371,140</b>	<b>907,911</b>	<b>1,165,500</b>	<b>262,209</b>	<b>2,300,000</b>	<b>42,498,077</b>
<b>Depreciation &amp; Impairments at 1<sup>st</sup> April 2009</b>	<b>6,039,793</b>	<b>2,337,533</b>	<b>418,501</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,795,827</b>
Charge for year	698,701	217,772	32,195	0	52,442	0	1,001,111
Disposals	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0
<b>At 31 March 2010</b>	<b>6,738,494</b>	<b>2,555,305</b>	<b>450,696</b>	<b>0</b>	<b>52,442</b>	<b>0</b>	<b>9,796,938</b>
<b>Net book value of assets at 31<sup>st</sup> March 2010</b>	<b>27,752,823</b>	<b>815,835</b>	<b>457,215</b>	<b>1,165,500</b>	<b>209,767</b>	<b>2,300,000</b>	<b>32,701,140</b>

16. **Capital Expenditure and Funding Statement** – this statement shows the Council's total capital expenditure for the year and how it was funded.

<b>£'s 2008/2009</b>		<b>£'s 2009/2010</b>
441,381	Improvement Grants	663,377
<b>441,381</b>	<b>Total Housing Capital Expenditure</b>	<b>663,377</b>
(3,637)	Leisure & Recreation	299,614
132,463	Car Parks	75,104
154,944	Information Technology	448,204
91,760	Other	94,173
<b>375,530</b>	<b>Total Non-Housing Capital Expenditure</b>	<b>917,095</b>
<b>816,911</b>	<b>Total Capital Expenditure</b>	<b>1,580,472</b>
594,422	Capital Receipts and Reserves	974,272
222,489	Government Grant	606,200
<b>816,911</b>	<b>Total Funding for Capital Expenditure</b>	<b>1,580,472</b>

17. **Reconciliation of Expenditure to Capitalisation of Assets** - There is a difference between the additions shown to the Fixed Assets in the balance sheet and the level of overall capital expenditure. This is because Government Regulations governing capital expenditure are different from the capital accounting requirements. In particular capital expenditure for capital control purposes may not give rise to a fixed asset to be included within the balance sheet.

<b>2008/2009 £</b>		<b>2009/2010 £</b>
816,911	Total Capital Expenditure	1,580,472
	<i>Capital Expenditure not giving rise to a Fixed Asset:</i>	
(609,324)	Revenue Expenditure Funded from Capital Under Statute	(670,377)
0	Intangible Assets	(262,209)
<b>207,587</b>	<b>Total Additions to Fixed Assets</b>	<b>647,886</b>

18. **Information on Assets** - The main assets owned by the Council are shown below.

- **Land and Buildings** - Council Offices, Chiltern Pools, Chesham Leisure Centre, Chalfont Leisure Centre, 9 Public Conveniences, 16 surface car parks, 1 multi-storey car park, London Road Depot Paper Sort Facility, Barn Hall & Drake Hall
- **Vehicle, plant etc** - Recycling facilities and equipment, CCTV, IT equipment
- **Infrastructure** - Pedestrianisation and enhancement schemes at Chesham, Old Amersham, Great Missenden and Chalfont St Peter
- **Community** - Woodlands, Open Spaces, Quarrendon Estate, Commons and Manorial Waste
- **Intangible Assets** – Various purchased IT software packages
- **Non-operational** - 4 Community Centres and Village Halls, London Road Depot (excluding Paper Sort Facility).

An analysis of assets held under Finance Leases is shown below.

	<b>Land &amp; Buildings £</b>	<b>Vehicles, Plant &amp; Equipment £</b>	<b>Infra-structure Assets £</b>	<b>Community Assets £</b>	<b>Non Operational Assets £</b>	<b>Total £</b>

<b>Certified valuation at 31<sup>st</sup> Mar 2009</b>	991,425	0	0	0	0	991,425
<b>Accumulated depreciation and impairment</b>	792,016	0	0	0	0	792,016
<b>Net book value of assets at 31<sup>st</sup> Mar 2009</b>	<b>199,409</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>199,409</b>
<b>Movement in 2009/10 Depreciation</b>	111,153					111,153
<b>Net book value of assets at 31<sup>st</sup> Mar 2010</b>	<b>88,256</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>88,256</b>

All the Council's assets were revalued as at 31 March 2007 by the Valuation Office Agency apart from assets valued at historical cost. Operational properties of a non-specialised nature were valued by reference to the open market value of equivalent assets of a similar type and condition, as evidenced by recent market transactions, and on the assumption that they would continue in existing use (Existing Use Value or EUV). Non-operational properties were valued by reference to their open market value for an alternative use sanctioned by planning permissions. The value of assets subject to revaluation was £36,156,521. As a result of an impairment review in 2008/09 the value of the Council Offices was adjusted downwards. No impairment adjustments were required in 2009/10.

19. **Revenue Expenditure Funded from Capital Resources Under Statute (REFCUS)** - An element of the Council's capital expenditure does not fall within the definition of fixed assets but is classified as expenditure for capital purposes with respect to capital controls. Such expenditure includes home improvement grants and capital grants to other parties. REFCUS expenditure on grants and assets not owned by the Council is charged to the revenue account in the year in which it is incurred.

	<b>Balance at 1 Apr 2009 £</b>	<b>Expenditure In Year £</b>	<b>Charged to Revenue £</b>	<b>Balance at 31 Mar 2010 £</b>
Home Improvement Grants	0	663,377	663,377	0
General Capital Grants	0	7,000	7,000	0
<b>Total REFCUS</b>	<b>0</b>	<b>670,377</b>	<b>670,377</b>	<b>0</b>

20. **Intangible assets** - An element of the Council's capital expenditure does not fall within the definition of fixed assets but is classified as expenditure for capital purposes with respect to capital controls. Expenditure on intangible assets, namely IT software, is charged to service revenue accounts with amounts representing the benefit obtained in the year from expenditure on these items. Prior to 2009/10 such expenditure was charged to revenue in full in the year in which it was incurred but the policy has been amended to better match the cost with the period which receives the benefit i.e. charged over the useful life of the asset.

	<b>Balance at 1 Apr 2009 £</b>	<b>Expenditure In Year £</b>	<b>Charged to Revenue £</b>	<b>Balance at 31 Mar 2010 £</b>
Computer Software	0	262,209	52,442	209,767
<b>Total Intangible Assets</b>	<b>0</b>	<b>262,209</b>	<b>52,442</b>	<b>209,767</b>

21. **Finance and Operating Lease rental** – As at 1 April 2004 the Council inherited the finance and operating leases of the former Chiltern Leisure Trust. The following rental amounts were payable in the year.

2008/2009 £		2009/2010 £
154,756	Finance leases - Land and Buildings	153,601
6,498	Operating leases - Vehicle, Plant, Furniture & Equipment	881
<b>161,254</b>	<b>Total</b>	<b>154,482</b>

22. **Interest in Companies** - The Council has an interest in two companies.

**The Chiltern Woodlands Project** is a local authority controlled company established to promote the sensitive management of small woods in the Chiltern Hills. The company is limited by guarantee (of £1 per member) and supported by grant from 6 district councils and 2 county councils, each of whom are entitled to appoint a director. The grant from Chiltern District Council in 2009/10 was £3,750 (2008/09 £3,750). Although the company is technically a controlled company by virtue of the Local Authorities (Companies) Order 1995, its accounts have not been consolidated into the accounts of the Council on the grounds of materiality. Further details on the activities and finances of the company can be obtained from John Morris, Manager, Chiltern Woodlands Project, The Lodge, Station Road, Chinnor, Oxon OX39 4HA, Tel: 01844 355503, Fax: 01844 355510, Email: woodlands@chilternsaonb.org

**The Thames Valley Groundwork Trust Limited** is a charitable trust established to enhance and conserve areas within the Thames Valley, including the Colne Regional Valley Park. The company is limited by guarantee, which is limited to £10 per member. The company no longer receives grant aid from the Council but the Council appoints one Board member. The company is not a controlled company by virtue of the Local Authorities (Companies) Order 1995. Further details on the activities and finances of the company can be obtained from Groundwork Thames Valley, Colne Valley Park Centre, Denham Court Drive, Denham, Uxbridge UB9 5PG, Tel: 01895 832662, Fax: 01895 833552, Email: tv@groundwork.org.uk

23. **Long Term Investments** - The long-term investments shown represent investments with a maturity date of in excess of one year.
24. **Long Term Debtors** - These are amounts owing by individuals and bodies to whom the Council has lent money or provided a mortgage. It should be noted that although these are categorised as soft loans under the SORP accounting for financial instruments, full accounting treatment has not been applied as they are considered to be de-minimis. The details are as follows.

2008/2009 £		2009/2010 £
7,906	Housing Advances	2,212
8,750	Car Loans to Staff	13,324
280,735	Buckinghamshire County Council	0
50,000	Nexus Community	50,000
<b>347,391</b>	<b>Total Long Term Debtors</b>	<b>65,536</b>

25. **Stocks and Work in Progress** - These are analysed as follows.

2008/2009 £		2009/2010 £
8,383	Franking Machine, Stamps and Stationery	10,802
<b>8,383</b>	<b>Total Stocks and Work in Progress</b>	<b>10,802</b>

26. **Debtors and Payments in Advance** - The amounts owed to the Council, net of provisions for bad debts, are summarised as follows.



2008/2009 £		2009/2010 £
1,422,977	General Debtors	1,716,916
658,197	Central Government	2,250,004
100,196	Council Tax	113,227
355,631	Payments in Advance	476,311
<b>2,537,001</b>	<b>Total Debtors</b>	<b>4,556,458</b>

12,540	Provision for Local Taxation Debts	13,506
48,981	Provision for General Debts	34,957
<b>2,475,480</b>	<b>Net Debtors and Payments in Advance</b>	<b>4,507,995</b>

Note: The prior year figures for Council Tax debtors, NNDR debtors and Provision for Local Taxation Debts have been adjusted to remove the balances relating to the major preceptors and central government. The restated figures are shown above. This reflects the move to agency status introduced via SORP 2009 by which only Chiltern's element should be shown in the accounts.

27. **Investments** - The various funds held by the Council, as well as unapplied capital receipts, are held as short or long term investments on the money market. Investment activity is governed by the Council's Treasury Management Strategy, which is agreed annually, and limits where investments can be placed. Investments can be categorised as follows.

2008/2009 £		2009/2010 £
0	Deposits with Approved Institutions – long term	0
13,700,000	Deposits with Approved Institutions – short term	13,000,000
<b>13,700,000</b>	<b>Total Investments</b>	<b>13,000,000</b>

28. **Creditors and Receipts in Advance** - These can be summarised as follows.

2008/2009 £		2009/2010 £
(1,959,039)	General Creditors	(1,896,804)
(1,044,539)	Central Government	(832,745)
(317,218)	Collection Fund	(280,108)
(76,893)	Receipts in Advance	
	- General	(110,774)
(86,241)	- Council Tax	(96,853)
(93,203)	- Grants and Contributions (see below)	(202,357)
<b>(3,577,133)</b>	<b>Total Creditors and Receipts in Advance</b>	<b>(3,419,641)</b>

Note: The prior year figures for Collection Fund creditors, NNDR creditors and Local Tax Receipts in Advance have been adjusted to remove the balances relating to the major preceptors and central government. The restated figures are shown above. This reflects the move to agency status introduced via SORP 2009 by which only Chiltern's element should be shown in the accounts.

*Grants and Contributions* – The Council receives a number of grants from central government and contributions from other sources to fund its capital expenditure. These are required to be treated as receipts in advance until such time as the expenditure is incurred.

2008/2009 £		2009/2010 £
0	Capital Contributions	0
0	Section 106 Receipts	40,000
<b>0</b>	<b>Total Capital Grants and Contributions Unapplied</b>	<b>40,000</b>

Section 106 receipts are monies paid to the Council by developers as a result of the grant of planning permission where works are required to be carried out or new facilities provided as a result of that permission. The sums are restricted to being spent only in accordance with the agreement concluded with the developer. The balances of Section 106 receipts held by the Council during the year were as follows.

Section 106 contributions	31 Mar 2009 £	Income £	Expenditure £	31 Mar 2010 £
Provision of car parking	0	40,000	0	40,000
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

29. **Long Term Liabilities** – this relates to the Council's liability in its defined benefit pension scheme (see Note 40 for further information) and finance lease obligations. The finance leases were inherited from the former Chiltern Leisure Trust on 1 April 2004.

2008/2009 £		2009/2010 £
17,240,900	Pensions Asset/Liability	31,173,159
129,256	Finance Lease Obligations:	85,879
85,879	- Under one year	0
	- In the second to fifth years	
215,135	Total Finance Lease Obligations	85,879
0	Government Grants Deferred	246,098
<b>17,456,035</b>	<b>Total Long Term Liabilities</b>	<b>31,505,136</b>

30. **Operating Lease Liabilities** - the obligations outstanding at the year end for the Operating Leases inherited from the former Chiltern Leisure Trust are as follows (note that in accordance with SSAP21 these are not included in the Balance Sheet). There are no remaining obligations outstanding.

2008/2009 £		2009/2010 £
745	Operating Lease Obligations	0
0	- Under one year	0
	- In the second to fifth years	
<b>745</b>	<b>Total Operating Lease Obligations</b>	<b>0</b>

31. **Interest element of Finance Lease payments** – the amount of interest included in the Finance Lease payments for the year was as follows.

2008/2009 £		2009/2010 £
24,884	Finance lease interest payments	14,828
<b>24,884</b>	<b>Total Finance Lease Interest Payments</b>	<b>14,828</b>

### 32. Financial Instruments

**Balances** - The investments disclosed in the Balance Sheet are made up of the following categories of financial instruments:-

	Long Term		Current	
	31 March 2010 £	31 March 2009 £	31 March 2010 £	31 March 2009 £
Loans and receivables	63,324	58,750	937,626	531,475
Money market loans – callable deposits	0	0	8,000,000	6,700,000
Money market loans – fixed deposits	0	0	5,000,000	7,000,000
Available-for-sale financial assets	42,212	47,906	5,484	7,089
Unquoted equity investment	0	0	0	0
<b>Total Investments</b>	<b>105,536</b>	<b>106,656</b>	<b>13,943,110</b>	<b>14,238,564</b>

The council's policy is to be debt free; it had no borrowings during 2009/10.

**Gains / Losses** – The gains and losses recognised in the Income and Expenditure and STRGL in relation to financial instruments are made up as follows:

	Cash & Bank	Loans & Receivables – Money Market Loans	Available for sale - bonds	Fair value through P&L	Total
<b>2009/10</b>					
Interest income to I&E	11,325	144,035	0	0	155,360
Revaluation (gain)/loss	0	0	0	0	0
Impairment losses	0	0	0	0	0
Gain/(loss) for the year	<b>11,325</b>	<b>144,035</b>	<b>0</b>	<b>0</b>	<b>155,360</b>
<b>2008/09</b>					
Interest income to I&E	17,153	793,500	0	0	810,653
Revaluation (gain)/loss	0	0	0	0	0
Impairment losses	0	0	0	0	0
Gain/(loss) for the year	<b>17,153</b>	<b>793,500</b>	<b>0</b>	<b>0</b>	<b>810,653</b>

**Fair Value** – Financial assets represented by loans and receivables are carried in the Balance Sheet at amortised cost. Where an instrument is due to mature within the next 12 months the carrying amount is assumed to approximate to fair value. The fair value of trade and other receivables is taken to be the invoiced or billed amount

**Impairment** – Financial instruments are considered for impairment at year end. As at 31 March 2010 no impairment losses have been anticipated and no adjustment to their value has therefore been made.

**Nature and extent of risks arising from financial instruments** - The council's activities expose it to a variety of financial risks. In order to mitigate these the council has adopted CIPFA's *Treasury Management in the Public Services: Code of Practice* and has set its treasury management indicators to control key financial instrument risks in accordance with CIPFA's Prudential Code. The types of risk experienced and how the council deals with these is set out below:-

**Credit Risk** – the possibility that other parties might fail to pay amounts due to the council. The council manages this risk in accordance with the policies and practices set out in its Treasury Management Strategy and Treasury Management Practices. The creditworthiness of counterparties is an important consideration and deposits are not made with banks and other financial institutions unless they meet the investment criteria determined by the S151 officer. The amount and period of the investment are also restricted to approved parameters. No investment limits were exceeded during the reporting period and the council does not expect any losses from non-performance by any of its counterparties in relations to deposits.

The following analysis summarises the Authority's potential maximum exposure to credit risk, based on experience of default and uncollectability over the last 3 financial years, adjusted to reflect current market conditions.

	Amount at 31 March 2010	Historical Experience of default	Experience adjusted for market conditions	Estimated maximum exposure to default
Deposits with banks and other financial institutions	13,000,000	-	-	-
Customers				
- Sundry Debtors	1,716,916			
- Council Tax	113,227	9.0%	11.9%	13,474
- NNDR	697,902	18.3%	19.9%	138,882
- Total	2,528,045			

All deposits with banks and other financial institutions are placed in accordance with the Council's Treasury Management Practices and guidelines and as such no exposure to default is expected or anticipated.

The Authority does not generally allow credit, such that £1.7m of the £2.5m balance is past its due date for payment. The past due amount can be analysed by age as follows:

	Council Tax	NNDR	Other	Total
<b>As at 31 March 2010</b>				
Less than 1 year	72,127	565,216	816,937	1,554,280
1 to 2 years	22,198	95,443	27,139	144,780
More than 2 years	18,902	37,243	17,528	73,673
	<b>113,227</b>	<b>697,902</b>	<b>861,604</b>	<b>1,672,733</b>
<b>As at 31 March 2009</b>				
Less than 1 year	64,651	377,215	563,613	1,005,479
1 to 2 years	18,891	13,118	81,036	113,045
More than 2 years	16,654	17,904	20,785	55,343
	<b>100,196</b>	<b>408,237</b>	<b>665,434</b>	<b>1,173,867</b>

**Liquidity Risk** – the possibility that the council might not have funds available to meet its commitments to make payments. It is the council's policy to be debt free, however, arrangements are in place for temporary borrowing should the need arise for cash-flow purposes. The strategy is to ensure that a significant proportion of investments are held on demand and / or mature within 1 year. There is no significant risk that the council will be unable to raise finance to meet its commitments if required.

**Market Risk: Interest rate risk** - the possibility that financial loss might arise for the council as a result of changes in interest rates. The council is exposed to risk in terms of its exposure to interest rate movements on its investments. A rise in interest rates would have the following effects:-

- investments at variable rates – the interest income credited to the Income and Expenditure Account will rise
- investments at fixed rates – the fair value of the asset will fall

The council is advised on interest rate forecasts by its external treasury advisers and seeks to create stability and certainty of revenues, but at the same time retaining a sufficient degree of flexibility to take advantage of unexpected, potentially advantageous changes in the level or structure of interest rates. Forward deals and callable deposits are used as interest rate management techniques. Finance officers assess interest rate exposure during the annual budget setting process and review the interest budget forecasts regularly during the year. This allows any adverse changes to be accommodated.

**Market Risk: Price Risk** - The authority does not generally invest in equity shares and thus is not exposed to losses arising from movements in the price of shares.

**Market Risk: Foreign Exchange Risk** - The authority has no financial assets or liabilities denominated in foreign currencies and thus have no exposure to loss arising from movements in exchange rates.

33. **Statement of Movement on Reserves** – this note shows how the brought forward balances on reserves, the gains and losses for the year and the transfers between reserves have resulted in the carry forward of balances on the reserves.

	Reval'n Reserve £	Capital Adjustment Account £	Usable Capital Receipts, Grants & Contrib'n's £	General Fund £	Revenue Reserves (inc Pension Fund & Coll Fund Adj account) £	Total Movements On Reserves £
<b>Balance at 1 April 2009</b>	<b>0</b>	<b>33,021,091</b>	<b>4,866,397</b>	<b>1,030,629</b>	<b>(9,766,835)</b>	<b>29,151,284</b>
Net Surplus / (Deficit) for the year	0	(507,854)	330,061	1,796,281	(1,228,516)	389,972
Actuarial Gains and (Losses) and other changes relating to pensions	0	0	0	0	(13,142,778)	(13,142,778)
Unrealised Gains or Losses on Revaluation of Fixed Assets	0	0	0	0	0	0
Effects of Disposals of Fixed Assets - value of assets disposed - proceeds of disposal	0	0	0	0	0	0
Financing of Capital Expenditure	0	0	(71,619)	0	0	(71,619)
<b>Balance at 31 March 2010</b>	<b>0</b>	<b>32,513,237</b>	<b>5,124,839</b>	<b>2,826,910</b>	<b>(24,138,129)</b>	<b>16,326,857</b>

#### 34. Capital Reserve Accounts

a) Capital Adjustment Account – this account accumulates the write-down of the historical cost of fixed assets as they are consumed by depreciation and impairments or written off on disposal, and resources that have been set aside to finance capital expenditure.

2008/2009 £	Capital Adjustment Account	2009/2010 £
37,051,785	Balance Brought Forward	33,021,091
(4,030,694)	Financing Adjustments	(507,854)
<b>33,021,091</b>	<b>Balance Carried Forward</b>	<b>32,513,237</b>

b) Revaluation Reserve – this reserve was introduced with effect from 1 April 2007 and currently has a nil balance. The reserve records the accumulated gains on the fixed assets held by the Council arising from increases in value.

35. **Deferred Credits** – Mortgages outstanding represents the principal outstanding on mortgages granted by the Council to individuals and housing associations. This balance is written down as principal payments are received.

2008/2009 £		2009/2010 £
(54,032)	Mortgages Outstanding	(61,332)
<b>(54,032)</b>	<b>Total Deferred Credits</b>	<b>(61,332)</b>

36. **Usable Capital Receipts** – This reserve represents capital receipts generated when fixed assets were sold. It shows the amount of usable capital receipts still remaining at the end of the financial year. Usable capital receipts can be analysed as follows.

2008/2009 £		2009/2010 £
71,619	General Receipts	335,850
4,848,810	Housing Receipts	4,850,321
<b>4,920,429</b>	<b>Total Usable Capital Receipts</b>	<b>5,186,171</b>

37. **Revenue Reserves** - An analysis of the revenue reserves, including the Pension Fund, is shown below.

2008/2009 £		2009/2010 £
749,364	Repairs and Renewals Fund	743,995
74,396	Grants Fund	62,550
30,856	Vat Refund Reserve	30,856
29,889	Insurance Fund	30,188
23,200	Election Fund	44,900
42,381	Information & Communication Technology Reserve	42,381
261,198	Planning Reserve	275,664
35,123	Rent Deposit/Private Leasing Scheme Reserves	48,507
190,803	Housing Benefits Reserve	228,644
50,000	Waste Initiatives Reserve	100,000
129,549	Concessionary Travel Scheme	156,123
10,000	BVPI Survey Reserve	10,000
5,614,030	Capital Projects Reserve	4,906,834
175,290	Staff Equity Share	176,652
0	Website Development	16,000
0	Economic Development Reserve	25,000
0	Transformation Reserve	89,860
4,749	Other minor reserves under £10,000	5,830
<b>7,474,488</b>	<b>Total Earmarked Reserves</b>	<b>6,993,984</b>
1,030,629	General Fund	2,826,910
<b>8,451,457</b>	<b>Total Reserves</b>	<b>9,820,894</b>
53,660	Collection Fund Adjustment Account	41,060
(17,240,901)	Pensions Reserve	(31,173,159)
<b>(8,735,784)</b>	<b>Total Revenue Reserves</b>	<b>(31,311,219)</b>

Note: The prior year figures for Collection Fund Adjustment Account (previously named Collection Fund – CDC element only) have been adjusted to reflect the revised calculation method introduced via SORP 2009.

38. **Resources held for Capital Purposes** - The resources available for capital purposes at 31 March 2010 can be analysed as follows. This includes the Housing Projects Reserve that was established, originally as the Homelessness Fund but now renamed, from part of the capital receipt arising from the sale of the Council's housing stock.

	<b>Housing Projects Reserve £</b>	<b>Other Capital Resources £</b>	<b>Total Capital Resources £</b>
Usable Capital Receipts	3,500,000	1,686,171	5,186,171
Capital Grants & Contributions	0	64,479	64,479
Capital Projects Reserve	0	4,906,834	4,906,834
Repairs and Renewals Fund	0	743,995	743,995
<b>Total Capital Resources</b>	<b>3,500,000</b>	<b>7,401,479</b>	<b>10,901,479</b>

39. **Partnership Arrangements** – during 2005/06 the Council entered into a partnership arrangement under Section 2 of the Local Government Act 2000 with Buckinghamshire County Council for the joint enforcement of a *Civil Enforcement Area* within the district. The table below sets out the overall position on the CEA Account for the year taking into account both capital and revenue expenditure.

<b>2008/2009 £</b>		<b>2009/2010 £</b>
	<i>Expenditure</i>	
0	Set up costs – Capital	0
414,717	Management costs	303,680
	<i>Income</i>	
173,426	Penalty Charge Notices	206,484
41,776	Other income	68,607
<b>199,515</b>	<b>Total Deficit / (Surplus) for the year</b>	<b>28,589</b>

**Note:** In April 2010 it was agreed that negotiations should commence with the County to reach a mutually agreeable termination date from which Chiltern would no longer have any responsibilities for on-street parking.

40. **Pension Costs** – As part of the terms and conditions of employment of its officers and other employees, the authority offers retirement benefits. Although these benefits will not actually be payable until employees retire at some point in the future, the authority has a current commitment to make these payments and this has to be disclosed in the accounts.

The authority participates in one pension scheme – the Local Government Pension Scheme (LGPS) administered by Buckinghamshire County Council. This is a funded defined benefit final salary scheme, meaning that the authority and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets in the longer term.

We recognise the costs of retirement benefits in the Net Cost of Services when they are earned by employees rather than when the benefits are eventually paid as pensions. However, the charge we are required to make against council tax is based on the cash payable in the year, so the real cost of retirement benefits is adjusted via the Statement of Movement on the General Fund Balance.

#### *Transactions Relating to Retirement Benefits*

The following transactions have been made in the Income and Expenditure Account during the year.

	<b>Bucks County Council Pension Scheme</b>
--	--

	2007/2008 £'000	2008/2009 £'000	2009/2010 £'000
Net Cost of Services			
• Current service costs	1,279	1,174	853
• Past service costs	5	134	0
• Curtailments and Settlements	118	0	0
Net Operating Expenditure			
• Interest cost	(2,509)	(2,843)	(2,626)
• Expected return on assets in the scheme	<u>1,917</u>	<u>1,808</u>	<u>1,468</u>
	(592)	(1,035)	(1,158)
Amounts to be met from Government grants and Local Taxation			
• Movement on Pensions reserve	681	714	855
Actual amount charged against council tax for pensions in the year			
• Employer's contributions payable to the scheme	1,203	1,225	1,156
• Retirement benefits payable to pensioners	46	46	66

It should be noted that since 2005/06 the Council's accounts have no longer included FRS17 pension accounting entries in respect of Chilterns Crematorium staff although they are treated as employees of the Council for Pension Scheme purposes. The pension accounting entries in respect of the Crematorium are reflected in the Crematorium's accounts (see note 41).

#### *Assets and Liabilities in relation to Retirement Benefits*

A notional split has been applied to the figures to reflect the fact that both Chiltern District Council and Chilterns Crematorium employees participate in the scheme but as a single authority.

The reconciliation of present value of the scheme liabilities for this council are:

	<b>Funded Liabilities</b>	
	<b>Bucks County Council Pension Scheme</b>	
	<b>31 March 2009</b>	<b>31 March 2010</b>
	<b>£'000s</b>	<b>£'000s</b>
1 April	43,320	39,783
Current Service Cost	1,174	853
Interest Cost	2,843	2,626
Contributions by Scheme Participants	349	330
Actuarial Gains and Losses	(5,996)	19,123
Benefits Paid	(1,995)	(2,023)
Unfunded Pension Payments	(46)	(66)
Past Service Costs	134	0
<b>31 March</b>	<b>39,783</b>	<b>60,626</b>

The reconciliation of fair value of the scheme assets for this council are:

	<b>Bucks County Council Pension Scheme</b>	
	<b>31 March 2009</b>	<b>31 March 2010</b>
	<b>£'000s</b>	<b>£'000s</b>
1 April	28,104	22,542
Expected Rate of Return	1,808	1,468
Actuarial Gains and Losses	(6,948)	5,980
Employer Contributions	1,268	1,218
Contributions by Scheme Participants	349	330



Benefits Paid	(2,039)	(2,086)
<b>31 March</b>	<b>22,542</b>	<b>29,452</b>

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the Balance Sheet date. Expected returns on equity investments reflect long term real rates of return experienced in the respective markets.

#### *Scheme History*

	<b>2005/06</b>	<b>2006/07</b>	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>
	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>
Present Value of Liabilities in LGPS	(45,223)	(46,002)	(43,320)	(39,783)	(60,626)
Fair Value of Assets in LGPS	27,175	29,799	28,104	22,542	29,542
<b>Surplus/(Deficit) in LGPS</b>	<b>(18,048)</b>	<b>(16,203)</b>	<b>(15,216)</b>	<b>(17,241)</b>	<b>(31,084)</b>

The liabilities show the underlying commitments that the council has in the long run to pay retirement benefits. The total liability of £31,084 a substantial impact on the net worth of the authority as recorded in the Balance Sheet. However, statutory arrangements for funding the deficit mean that the financial position of the Council remains healthy as the deficit on the pension fund will be made good by increased contributions over the remaining working life of employees, as assessed by the scheme actuary. The total contributions expected to be made to the LGPS by the council in the year to 31 March 2010 is £1.2 million.

#### *Basis for Estimating Assets and Liabilities*

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels etc. The Buckinghamshire County Council scheme has been assessed by Barnet Waddingham, an independent firm of actuaries, estimates being based on the latest full actuarial valuation of the scheme as at 31 March 2007.

The main assumptions used in their calculations were as follows.

	<b>Bucks County Council Pension Scheme</b>		
	<b>2007/2008</b>	<b>2008/2009</b>	<b>2009/2010</b>
Long Term Expected Rate of return on assets in the scheme:			
Equity Investments	7.1%	7.3%	7.8%
Bonds	6.6%	6.5%	5.5%
Gilts	4.3%	4.0%	4.5%
Property	6.6%	6.8%	7.3%
Cash	5.0%	3.0%	3.0%
Mortality Assumptions			
Longevity at 65 for current pensioners:			
• Men	n/a	22.21	22.21
• Women	n/a	25.25	25.26
Longevity at 65 for future pensioners:			
• Men		22.96	22.96
• Women		25.99	25.99
Rate of increase in pensions/inflation	3.7%	3.0%	3.9%

Rate on increase in salaries	5.2%	4.5%	5.4%
Rate for discounting scheme liabilities	6.6%	6.7%	5.5%
Take up of option to convert annual pension into retirement lump sum	50%	50%	50%

The pension scheme assets consist of the following categories, by proportion of the total assets held.

	31 March 2008 % p.a.	31 March 2009 % p.a.	31 March 2010 % p.a.
Equities	64.1	61.1	70
Gilts	17.1	20.1	6
Other Bonds	7.1	7.5	8
Property	6.9	5.9	8
Cash	4.8	5.3	2
Alternative Assets	0.0	0.0	6

#### *History of Experience Gains and Losses*

The actuarial loss identified as movements on the Pensions Reserve in 2009/10 can be analysed into the following categories, measured as absolute amounts and as a percentage of assets or liabilities at 31 March 2010.

	2007/08 £	2007/08 %	2008/09 £	2008/09 %	2009/10 £	2009/10 %
Differences between the expected and actual return on assets	(2,533)	(8.9)	(6,948)	(17.5)	5,980	20.3
Experience gains and losses on liabilities	(1,563)	(5.5)	0	0	0	0
Changes in demographic and financial assumptions used to estimate liabilities	5,860	20.6	5,996	15.1	(19,123)	(48.1)
<b>Total Actuarial Gain / (Loss)</b>	<b>1,762</b>		<b>(952)</b>		<b>(13,143)</b>	

41. **Chilterns Crematorium Joint Committee** - The Council is one of three constituent members of the Chilterns Crematorium Joint Committee along with Aylesbury Vale and Wycombe District Councils. The Joint Committee manages the crematorium and associated facilities located in Amersham. In the event of the Joint Committee ceasing to exist, any assets held are vested in the authority in which the assets are located. In this case, the assets would transfer to Chiltern District Council.

Under the terms of the Joint Committee, any deficit or surplus earned by the Joint Committee is shared between the constituent authorities on the basis of the number of cremations from the area of each authority in comparison to total cremations. However, it has been agreed by all constituent authorities that any surplus will not be distributed, but will be retained by the Joint Committee for use in funding replacement capital expenditure and to meet future deficits. Chiltern District Council's share of the accumulated reserves is £652,534 (2008/2009 £541,789).

The assets and liabilities of the Joint Committee have not been consolidated into the Council's accounts, reflecting the separate statutory nature of the service. Instead, the summarised results of the Joint Committee are presented below. Further details on the financial affairs and a full Statement of Accounts of the Joint Committee can be obtained from the Treasurer, Chilterns

Crematorium Joint Committee, Council Offices, King George V Road, Amersham, Bucks, HP6 5AW.

### Chilterns Crematorium Joint Committee - Summarised Accounts

2008/2009 £	Income and Expenditure Account	2009/2010 £
384,482	Employee Related Expenditure	391,683
219,312	Premises Related Expenditure	209,156
116,563	Supplies and Services	125,765
78,015	Depreciation	100,211
80,000	Impairment	0
<b>878,372</b>	<b>Total Expenditure</b>	<b>826,815</b>
1,365,667	Fees and Charges	1,342,625
55,542	Other Income	14,669
158,015	Capital Financing Account	100,211
<b>1,579,224</b>	<b>Total Income</b>	<b>1,457,505</b>
<b>(700,852)</b>	<b>Net Operating (Surplus) / Deficit</b>	<b>(630,690)</b>
90,202	Capital Expenditure financed from Revenue	209,366
47,294	Pensions Interest cost & Expected Return on Assets	57,576
(44,977)	Contribution to/(from) Pension Reserve	(42,519)
<b>(608,333)</b>	<b>(Surplus) / Deficit in Year</b>	<b>(406,267)</b>

2008/2009 £	Balance Sheet	2009/2010 £
	<b>Fixed Assets</b>	
2,991,108	Net Fixed Assets	3,042,972
	<b>Current Assets</b>	
3,843	Stocks	6,076
1,582,361	Short Term Investments	1,591,833
134,827	Debtors	115,215
186,441	Cash in Hand	539,295
<b>1,907,472</b>	<b>Total Current Assets</b>	<b>2,252,419</b>
	<b>Current Liabilities</b>	
(156,039)	Creditors	(94,719)
(644,099)	<b>Long Term Liabilities</b>	(1,339,841)
<b>4,098,442</b>	<b>Total Assets less Liabilities</b>	<b>3,860,831</b>
	<b>Financed by:-</b>	
2,991,108	Capital Adjustment Account	3,042,972
(644,099)	Pension Reserve	(1,339,841)
1,751,433	Revenue Account	2,157,700
<b>4,098,442</b>	<b>Net Worth</b>	<b>3,860,831</b>

and outflows of cash arising from transactions with third parties for both revenue and capital purposes. It therefore ignores internal transactions within the Council (e.g. movements in reserves) and other non cash transactions (provision for depreciation).

- i) **Reconciliation between Revenue Activities and Income and Expenditure Account** - The table below reconciles the two statements.

2008/2009 £		2009/2010 £
(224,271)	(Surplus) / Deficit on General Fund for the Year	
(89,973)	Cash Transactions not included in Income & Expenditure Account	
(4,856,544)	Collection Fund Cash Transactions not included in Income & Expenditure Account	
3,245,405	Non Cash Transactions	
828,986	Items on an Accruals Basis	
3,391	Other Adjustments	
<b>(1,093,006)</b>	<b>Revenue Activities Net (Inflow) / Outflow</b>	

- ii) **Reconciliation of Movement in Cash to Movement in Net Funds** - This can be analysed as follows.

	At 31 March 2009 £	Cash flow In Year £	At 31 March 2010 £
Cash	521,041	405,120	926,161
Short Term Deposits	13,700,000	(700,000)	13,000,000
Long Term Deposits	0	0	0
Borrowing - Finance Leases	(215,135)	129,256	(85,879)
<b>Movement in Net Funds</b>	<b>14,005,906</b>	<b>(165,624)</b>	<b>13,840,282</b>

- iii) **Liquid Resources** - Liquid resources are defined as current asset investments that are readily convertible to known amounts of cash. In the Council's case these are primarily short-term money market deposits held by the Council as part of its treasury management operation.

- iv) **Other Government Grants received** – analysed as follows.

Grant	2008/09 £	2009/10 £
<b>Revenue</b>		
Community Safety	13,500	
Billing CT/NNDR DCLG	9,772	
Homelessness	53,250	
Gypsy and Travellers	(8,475)	
Planning Delivery	128,005	
DCA (Elections)	3,078	
LHA	0	
DFT Concessionary Fares	0	
Big Lottery Fund	58,060	
ESA Grant HB/CTB	0	
Concessionary Fares Bus Scheme	165,335	
DOH Smoke Free	0	
DEFRA – Air Pollution	18,032	
DEFRA	0	
<b>Total Revenue</b>	<b>450,557</b>	

<b>Capital</b>		
DOE Improvement Grant	240,000	
<b>Total Capital</b>	<b>240,000</b>	

43. **Contingent Liability** – A legal claim against the council for personal injury due to asbestos exposure (the causational exposure taking place sometime between 1968 and 1997) has been commenced with a potential liability of around £250,000 plus costs. Steps are being taken to identify the council’s insurers at the relevant times and resist the claim.

## SUPPLEMENTARY FINANCIAL STATEMENTS

### Collection Fund

for the year ended 31 March 2010

Net Expenditure £'s 2008/2009		Net Expenditure £'s 2009/2010
59,035,541	Income from Council Tax (Note 2)	61,164,003
3,746,235	Transfer from General Fund – Council Tax Benefits	4,242,959
20,667,855	Income from Business Ratepayers (Note 4)	20,283,785
<b>83,449,631</b>	<b>Total Income</b>	<b>85,690,747</b>
62,448,252	Precepts and Demands (Note 5)	64,985,274
20,454,029	Payment of Business Rates to National Pool	19,959,478
121,825	Costs of Business Rates Collection	124,307
154,000	Bad and Doubtful Debts (Note 6)	280,000
227,969	Contribution to previous year's Collection Fund surplus	400,000
<b>83,406,075</b>	<b>Total Expenditure</b>	<b>85,749,059</b>
<b>43,556</b>	<b>Surplus/(Deficit) for the Year</b>	<b>(58,312)</b>
335,911	Collection Fund Balance 1 April	379,467
43,556	Surplus/(Deficit) in Year	(58,312)
<b>379,467</b>	<b>Collection Fund Balance 31 March</b>	<b>321,155</b>

## Notes to the Collection Fund

- General** - The Collection Fund shows the transactions for collecting Council Tax and Business Rates (NNDR) and how this income is distributed to precepting authorities.
- Council Tax** - This Council's requirement from the Council Tax was £155.61 (2008/2009 £149.77). The average Council Tax at band D including all precepts on the Collection Fund was £1,474.02 (2008/09 £1,419.68). Income from Council Tax shown on the account can be analysed as follows.

2008/2009 £		2009/2010 £
69,265,260	Gross Charge	72,058,064
	Less:	
3,746,235	Benefits	4,242,959
84,907	Disabled Relief	84,766
1,607,070	Exemptions	1,641,683
4,590,808	Discounts	4,724,032
202,026	Personal Disregard	204,155
(1,327)	Transitional Relief	-3,535
<b>59,035,541</b>	<b>Income from Council Tax</b>	<b>61,164,003</b>

- Council Tax Base** - The Council Tax Base for 2009/2010 was assessed as 44086.92 band D equivalent properties (2008/2009 – 43987.51).

Band	Chargeable Dwellings	Discount Deduction	2nd Homes	Net Dwellings	Band D Ratio	Band D Equivalent Dwellings
A	551	115.00	16.00	452.00	6/9	301.33
B	1,884	327.00	6.00	1,563.00	7/9	1,215.67
C	5,096	633.25	18.40	4,481.15	8/9	3,983.24
D	6,469	616.00	14.80	5,867.80	9/9	5,867.80
E	6,338	510.75	16.40	5,843.65	11/9	7,142.24
F	6,491	416.50	14.80	6,089.30	13/9	8,795.66
G	8,752	356.00	12.80	8,408.80	15/9	14,014.67
H	1,770	58.75	7.60	1,718.85	18/9	3,437.70
<b>Adjust for estimated collection rate of 98.5% - Council Tax Base</b>						<b>44,086.92</b>

- Income from Business Ratepayers** - Business Rates (National Non-Domestic Rate NNDR) is collected by the Council on behalf of central Government. Amounts collected are paid to the NNDR Pool and subsequently redistributed to local authorities on a per capita basis. The amount of redistributed NNDR is shown in the Income and Expenditure Account.

Business Rates are calculated on the basis of an assessed rateable value multiplied by a NNDR multiplier. For 2009/2010 the NNDR multiplier was 48.5 p (2008/2009 46.2p). The Small Business Rate multiplier of 48.1p (2008/2009 45.8p) in the £ is charged on qualifying properties below £15,000 rateable value. To qualify the property must be the ONLY property occupied by that business. In

addition to being charged on a lower multiplier, some Small Businesses will qualify for a discount on the total amount charged. The total Business Rate rateable value at 31 March 2010 was £54,643,674 (31 March 2009 £50,872,971).

5. **Precepts and Demands** - These can be analysed as follows.

<b>2008/2009</b> <b>£</b>		<b>2009/2010</b> <b>£</b>
44,819,314	Buckinghamshire County Council	46,582,681
6,588,000	Chiltern District Council	6,860,370
6,367,520	Thames Valley Police Authority	6,669,209
2,417,114	Bucks & Milton Keynes Fire Authority	2,543,374
2,256,304	Parish and Town Councils	2,329,640
<b>62,448,252</b>	<b>Total Precepts and Demands</b>	<b>64,985,274</b>

6. **Provisions for Bad and Doubtful Debts** - At the end of each year the adequacy of provisions for bad and doubtful debts on local tax collection is assessed. If required, additional provisions will be made and charged to the Collection Fund. The table below analyses movements during 2009/2010 on provisions for bad and doubtful debts.

	<b>Council Tax</b> <b>£</b>	<b>Business Rates</b> <b>£</b>	<b>Total</b> <b>£</b>
Provision Brought Forward	88,674	88,456	177,130
Amounts Written Off in Year	(73,843)	(149,910)	(223,753)
Additional Provision Made in year	80,000	200,000	280,000
<b>Provision Carried Forward</b>	<b>94,831</b>	<b>138,546</b>	<b>233,377</b>

7. **Collection Fund Balance** – the surplus / (deficit) on the Collection Fund at the end of the financial year is shared between major preceptors and can be attributed as follows.

<b>2008/2009</b> <b>£</b>		<b>2009/2010</b> <b>£</b>
274,337	Buckinghamshire County Council	235,025
39,278	Thames Valley Police Authority	34,277
12,614	Bucks & Milton Keynes Fire Authority	10,807
53,238	Chiltern District Council	41,046
<b>379,467</b>	<b>Balance on Collection Fund</b>	<b>321,155</b>

In the Balance Sheet as at 31 March 2010 a sum of £280,108, being the share of the surplus due to major preceptors other than the Council has been included as a creditor. The Council's share of the surplus has been included in the Reserves figure (see note 37) in the bottom half of the Balance Sheet. A line is included in the Statement of Total Recognised Gains and Losses for the attributable movement on the Collection Fund balance.



## Glossary of Terms

### Accounting Period

This is the length of time covered by the accounts. It is normally a period of twelve months commencing on 1 April. The end of the accounting period is the balance sheet date.

### Accrual

This is one of the main accounting concepts and ensures that income and expenditure are shown in the accounting period that they are earned or incurred and not as money is received or paid.

### Appointed Auditors

These are the external auditors appointed by the Audit Commission. They may be from the Audit Commission's own operations directorate or from a major accountancy firm. The Council's current appointed auditors are from the Audit Commission's own operations directorate.

### Approved Institutions

Funds that are not immediately required may be invested but only with third parties meeting the credit rating criteria approved annually as part of the Council's Treasury Management Practices.

### Asset

An asset is something that the Council owns that has a monetary value. Assets are either "current" or "fixed".

- A current asset is one that will be used or cease to have material value by the end of the next financial year e.g. stock or debtors
- A fixed asset provides benefits for a period of more than one year e.g. Council Offices

### Audit of Accounts

An audit is an examination by an independent expert of an organisation's financial affairs to check that the relevant legal obligations and codes of practice have been followed.

### Balance Sheet

A financial statement summarising an organisation's assets, liabilities and other balances at the end of each accounting period.

### Budget

A budget is a financial statement that expresses an organisation's service delivery plans and capital programme in monetary terms.

**BVACOP** – stands for the Best Value Accounting Code of Practise, a code that establishes 'proper practices' with regard to consistent financial reporting for services. BVACOP is an official CIPFA statement. All local authorities in the United Kingdom are expected to adopt its mandatory requirements and detailed recommendations

### Capital Expenditure

Expenditure on the acquisition of a fixed asset that will be used to provide services beyond the current accounting period or expenditure that adds value to an existing fixed asset.

### Capital Financing

This term describes the various sources of money used to pay for capital expenditure. There are various options available – the methods used by CDC are usable capital receipts, capital grants, capital contributions and earmarked reserves.

### Capital Programme

This is a financial summary of the capital schemes that CDC intends to carry out over a specified period of

time.

### **Capital Receipt**

A capital receipt is the income that results from the sale of land or property. Capital receipts cannot be used to fund revenue services.

### **Cashflow Statement**

A statement that summarises the inflows and outflows of cash within the council's accounts.

### **CIPFA**

These letters stand for the Chartered Institute of Public Finance and Accountancy, one of the leading professional accountancy bodies in the UK and the only one which specialises in the public sector. It is responsible for the education and training of professional accountants and for their regulation through the setting and monitoring of professional standards. Uniquely among the professional accountancy bodies in the UK, CIPFA has responsibility for setting accounting standards for a significant part of the economy, namely local government.

### **Collection Fund**

A separate fund recording the expenditure and income relating to council tax and non domestic rates.

### **Community Assets**

This is the land and property that CDC intends to hold forever. They generally have no determinable useful life and there are often restrictions regarding their sale. Examples include open spaces.

### **Consistency**

This is one of the fundamental accounting concepts. It requires accountants to treat similar items of income and expenditure the same way – both within accounting period and from one accounting period to the next.

### **Contingent Liability**

A sum due to be paid which may arise in the future but which cannot be determined in advance.

### **Council Tax**

This is one of the main sources of income to a local authority. Council tax is levied on households within its area by the billing authority and the proceeds are paid into the Collection Fund for distribution to precepting authorities and for use by the billing authorities own General Fund.

### **Creditor**

This term applies to money the Council owes to others for goods and services it has received but not paid for at the end of the accounting period.

### **Debtor**

This term applies to money that others owe to the Council for goods and services that have been provided to them by the Council but have not been paid for by the end of the accounting period.

### **Depreciation**

This is a charge made to the revenue account each year that reflects the reduction in value of fixed assets used to deliver services.

### **Estimates**

These are the amounts expected to be spent, or income expected to be received, during an accounting period. They are also referred to as budgets. The original estimate is the estimate for a financial year approved by the council before the start of the financial year; the revised estimate is an updated revision of the original estimate part way during the financial year.

### **Exceptional Items**

Material items which derive from events or transactions that fall within the ordinary activities of the

authority and which need to be disclosed separately by virtue of their size or incidence to give fair presentation to the accounts.

### **Extraordinary Items**

Material items possessing a high degree of abnormality which derive from events or transactions that fall outside the ordinary activities of an authority and which are not expected to recur.

### **Finance Lease**

This is a lease, usually of land or buildings which is treated as capital borrowing.

### **Financial Reporting Standards (FRS)**

Financial Reporting Standards advise the accounting treatment and disclosure requirements of transactions so that an authority's accounts "present fairly" the financial position of the authority.

### **Financial Year**

Period of time to which the Statement of Accounts relates. The financial year runs from 1 April to 31 March.

### **Fixed Assets**

Tangible assets that yield benefits to the authority and its services for a period of more than one year.

### **Government Grants**

Grants made by central government towards either revenue or capital expenditure to help with the cost of providing services and capital projects. Some government grants have restrictions on how they may be used whilst others are general purpose.

### **Gross Expenditure**

The total cost of providing the council's services before taking into account income from fees and charges and government grants.

### **Housing Benefits**

This is the national system for giving financial assistance to individuals towards certain housing costs. The cost of the service is subsidised by central government.

### **Impairment**

This is a reduction in the value of a fixed asset as shown in the balance sheet to reflect its true value.

### **Income**

This is the money that the Council receives or expects to receive from any source, including fees, charges, sales, grants and interest.

### **Income and Expenditure Account**

This account is the main revenue account. It reports the net costs for the accounting period of all the functions CDC is responsible for.

### **Infrastructure Assets**

Inalienable fixed assets, expenditure on which is recoverable only by continued use of the asset created e.g. pedestrianisation.

### **Intangible Assets**

These are non financial fixed assets that do not have physical substance but are identifiable and are controlled by the authority through custom or legal rights e.g. computer software.

### **Interest Income**

The money earned from the investment of surplus cash.

**International Financial Reporting Standards (IFRS)**

IFRSs are set by the International Accounting Standards Board, the independent standard setting body of the International Accounting Standards Committee Foundation. Local Government is expected to fully adopt IFRS in 2010/11 accounts.

**Liability**

A liability arises when the Council owes money to others and it must be included in financial statements. There are two types of liability:-

- A current liability is a sum of money that will or might be payable during the next accounting period e.g. creditors or cash overdrawn.
- A deferred liability is a sum of money that will not be payable until some point after the next accounting period or is paid off over a number of accounting periods.

**Long Term Investments**

Long term investments are investments intended to be held for use on a continuing basis in the activities of the authority. They should be classified as long term only where an intention to hold the asset for longer than one year can be clearly demonstrated.

**Materiality**

This is one of the main accounting concepts. It ensures that the statement of accounts includes all the transactions that, if omitted, would lead to a significant distortion of the financial position at the end of the accounting period.

**Minimum Revenue Provision (MRP)**

The minimum amount which must be charged to the revenue account each year for the repayment of principal.

**National Non Domestic Rate (NNDR)**

This is a national scheme for collecting contributions from businesses towards the cost of local government services. Each business property has a rateable value. Central government determines how much a business has to pay per £ of rateable value each year.

**Non Operational Assets**

These are fixed assets owned by the Council that it does not directly occupy or use in the delivery of its services.

**Operating Lease**

This is a lease where ownership of the fixed asset remains with the lessor.

**Operational Assets**

These are fixed assets owned by the Council and used or consumed in the direct delivery of services.

**Post Balance Sheet Event**

These are events, both favourable and unfavourable, which occur between the balance sheet date and the date on which the Statement of Accounts is signed.

**Precept**

The levy made by precepting authorities on billing authorities, requiring the latter to collect income from council taxpayers on their behalf. Precepts are paid from the Collection Fund.

**Provision**

This is a sum of money that has been put aside in the accounts for liabilities or losses that are due but where the amount due or the timing of the payment is not known with any certainty.

**Prudence**

This is one of the main accounting concepts. It ensures that an organisation only includes income in its accounts if it is sure it will receive the money.

**Rateable Value**

The annual assumed rental value of a property that is used for business purposes.

**Related Parties**

Two or more parties are related parties when at any time during the financial period:-

- One party has direct or indirect control of the other party
- The parties are subject to common control from the same source
- One party has influence over the financial and operational policies of the other party to an extent that the other party might be inhibited from pursuing its own interests
- The parties, in entering a transaction, are subject to influence from the same source to such an extent that one of the parties to the transaction has subordinated its own interests.

**Related Party Transactions**

The transfer of assets, liabilities or services between the Council and its related parties irrespective of whether a charge is made.

**Reserves**

A reserve results from an accumulation of surpluses, deficits and appropriations over past years. Reserves of a revenue nature are available and can be spent or earmarked at the Council's discretion.

**Residual Value**

This is the net realisable value of an asset at the end of its useful life.

**Revaluation Reserve**

An account containing any surpluses/losses arising from the revaluation of fixed assets.

**Revenue Expenditure**

The day to day expenses associated with the provision of services.

**Revenue Expenditure Funded from Capital Under Statute**

An example of this type of expenditure is where a capital grant is made by the Council to another organisation. This counts as capital expenditure but does not create an asset that belongs to the Council. The expenditure is recorded in the balance sheet as an intangible asset and its value is recorded over a period of time (usually one year) as an expense that has to be met from revenue.

**Revenue Support Grant**

A general grant paid by central government to local authorities as a contribution towards the cost of their services.

**SORP**

The Statement of Recommended Practice specifies the principles and practices of accounting required to prepare a Statement of Accounts which 'presents fairly' the financial position and transactions of a local authority. It is generally based upon those accounting principles that are incorporated within approved accounting standards, modified to reflect the statutory framework in which local authorities operate. The SORP states which accounts should be published as part of the Statement of Accounts and the information to be included in each account.

**Stocks**

These are items of stores that the Council has bought to use on a continuing basis but has not yet used. Examples include concessionary fares tokens and consumables such as paper.

**Temporary Borrowing**

This is a sum of money borrowed for a period of less than one year.

**UK GAAP**

Accounting practices regarded as permissible by the UK accounting profession that are grouped together under the term "generally accepted accounting practices".

**Useful Life**

This is the period over which an organisation will derive benefits from the use of a fixed asset.

**Whole of Government Accounts**

Whole of Government Accounts (WGA) are commercial style accounts for the whole of the public sector. This is a HM Treasury led initiative to produce full accruals based accounts covering the whole public sector to be audited by the National Audit Office.

**Work in Progress**

The value of works that has been completed or is partially complete at the end of the accounting period that should be included in the financial statements.

## **CHILTERN DISTRICT COUNCIL**

### **ANNUAL GOVERNANCE STATEMENT 2009-10**

#### **1. Scope of responsibility**

Chiltern District Council (CDC) is responsible for ensuring that: -

- its business is conducted in accordance with the law and proper standards;
- public money is safeguarded and properly accounted for; and
- public money is used economically, efficiently and effectively.

CDC has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, CDC is responsible for putting in place proper arrangements for the governance of the Council's affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.

This statement explains how CDC delivers good governance and reviews the effectiveness of these arrangements. It also meets the requirements of regulation 4(2) of the Accounts and Audit Regulations 2003 as amended by the Accounts and Audit (Amendment) (England) Regulations 2006 which require the Council to publish a statement on internal control in accordance with proper practice. Proper practice has been defined as the Annual Governance Statement.

#### **2. The purpose of the governance framework**

The governance framework comprises the systems and processes, and culture and values, by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable, and not absolute, assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The following paragraphs summarise CDC's governance framework that has been in place for the year ended 31 March 2010 and up to the date of approval of this Statement and the Statement of Accounts.

### 3. The governance framework

Our governance framework derives from six core principles identified in a 2004 publication entitled *The Good Governance Standard for Public Services*. This was produced by an Independent Commission on Good Governance in Public Services – a commission set up by the Chartered Institute of Public Finance & Accountancy (CIPFA) and the Office for Public Management. The commission utilised work done by amongst others Cadbury (1992), Nolan (1995) and CIPFA/SOLACE (2001). These principles were adapted for application to local authorities and published by CIPFA in 2007. The six core principles are:

- (a) Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area
- (b) Members and officers working together to achieve a common purpose with clearly defined functions and roles
- (c) Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour
- (d) Taking informed and transparent decisions which are subject to effective scrutiny and managing risk
- (e) Developing the capacity and capability of members and officers to be effective
- (f) Engaging with local people and other stakeholders to ensure robust public accountability

CDC can confirm that the following key systems, processes and procedures that comprise the Council's governance arrangements are in place to ensure compliance with each of these principles:

#### ***Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area***

- i. The council is lead partner of the Chiltern Community Partnership that has set out its Vision for Chiltern in 2026. The Partnership reviews and rolls forward the Chiltern Sustainable Community Strategy. The strategy provides an overview of the district in 2009, identifies the key challenges facing the district and sets out a vision and framework of agreed outcomes for the partnership to work towards. The strategy was developed in partnership and also in collaboration with the other Local Strategic Partnerships in Buckinghamshire. The strategy was based on a thorough review of data, studies, residents' consultation and engagement with partners and Councillors.
- ii. In 2007 CDC reaffirmed its commitment to the people of Chiltern of "Delivering the Best for Chiltern" and defined a number of values that underpin this commitment. It



reviewed its own key objectives and set out three key objectives for the period 2008 to 2010. These were reviewed again during 2009/10 and the three key objectives for 2010 to 2012 have been confirmed as:

- Efficient & Effective Customer Focused Services
  - Safe, Healthy and Cohesive Communities
  - Conserve the Environment and Promote Sustainability
- iii. The Council monitors performance against its key objectives and the results of this monitoring are reviewed by senior officers on a regular basis.
  - iv. Each service area has its own Service Plan, updated on an annual basis that sets clear objectives and targets reflecting the Council's key priorities.
  - v. The Council uses a range of performance indicators to measure progress against its key priorities.
  - vi. The Medium Term Financial Strategy and Capital Programme ensure that resources are aligned to priorities.
  - vii. Securing value for money in the provision of quality services for the local community is a key priority for the Council. Its achievements in this area are evidenced by the highest level score in the 2008 Use of Resources Value for Money assessment – we were one of only 12 district councils out of 238 to achieve this score.
  - viii. Our activities and achievements within the community are publicised on our website and in the Chiltern Chronicle magazine. The council's financial position is communicated in its annual Statement of Accounts and separate Summary of Accounts documents.
  - ix. In the 2009 Organisational Assessment carried out by the Audit Commission Chiltern was assessed as *“an organisation that exceeds minimum requirements, Performs Well”*.
  - x. Performance Indicators for many services areas are in the top quartile and are regularly reviewed by Management Team and the Cabinet. Benchmarking of some services is also carried out.
  - xi. A Complaints Policy is in place to assist with the review of service quality. A How to Make a Complaint leaflet details the procedures to be followed and explains how complaints will be dealt with.

***Members and officers working together to achieve a common purpose with clearly defined functions and roles***

- i. The Council has adopted a Constitution, which has been extensively updated during 2009/10 and which sets out how the Council operates, how decisions are made, and the procedures which are followed to ensure that these are efficient, transparent and

accountable to local people. The Council has adopted the Cabinet / Scrutiny model and this is reflected in the Constitution.

- ii. The key roles and responsibilities of members are described in the Constitution. In addition, the Leader and each Cabinet member have a specific portfolio of responsibilities and clearly defined roles. This requires them to work closely with senior officers and other staff. The Constitution includes a Protocol on Member/Officer relations.
- iii. A number of committees are appointed to discharge the Council's regulatory and scrutiny responsibilities.
- iv. As advised by its external auditors the Council has addressed the issue of Audit Committee arrangements and with effect from May 2010 has established an independent Audit Committee with revised terms of reference. Previously this had been a sub-committee of an overview committee.
- v. All committees have clear terms of reference and work programmes that set out their roles and responsibilities.
- vi. The responsibilities of the statutory roles of Head of Paid Services, Section 151 Officer and Monitoring Officer are set out in the Constitution.
- vii. All staff have clear terms and conditions of employment and job descriptions. An independent Members Allowances Panel advises on remuneration of councillors.
- viii. The Council maintains an Internal Audit Section, which operates to the standards set out in the 'Code of Practice for Internal Audit in Local Government in the UK'.
- ix. The Council has an objective and professional relationship with external audit and statutory inspectors, as evidenced by the Annual Governance Report and Annual Audit Letter.
- x. The Council has an effective performance management framework in place that is guided by the Council's Key Objectives. These are cascaded and driven through departmental service plans, individual employee aims and objectives, appraisals and action plans. The Council's Cabinet and Overview Committees monitor and scrutinise progress against targets and performance in priority areas affecting relevant service areas, and consider and approve corrective action where necessary.

***Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour***

- i. The Cabinet have defined a number of values that support the council's commitment to "Delivering the Best for Chiltern". Everyone in the council is expected to adhere to these values and to take them into consideration in support of sound judgement in the face of complex decisions. They are readily available to our staff and partners and include:

- Customer focus – delivering efficient, customer focused and accessible services at an affordable cost
  - Environment – conserving and enhancing the physical environment locally and the need to mitigate and adapt to climate change
  - Community Leadership – acting as community leaders, promoting the welfare of our residents and engaging with the local community
  - Staff – appreciating the dedication of our staff and the importance of their motivation, morale and development
  - Equality and Diversity – respecting the diversity, individuality and dignity of the people of Chiltern and promoting equality and fairness for all
  - Safety – building safety, well-being and cohesiveness amongst our communities and vulnerable people
  - Working with others – working flexibly, innovatively and collaboratively with partners where it benefits the council and the people of Chiltern
  - Governance & Accountability – always acting with integrity, transparency, responsibility and accountability for our decisions and actions and adhering to the principles of good governance as set out in the Constitution
  - Personal responsibility – working with partners and residents to promote personal responsibility and positive lifestyle choices
- ii. The Constitution includes separate Codes of Conduct for Members and Officers, a Code of Conduct relating to Gifts and Hospitality, a Code of Practice on Planning Matters, a Protocol on Member/Officer Relations, a Code of Recommended Practice on Local Authority Publicity and a Local Code of Corporate Governance. There are also local protocols on the Council’s Complaints Procedure and Whistle Blowing Policy.
- iii. The Standards Committee makes recommendations in relation to ethics and the standards of conduct expected of Members.
- iv. The Council has designated the Head of Legal Services as Monitoring Officer. It is the function of the Monitoring Officer to ensure compliance with established policies, procedures, laws and regulations. After consulting with the Head of Paid Service (Chief Executive) and Head of Financial Services (Section 151 Officer), the Monitoring Officer will report to the full Council or the Cabinet if she considers that any proposal, decision or omission would give rise to unlawfulness or maladministration. Such a report will have the effect of stopping the proposal or decision being implemented until the report has been considered.
- v. The financial management of the Council is conducted in accordance with the financial rules set out in the Constitution and in the Financial and Contract Procedure Rules. The Council has designated the Head of Financial Services as the Chief Finance Officer in accordance with Section 151 of the Local Government Act 1972. The Council has in place a five-year financial strategy, updated on a regular basis, to support the medium-term aims of the Corporate Plan.
- vi. The Council’s GARRDS Equalities Scheme sets out the overall approach to equalities issues including gender, age, race, religious belief, disability and sexuality.

***Taking informed and transparent decisions which are subject to effective scrutiny and managing risk***

- i. The main decision-making committee is the Cabinet. Meetings are open to the press and public except where exempt or confidential matters would be disclosed. In addition, senior officers of the Council can make decisions under delegated authority, the extent of such delegations being set out in the Constitution. The Council publishes a Forward Plan which contains details of key decisions to be made by the Cabinet.
- ii. The council has three overview committees that perform the scrutiny function, the terms of reference of which are set out in the Constitution. The overview committees have the power to call in decisions made by the Cabinet.
- iii. Arrangements are in place to safeguard members and staff against conflicts of interest. These include separate member and officer Codes of Conduct, Registers of Interests and Registers of Gifts and Hospitality. Members receive regular training on the Code of Conduct and Declarations of Interests is a standard agenda item at all Council, Cabinet and Committee meetings.
- iv. An Audit Committee provides assurance on the effectiveness of governance arrangements, the risk management framework and the internal control environment.
- v. A Complaints Policy is in place and a How to Make a Complaint leaflet details the procedures to be followed and how complaints will be dealt with.
- vi. All Cabinet reports are required to include financial, risk management, equalities and sustainability implications.
- vii. The Council has robust systems for identifying and evaluating all significant risks, developed and maintained with the participation of those associated with planning and delivering services. The Council has an approved Risk Management Strategy in place that is reviewed on a regular basis. The strategy outlines the methodology which provides a comprehensive framework for the management of risk throughout the Council. A cross-departmental Risk Management Group has defined Terms of Reference to develop a risk management framework and to embed risk management across the Council. Both a Strategic Risk Register for the Council and Operational Risk Registers for all service areas are in place and staff are trained on a regular basis on assessment, management and monitoring of risk. The officer management team has overall responsibility for strategic risk (assessment, management and monitoring) and reviews the strategic risk register on a regular basis.
- viii. A Whistle Blowing Policy is included in the Constitution and in the Induction Workbook for new staff and is available on the Council's Intranet.

***Developing the capacity and capability of members and officers to be effective***

- i. All new Members and staff undertake an induction programme to familiarise themselves with protocols, procedures, values and objectives of the council.
- ii. Regular briefing sessions are held for Members on topics such as the Local Area Agreement together with tailored training where appropriate e.g. for Planning Committee Members. Members have also received training on “Understanding the Accounts” and on the “Role of Audit Committees and External Audit”.
- iii. The roles and responsibilities of the statutory posts of Head of Paid Services, Section 151 Officer and Monitoring Officer are set out in the Constitution and in the job descriptions and person specifications of the posts.
- iv. Services are delivered by trained and experienced people. All posts have a detailed job description and person specification. The Council is Investor in People accredited and has been re-accredited under the new higher standard. All sections have personal development training plans covering all staff.
- v. The officer structure includes career grades that enable progression based on experience and qualification.
- vi. The “requirements of a modern councillor” has been rolled out to Members in an e-learning module. The Council has also secured funding from the Milton Keynes Oxford and Buckinghamshire Partnership to commission a piece of work around Member Development and the skills/mechanisms members require to engage fully in the decision –making process of the Council
- vii. The Council has a performance management framework in place and the Cabinet and overview committees receive regular performance monitoring reports that highlight any areas that need to be addressed.

***Engaging with local people and other stakeholders to ensure robust public accountability***

- i. The Council is committed to working to improve the quality of life throughout the District by putting the needs of the community first. In order to meet this, the Council ensures that consultation with residents, businesses and other organisations takes place on a regular basis, with the results used to inform forward planning and regular feedback of how the results of consultation have been used to inform the community. To assist officers the Council has a Consultation Toolkit, the aim of which is to provide officers with a range of techniques to engage the local community.
- ii. An Overarching Information Sharing Protocol is in place for public service and voluntary sector organisations in Buckinghamshire. It forms a high level agreement for partner organisations, setting out a vision for information sharing and principles under which subsidiary Protocols or detailed agreements relating to specific subjects or projects will sit.
- iii. A protocol is in place with Town & Parish Councils that sets out issues that the council will consult on.

- iv. Various structures are in place to ensure clear channels of communications with all sections of the community and stakeholders – the Buckinghamshire Local Strategic Partnership, the Chiltern Community Partnership, Disability Focus Group, Parish & Town Clerks meetings, Neighbourhood Action Groups, Revitalisation Groups, Residents Panels and Staff side meetings.
- v. The Council's website is continually being developed to provide more information, to enable more services to take place electronically and to receive comments from stakeholders e.g. online Council Tax consultation.
- vi. The Council's magazine, the Chiltern Chronicle, is produced three times a year (in 2010/11 four editions of a new joint magazine with Buckinghamshire County Council is being piloted) and is delivered to all residents within the district.
- vii. Through reviews by external audit, internal audit and external review agencies, the Council seeks ways of ensuring the economic, effective and efficient use of resources and for securing continuous improvement in the way in which its functions are exercised.
- viii. All Council meetings are held in public except where exempt or confidential information would be disclosed and the Constitution sets out the public's rights to inspect and copy documents. The Council has also published a Publication Scheme under the Freedom of Information Act 2000.

#### **4. Review of effectiveness**

CDC has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of Directors and Heads of Service who have responsibility for the development and maintenance of the governance environment, the Audit Manager's Internal Audit annual report, and also by comments made by the external auditors and other review agencies and inspectorates. As part of the process of compiling the Annual Governance Statement, statements of assurance on the effectiveness of internal control are obtained from Directors, Heads of Service and Managers.

The process that has been applied in maintaining and reviewing the effectiveness of the system of internal control includes:

- The Head of Legal Services (the 'Monitoring Officer') has a duty to monitor and review the operation of the Constitution to ensure its aims and principles are given full effect. The Council reviews the Constitution annually.
- The Monitoring Officer maintains a register of member's interests, gifts and hospitality.
- The Council reviews the Local Code of Corporate Governance on an annual basis and adopts an Action Plan to deal with any issues.

- The Council has three Overview Committees. They can “call-in” any key decision made by the Cabinet but not yet implemented, to enable them to consider whether the decision is appropriate. The Council also has an Audit Committee to review Internal and External Audit plans and reports.
- The Audit Committee reviews the adequacy of internal controls, monitors the performance of internal audit and agrees the external audit plan.
- Internal Audit is responsible for monitoring the effectiveness of systems of internal control. A strategic plan (based on a risk model) is approved by the Audit Committee, and from which the annual workload is identified. The reporting process for Internal Audit requires a report of each audit to be submitted to the relevant service manager with a copy submitted to the Director and the Chief Executive. The report includes recommendations for improvements that are included within an action plan and require agreement or rejection by service managers. The process includes quarterly reviews of agreed recommendations to ensure that they are acted upon.
- The Internal Audit Section is subject to regular inspection by the Council’s external auditors who place reliance on the work carried out by the section. The most recent review of Internal Audit during 2008/09 noted that external audit did not identify any significant issues which needed to be brought to the Council’s attention. External Audit also commented that they were able to rely on the Internal Audit work on all fundamental financial systems.
- The Risk Management Group provides regular progress reports to the Management Team, bringing their attention to significant risks. The Risk Management Group also:
  - reviews the Council’s operational risk register and associated action plans;
  - ensures that the appropriate management action is taken to minimise/eliminate risk, and
  - reviews the results of investigations into accidents and incidents.
- The Management Team carries out a quarterly review of performance indicators. Management Team, Cabinet and the three overview committees also review and monitor progress against Council Objectives, the Improvement Plan and Performance Indicators as a minimum twice annually. Management Team also regularly review and update the strategic risk register.
- The Standards Committee is responsible for ensuring high conduct of standards from members. It also has responsibility for appointing sub committees to assess breach of code of conduct complaints against members, to conduct hearings into those complaints and to impose proportionate sanctions in appropriate cases.
- The Council reviews the Financial and Contract Procedure Rules on a regular basis. The current rules were reviewed during 2008-09 with revised rules approved and implemented from June 2009.

- In the Audit Commission Organisational Assessment for 2009 the Council achieved an overall score of level 3 which represents an assessment of performing well on the Audit Commission's scoring system.

We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Cabinet, audit committee, overview committees risk management group, Management Team, Internal Audit and Standards Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

## 5. Significant governance issues

### 5.1 Internal control issues outstanding from 2008/9

The following significant internal control issues were identified and reported in the 2008/09 Annual Governance Statement. The action column summarises the current position for each issue:

ISSUE	ACTION
<b>Data Security – Internal Audit Report (Limited Assurance)</b>	
There were a number of recommendations arising from an Internal Audit of Data Security.	The Head of ICT has an action plan in place to address the control issues raised in this Internal Audit Report.
<b>Health and Safety – Internal Audit Report (Limited Assurance)</b>	
There were a number of recommendations arising from an Internal Audit of Health and Safety Internal Procedures.	An action plan is in place to address the control issues raised in this Internal Audit Report
<b>BACS Payments - Internal Audit Report (Limited Assurance)</b>	
There were a number of recommendations arising from an Internal Audit of Payments by BACS.	An action plan is in place to address the control issues raised in this Internal Audit Report. All of the recommendations made have been implemented.

### 5.2 Control issues arising during 2009/10

The following issues arose from a review of the assurance framework or from Internal Audit reports and follow-up work.

<b>Issue arising from Assurance Statements</b>
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<p><b>Head of Legal &amp; Land Charges</b> advises that a legal claim against the Council for personal injury due to exposure to asbestos (the causational exposure taking place sometime between 1968 and 1997) has been commenced, with a potential liability of around £250,000 plus costs. Steps are being taken to identify the Council's insurers at the relevant time and resist the claim.</p>	
<p><b>Issues arising from Internal Audit work – Limited Assurance opinion</b></p>	
<p><b>Internal Audit of National Performance Indicators</b></p> <ul style="list-style-type: none"> <li>- One was correctly reported</li> <li>- Three were incorrectly reported</li> <li>- One is yet to be reported (awaiting further national guidance)</li> <li>- The data quality arrangements need to be further strengthened</li> </ul>	<p>As a result of the number of errors the audit identified – Management Team identified another five indicators to be audited to see if the indicators audited were problematic indicators or whether there is a widespread problem of inaccurate reporting. Of the further five National Indicators audited:</p> <ul style="list-style-type: none"> <li>- Four were correctly reported</li> <li>- One was incorrectly reported</li> </ul>
<p><b>Issues arising from Internal Audit work – Audit Recommendations remaining as outstanding from previous years</b></p>	
<p><b>New members of the cabinet to receive RM training (High Risk)</b></p> <p>MT to set up workshop with Council's insurers to develop key partnership risks and to review strategic risks with members of the cabinet.</p> <p>Implementation date: 31 03.08</p>	<p><b>April 2010 update</b></p> <p>It is planned to involve members in this review process after the officer workshop has taken place – this action still remains as outstanding.</p>

**Councillor Nicholas Rose**  
**Leader**

**Date:**

**Alan Goodrum**  
**Chief Executive**

**Date**



**CHILTERN DISTRICT COUNCIL  
CABINET – 15 June 2010**

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*Background Papers, if any, are specified at the end of the Report*

**PROVISIONAL FINANCIAL OUTTURN 2009/10**

*Contact Officers: Alison Howes (01494 732260), Gary Martin(01494 732243) and Helen O’Keeffe (01494 732781)*

**RECOMMENDATIONS**

- 1. That the Cabinet note the Capital and Repairs & Renewals Fund provisional out-turn for 2009/10 and agree the carry forward budgets.**
- 2. That the Cabinet note the General Fund Revenue provisional out-turn position for 2009/10 and the amounts added to the General Fund reserve.**

**Relationship to Council Objectives**

*The reporting of the financial out-turn position is essential to good financial management and corporate governance which in turn support all the Council’s objectives.*

**Implications**

*(i) This matter is a key decision within the Forward Plan.*

*(ii) This matter is within the Policy and Budgetary Framework*

**Financial Implications**

*Where applicable, the results of the 2009/10 Financial Out-turn will be taken into account in preparing the Council’s Medium Term Financial Strategy.*

**Risk Management Implications**

*The 2009/10 financial results need to be reflected in the financial planning process otherwise there is a risk that future budgets may be under or overstated.*

**Equalities Implications**

*There are no specific equality implications.*

**Sustainability Implications**

*There are no specific sustainability implications.*

## Report

- 1 The draft Capital and Revenue out-turns and are presented for consideration and noting. The accounts for 2009/10 are still in the process of being reviewed for accuracy and completeness and minor amendments to the figures may be required prior to final approval of the Statement of Accounts by the Audit Committee on 23 June.
- 2 The accounts are subject to inspection by the Council's appointed external auditor and further amendments may be required as a result of their findings. It is anticipated that the Council's external auditors will report the results of their audit to the meeting of the Audit Committee on 23 September. The statutory deadline for publishing the Statement of Accounts is 30 September.

### **Capital Programme Provisional Out-turn 2009/10**

- 3 *Appendix 7.3c* provides the Council's Capital Programme provisional out-turn for 2009/10 and proposals on carrying forward unspent programme provisions to 2010/11 where appropriate.
- 4 Total capital spend during the year was just under £1.6 million. In overall terms the programme for 2009/10 is under spent by £634,740. It is proposed that £449,019 is carried forward into 2010/11 and the balance of £185,721 is taken as a saving in 2009/10 and added back to the provisional sum for allocation to future projects. Balances on schemes for which there was no expenditure in the year have generally been taken as a saving rather than carried forward unless a clear rationale has been provided by the budget manager to justify a carry forward. This is to ensure that available financial resources are allocated in the most appropriate way and that the Capital Programme does not become over-programmed with budget provision for schemes that are not likely to proceed leading to high levels of reported underspends which can be an indication of poor budget management. A bid can be submitted as part of the annual capital programme review for any future requirements which may arise.
- 5 A breakdown of the variances on a scheme by scheme basis is shown in *Appendix 7.3c*, with details of major variances of £50,000 and over given below:
  - **£128,118 (overspend) – Disabled Facility grants (DFG's)**  
The timing of grants is demand led and unlikely to correspond precisely to any one year's budget. The excess grant applications represent commitments ahead of the new financial year and processing them helps to manage the "inquiry to works completed" performance indicator. The variance will be carried forward to 2010/11 and will reduce the budget accordingly.
  - **£206,362 – CEA Fees / IT Equipment**

This budget provision is primarily for the costs associated with the introduction of on-street charging. At the Cabinet meeting of 27 April 2010 it was agreed that negotiations should commence with the County to reach a mutually agreeable termination date from which Chiltern would no longer have any responsibilities for on-street parking. It is proposed that £35,000 remains in the programme for any expenditure that may come forward e.g. Traffic Regulation Order signs and lines, and that the balance on this scheme is taken as a saving in 2009/10 to be added back to the provisional sum for allocation to future projects.

- **£67,939 – Leisure Centres**  
A structural survey is currently being undertaken at the leisure centres and this will help to inform the future works programme. It is proposed to carry this balance forward to cover commitments arising.
- **£52,684 Health & Housing ICT Improvements**  
This scheme has been delayed to await the release of the next software version. Expected implementation is June/July 2010 therefore it is proposed that this balance is carried forward into 2010/11.
- **£60,000 (approved) & £5,996 (committed) – DDA works, Leisure**  
A structural survey is currently being undertaken at the leisure centres and this will help to inform the future works programme. It is proposed to carry these balances forward to cover commitments arising.

6 Capital expenditure in 2009/10 was funded from the following sources:

	<b>£'000</b>
Internal Resources	915
Disabled Facility Grant Subsidy	271
Flexible Home Improvements Grant	62
Free Swimming Grant	184
Timely Information Grant	75
Paradigm Contribution	60
Planning Delivery Grant	14
<b>Total</b>	<b>1,581</b>

7. *Appendix 7.3d* shows the remainder of the four-year Capital Programme period up to 2013/14 based on the carry forward proposals referred to above and any changes approved by Cabinet up to and including its last meeting on 27 April. The amount remaining in the provisional capital sum for new schemes coming forward is currently £889,396 to which the proposed saving of £185,721 will be added giving a total of £1,075,117. It should be noted that a structural survey of the Council Offices has been commissioned and it is likely that this will reveal significant additional capital obligations not currently reflected in the programme.
8. The Capital Programme will be reviewed by Cabinet in October 2010 following approval of the updated Medium Term Financial Strategy including the overall position on capital resources. The Council's ability to support its Capital Programme in the foreseeable future may be at risk. In particular the continued

low interest rates and amount of investment income that the council receives will affect the resources available. The programme has already been re-prioritised to give priority to schemes having a positive impact on the revenue budget. Another consideration is the extent to which capacity within the organisation to deliver new schemes will impact on the overall size and timing of the programme.

### **Repairs and Renewals Fund Provisional Out-turn 2009/10**

9. *Appendix 7.3e* presents the detailed 2009/10 Repairs and Renewals Fund out-turn. A summary position of the fund is shown in the table below:-

	<b>Estimate 2009/10 £</b>	<b>Actual 2009/10 £</b>	<b>Variance (fav)/+ adv £</b>
<b>Expenditure</b>			
Communities, Young People & Communications	0	0	0
Planning, Sustainable Development & Transport	82,688	1,328	(81,360)
Environmental Management	43,000	44,173	1,173
Resources & Improvement *	143,5000	89,579	(53,921)
<b>Total Expenditure</b>	<b>269,188</b>	<b>135,080</b>	<b>(134,108)</b>
<b>Income</b>			
Communities, Young People & Communications	2,549	2,549	0
Planning, Sustainable Development & Transport	42,691	24,619	18,072
Environmental Management	31,953	32,187	(234)
Resources & Improvement *	101,167	92,138	9,029
Interest *	8,939	6,544	2,395
<b>Total Income</b>	<b>187,299</b>	<b>158,037</b>	<b>29,262</b>
Excess (Income) / Expenditure	81,889	(22,957)	(104,846)
<b>Fund Balance at 31 March 2010</b>	<b>563,968</b>	<b>668,814</b>	<b>(104,846)</b>
Of which the Leisure Fund is:	108,616	116,873	(8,257)

\* including Leisure Fund

10. The appendix analyses the variances between savings on completed schemes, totalling £17,935 and the proposed carry forward of budget provision into 2010/11 of £116,173 of which £8,778 relates to the Leisure Fund
11. A breakdown of the variances on a scheme by scheme basis is shown in *Appendix 7.3e* along with additional comments. However details of variances over £10,000 are as follows:

- **£13,905 AMSCP capacity counter physical works (RR976)**  
Planning has been approved; work to be completed in 2010/11.
- **£16,000 AMSCP capacity counter link to Highways (RR984)**  
Linked to above scheme: planning approved, work to be completed in 2010/11
- **£13,656 Dovecote bollard replacement/overhaul (RR992)**  
Scheme has been completed and invoiced in early 2010/11

- **£17,000 Replacement lighting equipment Star Yard car park (RR993)**  
Scheme has been completed in early 2010/11
- **£11,000 AMSCP Repair pedestrian barriers for H&S**  
Loss of engineer delayed progress; will be completed in 2010/11
- **£14,758 Leisure Centres – Disability Discrimination Act works (RR158)**  
To be carried forward pending result of structural surveys being undertaken at the leisure centres.

### **General Fund Revenue Provisional Out-turn 2009/10**

12. The UK officially emerged from the recession in the fourth quarter of 2009/10 but there is continuing uncertainty over the extent and timing of any recovery and warnings over the possibility of a “double dip” recession. Interest rates are still being held at their lowest ever level and are likely to remain that way for some time yet. The impact that this has had on the council during 2009/10 can be seen in continuing pressure on key income streams and a significantly reduced amount of investment income in comparison to a couple of years ago. This coupled with an increased demand on certain service areas e.g. Housing Benefits and Homelessness prevention, and the knowledge of financial challenges ahead has led to an increasing awareness of the need for tight financial management. Notwithstanding this, activity levels within the organisation remain very high for the limited resources available as the End of Year Performance Report elsewhere on this agenda will testify.
13. The summary provisional out-turn position on the General Fund against the approved revised budget is set out in the table below. This shows that net operating expenditure is £432,665 less than expected although it should be noted that there are some large, unbudgeted credit items that account for £356k of this (see below for further detail) meaning that in comparison to the approved budget the actual revenue underspend is around £77k. The overall result is that rather than adding £95,240 to balances as per the revised budget there will instead be a contribution of £527,905 into the General Fund Reserve. The finance team is still in the process of undertaking final checks to the figures and there may be further changes before the Statement of Accounts is finalised and presented to Audit Committee on 23 June, although these are not expected to be material.

<b>GENERAL FUND SUMMARY 2009/10 OUT-TURN</b>				
	<b>2009/10 Original Estimate £</b>	<b>2009/10 Revised Estimate £</b>	<b>2009/10 Actual £</b>	<b>2009/10 Variance</b>
<b>Service Expenditure</b>				
Cultural, Environmental & Planning	8,226,810	8,168,700	8,203,209	34,509
Highways, Roads & Transport	(248,670)	(291,410)	(247,834)	43,576
Housing	1,167,590	1,226,170	1,061,553	(164,617)
Central Services	1,050,900	1,006,920	841,618	(165,302)
Corporate & Democratic Core	1,583,270	1,355,090	1,297,044	(58,046)
Non Distributed Costs	52,340	56,410	66,227	9,817
<b>Net Cost of Services</b>	<b>11,832,240</b>	<b>11,521,880</b>	<b>11,221,817</b>	<b>(300,063)</b>
Surpluses/Deficits on trading undertakings	92,570	108,350	116,215	7,865
Transformation Contingency	-	89,860	89,860	-
Reversal of Capital Charges included in net cost of services	(923,590)	(814,110)	(954,578)	(140,468)
Interest and Investment Income	(150,250)	(150,250)	(150,250)	-
<b>Net Operating Expenditure</b>	<b>10,850,970</b>	<b>10,755,730</b>	<b>10,323,065</b>	<b>(432,665)</b>
Added to / (taken from) Balances	-	95,240	527,905	432,665
<b>Council Funding Requirement</b>	<b>10,850,970</b>	<b>10,850,970</b>	<b>10,850,970</b>	<b>0</b>

14. Individual revenue out-turns for each service expenditure analysis heading are shown in *Appendix 7.3f*.

15. Explanations for significant variances (+/- £10k) are shown in the table below.

	<b>£,000</b>
<b>Key Underspends / Additional Income</b>	
Land Charges income higher than expected	(24)
Housing Benefit & Council Benefit Subsidy adjustment re 2008/09 (unbudgeted)	(287)
LPSA2 Reward Grant (unbudgeted)	(69)
Gross Salaries	(21)
Recycling credits and sales of recycling materials income higher than expected	(64)
Division running expenses (see below for breakdown)	(200)
<b>Key Overspends / Reduced Income</b>	
Development Control fee income & pre planning application advice income lower than predicted	110
Car Park Pay & Display and Season Ticket income slightly underbudget	14
Car Park NNDR	28
Chiltern's share of CEA deficit for the year (unbudgeted)	29
Balance of other small (under)/over spends against service budgets	51
<b>Total underspend</b>	<b>(433)</b>

16. Division running expenses were in total underspent by £200k (ignoring capital charges which are reversed out). A breakdown of the key variances + / - £10k is shown below:-



	(Under)/ Overspend £000
Books & Publications	(11)
Advertising & promotional costs	(17)
Postage costs	14
Office Furniture & Equipment	(13)
External Printing	(37)
Post entry & other training	(10)
Software rental & maintenance	29
Council Offices	
- Energy costs	(19)
- General Repairs & Maintenance	(10)
- BCC contribution	(23)
SBDC cont to Fraud & Welfare P'ship	(18)
Casual staff	(13)
Balance of other small (under)/over spends against variety of budget heads	(72)
<b>Total</b>	<b>(200)</b>

17. The final position on gross salaries is an underspend of £19,000, or 0.2%, against a revised budget of £7.7 million. The assumptions used in preparing the salaries budget will be reviewed again as part of the budget setting process and in year salaries budget monitoring will be reported to the Cabinet on a regular basis.
18. Income estimates were reduced by over £300,000 in the revised budget to take into account the continuing impact of the recession. In terms of key income streams the provisional out-turn results show that the only area that where the downturn has been significantly lower than expected is Development Control where it is difficult to predict the timing of large planning applications. A breakdown of the key income streams is given in the table below:-

	Original Budget £	Revised Budget £	Actual £	Variance + = adverse ( ) = favourable £
Development Control	523,750	497,000	387,000	110,000
Building Control	432,000	415,000	415,000	0
Car Parks	1,660,630	1,541,600	1,528,000	13,600
Recycling	726,560	605,800	670,000	(64,200)
Licensing	226,640	209,240	203,000	(6,240)
Land Charges	115,000	115,000	139,000	(24,000)
<b>Totals</b>	<b>3,684,580</b>	<b>3,383,640</b>	<b>3,342,000</b>	<b>41,640</b>

19. The budgeted use of interest in the year was £150,250 to fund Housing Organisation Grants and to part fund the Council's Homelessness agreement with Paradigm. The total amount of investment interest earned in 2009/10 was

£155,000 against a forecast of £175,000. It is usual practice for interest received, less agreed use of interest for revenue purposes, to be allocated to earmarked reserves, the bulk of it being set aside in the Capital Project Reserve to fund the Council's Capital Programme. A review of available Capital Resources will be reported to Cabinet in July.

20. It is standard practice to analyse previous year's underspends in order to inform the budget and financial planning process. The 2009/10 out-turn results will be assessed in detail, in conjunction with Heads of Service, for any ongoing impact in 2010/11 and this will be reflected in the Medium Term Financial Strategy financial forecasts.

### General Fund Reserve

21. The updated forecast position on the General Fund balance as at the end of the financial year is set out below. A surplus position balance is retained on this reserve as the council's working balance and as a contingency fund for emergencies and is generally acceptable to be at around 10% of the net budget. At the end of 2009/10 the balance has increased significantly and is now considerably higher than it has been in recent years and represents 25% of the net budget. Given current circumstances and the significant financial pressures ahead this level of balance is not considered excessive and will give the council greater flexibility in its future financial planning. Members may need to consider a structured use of the reserve alongside other options as part of the Medium Term Financial Strategy.

	£
Balance as at 1/4/09	1,030,627
2009/10 Revenue Surplus	527,905
Local Authority Business Growth Incentive Grant	24,911
Area Based Grant	22,811
VAT refund (net of fees)	1,194,303
Balance as at 31/3/10	2,800,557

- (a) Local Authority Business Growth Incentive (LABGI) grant of £49,911 was received during the year. As per the Cabinet decision on 28 July 2009 (minute no. 56) £25,000 of this sum was set aside into a new Economic Development Reserve with the remainder being taken to the General Fund.
- (b) Area Based Grant (ABG) of £22,811 was received during the year. This is a non ring fenced general grant that we are able to use to support any national, regional or local priorities.
- (c) The Council received a leisure related VAT refund, plus interest, in 2009/10 which, net of fees, totalled almost £1.2 million.

### Appropriations to (+) / from (-) other Earmarked Reserves

22. The 2009/10 budget included a sum of £115,000 for Transformation projects. In total only £25,140 was allocated during the year. The remaining balance of £89,860 has been set aside into an earmarked reserve for use in 2010/11. It should be noted that a further £115,000 is also in the 2010/11 budget of which £25,000 has been allocated to assist with the implementation of the Information Management Strategy action plan.
23. Planning Reserve – the 2009/10 revenue budget for planning reserve related items was £94,190, of which nearly £85,000 was spent. The unspent balance has been transferred to the reserve. At 31 March 2010 the balance on the reserve was £275,664. The level of revenue provision was identified as part of last year's budget process setting as a potential savings item and will be considered as part of the MTFs process. The balance on the reserve is at the highest level it has ever been and is considered adequate based on previous experience.
24. Concessionary Fares – the Council has been reimbursed with £84,500 for unused amounts on TaxiCards as at 31 March 2010. The total budget for TaxiCards was £152,550 so there has only been a 55% take-up of the scheme. This amount has been set aside in a reserve pending a more detailed review of the scheme in September. As Members will be aware that responsibility for the statutory element of the scheme is being transferred to the county council in April 2011 which coincides with the end of this council's original three year contract for TaxiCards.

#### **External Funding**

25. Housing & Planning Delivery Grant – not all expenditure allocated for funding from H&PDG has been completed and the remaining balance of £540k will be carried forward to 2010/11. A review of existing allocations and potential new allocations has been carried out, together with an assessment of future Local Development Framework costs and it is considered that sufficient resources are available to fund future requirements.

*Background Papers: None*

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## CAPITAL OUTTURN 2009/10

SCHEME	09/10 Estimate £	09/10 Actual £	09/10 Variance £	Saving(-) O/Spend(+) £	Prov Carr fwd to 10/11 £	10/11 Estimate £
<b><u>CAPITAL PROGRAMME</u></b>						
Community, Young People & Communications	0	0	0	0	0	0
Planning, Sustainable Development & Transport	36,000	2,000	-34,000	-5,000	29,000	0
Environmental Management	47,000	5,000	-42,000	0	42,000	0
Health, Housing & Community Safety	930,175	738,800	-191,375	-191,458	-83	440,000
Resources & Improvement	1,182,355	780,004	-402,351	-24,249	378,102	150,000
Internal Fees	20,000	54,986	34,986	34,986	0	20,000
<b>TOTAL CAPITAL PROGRAMME</b>	<b>2,215,530</b>	<b>1,580,790</b>	<b>-634,740</b>	<b>-185,721</b>	<b>449,019</b>	<b>610,000</b>
Committed Programme	1,920,168	1,525,804	-394,364	-49,345	345,019	490,000
Approved but not yet Committed	275,362	0	-275,362	-171,362	104,000	100,000
Internal Fees	20,000	54,986	34,986	34,986	0	20,000
<b>TOTAL CAPITAL PROGRAMME</b>	<b>2,215,530</b>	<b>1,580,790</b>	<b>-634,740</b>	<b>-185,721</b>	<b>449,019</b>	<b>610,000</b>

## COMMITTED AND APPROVED PROGRAMME

SCHEME	09/10 Estimate £	09/10 Actual £	09/10 Variance £	Saving(-) O/Spend(+) £	Prov Carr fwd to 10/11 £	10/11 Estimate £
<b><u>COMMUNITY, YOUNG PEOPLE &amp; COMMUNICATIONS</u></b>						
<i>Committed Programme</i>						
<b>Total Committed Programme</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Approved but not yet committed</i>						
<b>Total Approved Programme</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Approved and Committed Programme</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

SCHEME	09/10 Estimate £	09/10 Actual £	09/10 Variance £	Saving(-) O/Spend(+) £	Prov Carr fwd to 10/11 £	10/11 Estimate £
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**PLANNING, SUSTAINABLE DEVELOPMENT & TRANSPORT****Committed Programme**

Land Purchases - Amersham On the Hill	20,000		-20,000		20,000	
T&V Revitalis'n - BMX/Skate Park Great Missenden	7,000	2,000	-5,000	-5,000		
<b>Total Committed Programme</b>	<b>27,000</b>	<b>2,000</b>	<b>-25,000</b>	<b>-5,000</b>	<b>20,000</b>	<b>0</b>

**Approved but not yet committed**

Town & Village Revitalisation - capital pooled fund	9,000		-9,000		9,000	
<b>Total Approved Programme</b>	<b>9,000</b>	<b>0</b>	<b>-9,000</b>	<b>0</b>	<b>9,000</b>	<b>0</b>

<b>Total Approved and Committed Programme</b>	<b>36,000</b>	<b>2,000</b>	<b>-34,000</b>	<b>-5,000</b>	<b>29,000</b>	<b>0</b>
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SCHEME	09/10 Estimate £	09/10 Actual £	09/10 Variance £	Saving(-) O/Spend(+) £	Prov Carr fwd to 10/11 £	10/11 Estimate £
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**ENVIRONMENTAL MANAGEMENT****Committed Programme**

Environmental Improvements - Feasibility Study	10,000		-10,000		10,000	
Environmental Improvements - Blizzards Yard Car Park	15,000		-15,000		15,000	
Environmental Improvements - Narcot Lane Cycle Way	5,000	5,000	0			
Energy Efficiency Upgrades	17,000		-17,000		17,000	
<b>Total Committed Programme</b>	<b>47,000</b>	<b>5,000</b>	<b>-42,000</b>	<b>0</b>	<b>42,000</b>	<b>0</b>

**Approved but not yet committed**

<b>Total Approved Programme</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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<b>Total Approved and Committed Programme</b>	<b>47,000</b>	<b>5,000</b>	<b>-42,000</b>	<b>0</b>	<b>42,000</b>	<b>0</b>
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SCHEME	09/10 Estimate £	09/10 Actual £	09/10 Variance £	Saving(-) O/Spend(+) £	Prov Carr fwd to 10/11 £	10/11 Estimate £
<b>HEALTH, HOUSING &amp; COMMUNITY SAFETY</b>						
<b>Committed programme</b>						
CEA (SPA) Fees / IT Equipment	20,000		-20,000	-20,000		
Pay & Display Machine On-Line Upgrade	55,000	54,822	-178	-178		
Chesham CCTV cameras upgrade & installation	28,000		-28,000		28,000	
CCTV Digital Upgrade	35,000		-35,000		35,000	
Amersham Multi Storey Car Park Lighting	17,200	17,342	142	142		
Off Street Car Park Lighting - Implementation	11,500		-11,500		11,500	
Off Street Car Park Lighting - Surveys	3,000	2,940	-60	-60		
<b>Private Sector Renovation Grants</b>						
Renovation Grants	132,117	113,582	-18,535		18,535	50,000
Flexible Home Improvement Loans	61,996	61,996	0			
Disabled Facility Grants	360,000	488,118	128,118		-128,118	390,000
<b>Total Committed Programme</b>	<b>723,813</b>	<b>738,800</b>	<b>14,987</b>	<b>-20,096</b>	<b>-35,083</b>	<b>440,000</b>
<b>Approved but not yet committed</b>						
CEA (SPA) Fees / IT Equipment	206,362		-206,362	-171,362	35,000	
<b>Total Approved programme</b>	<b>206,362</b>	<b>0</b>	<b>-206,362</b>	<b>-171,362</b>	<b>35,000</b>	<b>0</b>
<b>Total Approved and Committed Programme</b>	<b>930,175</b>	<b>738,800</b>	<b>-191,375</b>	<b>-191,458</b>	<b>-83</b>	<b>440,000</b>

SCHEME	09/10 Estimate £	09/10 Actual £	09/10 Variance £	Saving(-) O/Spend(+) £	Prov Carr fwd to 10/11 £	10/11 Estimate £
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<b>RESOURCES &amp; IMPROVEMENT</b>						
<b>Committed programme</b>						
Network Upgrade	50,000	30,748	-19,252		19,252	50,000
Planning Services EDMS	11,087	13,672	2,585	2,585		
Planning Backscanning - Phase 2	25,000		-25,000	-25,000		
Planning E-Government	19,601	6,400	-13,201		13,201	
E-Democracy incl Mbrs & Elec Voting	25,000		-25,000		25,000	
Mobile Working in Rev's & Ben's	11,775		-11,775		11,775	
Electronic Benefits Form Integration	3,650	2,020	-1,630	-1,630		
Council Chamber Wireless Conferencing System	30,000	29,971	-29	-29		
Cash receipting / card security upgrade	87,000	75,384	-11,616		11,616	
Leisure Centres	146,427	78,488	-67,939		67,939	
Structural & Electrical Survey (Leisure)	50,000	2,362	-47,638		47,638	
Health & Housing ICT Improvements	64,100	11,416	-52,684		52,684	
Public Offices - Lift Refurbishment	30,000	29,825	-175	-175		
ICT Network Server Virtualisation	168,000	156,024	-11,976		11,976	
Timely information (grant funded)	80,000	75,420	-4,580		4,580	
ICT Helpdesk	40,000	31,799	-8,201		8,201	
Building Control EDMS	21,600	15,350	-6,250		6,250	
Leisure Centres - Chalfont (incl Free Swimming)	234,013	202,019	-31,994		31,994	
DDA Works - Leisure	25,102	19,106	-5,996		5,996	
<b>Total Committed Programme</b>	<b>1,122,355</b>	<b>780,004</b>	<b>-342,351</b>	<b>-24,249</b>	<b>318,102</b>	<b>50,000</b>
<b>Approved but not yet committed</b>						
Leisure Centres	0		0			100,000
DDA Works - Leisure	60,000		-60,000		60,000	
<b>Total Approved programme</b>	<b>60,000</b>	<b>0</b>	<b>-60,000</b>	<b>0</b>	<b>60,000</b>	<b>100,000</b>
<b>Total Approved and Committed Programme</b>	<b>1,182,355</b>	<b>780,004</b>	<b>-402,351</b>	<b>-24,249</b>	<b>378,102</b>	<b>150,000</b>





## REMAINING CAPITAL PROGRAMME 2010/11 TO 2013/14

SCHEME	Prov Brought fwd from 09/10 £	10/11 Estimate £	Prov Tot 10/11 Estimate £	11/12 Estimate £	12/13 Estimate £	13/14 Estimate £	Total Estimate £
<b>CAPITAL PROGRAMME</b>							
Community, Young People & Communications	0	0	0	0	0	0	0
Planning, Sustainable Development & Transport	29,000	0	29,000	0	0	0	29,000
Environmental Management	42,000	0	42,000	0	0	0	42,000
Health, Housing & Community Safety	-83	440,000	439,917	390,000	390,000	390,000	1,609,917
Resources & Improvement	378,102	150,000	528,102	150,000	150,000	150,000	978,102
Internal Fees	0	20,000	20,000	20,000	20,000	20,000	80,000
<b>TOTAL CAPITAL PROGRAMME</b>	<b>449,019</b>	<b>610,000</b>	<b>1,059,019</b>	<b>560,000</b>	<b>560,000</b>	<b>560,000</b>	<b>2,739,019</b>
Committed Programme	345,019	490,000	835,019	440,000	440,000	440,000	2,155,019
Approved but not yet Committed	104,000	100,000	204,000	100,000	100,000	100,000	504,000
Internal Fees	0	20,000	20,000	20,000	20,000	20,000	80,000
<b>TOTAL CAPITAL PROGRAMME - excl provisional sum</b>	<b>449,019</b>	<b>610,000</b>	<b>1,059,019</b>	<b>560,000</b>	<b>560,000</b>	<b>560,000</b>	<b>2,739,019</b>

## COMMITTED AND APPROVED PROGRAMME

SCHEME	Prov Brought fwd from 09/10 £	10/11 Estimate £	Prov Tot 10/11 Estimate £	11/12 Estimate £	12/13 Estimate £	13/14 Estimate £	Total Estimate £
<b>COMMUNITY, YOUNG PEOPLE &amp; COMMUNICATIONS</b>							
<i>Committed Programme</i>							
<b>Total Committed Programme</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Approved but not yet committed</i>							
<b>Total Approved Programme</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Approved and Committed Programme</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

SCHEME	Prov Brought fwd from 09/10 £	10/11 Estimate £	Prov Tot 10/11 Estimate £	11/12 Estimate £	12/13 Estimate £	13/14 Estimate £	Total Estimate £
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**PLANNING, SUSTAINABLE DEVELOPMENT & TRANSPORT****Committed Programme**

Land Purchases - Amersham On the Hill	20,000		20,000				20,000
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<b>Total Committed Programme</b>	<b>20,000</b>	<b>0</b>	<b>20,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>20,000</b>
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**Approved but not yet committed**

Town & Village Revitalisation - capital pooled fund	9,000		9,000				9,000
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<b>Total Approved Programme</b>	<b>9,000</b>	<b>0</b>	<b>9,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,000</b>
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<b>Total Approved and Committed Programme</b>	<b>29,000</b>	<b>0</b>	<b>29,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>29,000</b>
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SCHEME	Prov Brought fwd from 09/10 £	10/11 Estimate £	Prov Tot 10/11 Estimate £	11/12 Estimate £	12/13 Estimate £	13/14 Estimate £	Total Estimate £
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**ENVIRONMENTAL MANAGEMENT****Committed Programme**

Environmental Improvements - Feasibility Study	10,000		10,000				10,000
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Environmental Improvements - Blizzards Yard Car Park	15,000		15,000				15,000
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Energy Efficiency Upgrades	17,000		17,000				17,000
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<b>Total Committed Programme</b>	<b>42,000</b>	<b>0</b>	<b>42,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>42,000</b>
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**Approved but not yet committed**

<b>Total Approved Programme</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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<b>Total Approved and Committed Programme</b>	<b>42,000</b>	<b>0</b>	<b>42,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>42,000</b>
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SCHEME	Prov Brought fwd from 09/10 £	10/11 Estimate £	Prov Tot 10/11 Estimate £	11/12 Estimate £	12/13 Estimate £	13/14 Estimate £	Total Estimate £
<b>HEALTH, HOUSING &amp; COMMUNITY SAFETY</b>							
<b>Committed programme</b>							
Chesham CCTV cameras upgrade & installation	28,000		28,000				28,000
CCTV Digital Upgrade	35,000		35,000				35,000
Off Street Car Park Lighting - Implementation	11,500		11,500				11,500
<b>Private Sector Renovation Grants</b>			0				0
Renovation Grants	18,535	50,000	68,535				68,535
Disabled Facility Grants	-128,118	390,000	261,882	390,000	390,000	390,000	1,431,882
<b>Total Committed Programme</b>	<b>-35,083</b>	<b>440,000</b>	<b>404,917</b>	<b>390,000</b>	<b>390,000</b>	<b>390,000</b>	<b>1,574,917</b>
<b>Approved but not yet committed</b>							
CEA (SPA) Fees / IT Equipment	35,000		35,000				35,000
<b>Total Approved programme</b>	<b>35,000</b>	<b>0</b>	<b>35,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>35,000</b>
<b>Total Approved and Committed Programme</b>	<b>-83</b>	<b>440,000</b>	<b>439,917</b>	<b>390,000</b>	<b>390,000</b>	<b>390,000</b>	<b>1,609,917</b>

SCHEME	Prov Brought fwd from 09/10 £	10/11 Estimate £	Prov Tot 10/11 Estimate £	11/12 Estimate £	12/13 Estimate £	13/14 Estimate £	Total Estimate £
<b>RESOURCES &amp; IMPROVEMENT</b>							
<b>Committed programme</b>							
Network Upgrade	19,252	50,000	69,252	50,000	50,000	50,000	219,252
Planning E-Government	13,201		13,201				13,201
E-Democracy incl Mbrs & Elec Voting	25,000		25,000				25,000
Mobile Working in Rev's & Ben's	11,775		11,775				11,775
Cash receipting / card security upgrade	11,616		11,616				11,616
Leisure Centres	67,939		67,939				67,939
Structural & Electrical Survey (Leisure)	47,638		47,638				47,638
Health & Housing ICT Improvements	52,684		52,684				52,684
ICT Network Server Virtualisation	11,976		11,976				11,976
Timely information (grant funded)	4,580		4,580				4,580
ICT Helpdesk	8,201		8,201				8,201
Building Control EDMS	6,250		6,250				6,250
Leisure Centres - Chalfont (incl Free Swimming)	31,994		31,994				31,994
DDA Works - Leisure	5,996		5,996				5,996
<b>Total Committed Programme</b>	<b>318,102</b>	<b>50,000</b>	<b>368,102</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>518,102</b>
<b>Approved but not yet committed</b>							
Leisure Centres		100,000	100,000	100,000	100,000	100,000	400,000
DDA Works - Leisure	60,000		60,000				60,000
<b>Total Approved programme</b>	<b>60,000</b>	<b>100,000</b>	<b>160,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>460,000</b>
<b>Total Approved and Committed Programme</b>	<b>378,102</b>	<b>150,000</b>	<b>528,102</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>978,102</b>



## REPAIRS AND RENEWALS FUND OUTTURN 2009/10

Job Number	Repairs and Renewals Fund Scheme Description	Original Estimate 2009/10 £	Revised Estimate 2009/10 £	Actual 2009/10 £	Saving(-) Overspend(+) 2009/10 £	Carry Forward 2010/11 £	Original Estimate 2010/11 £	Comment
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## COMMUNITY, YOUNG PEOPLE &amp; COMMUNICATIONS

<b>TOTAL COMMUNITY, YOUNG PEOPLE &amp; COMMUNICATIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
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## PLANNING, SUSTAINABLE DEVELOPMENT &amp; TRANSPORT

**Car Parks**

RR975	Repair wall Catlings car park	10,000	0			0	10,000	Loss of Engineer stopped progress; will do 10/11
RR976	AMSCP capacity counter physical works	14,000	14,000	95		13,905		Planning approved; complete in 10/11
RR983	Car park resurfacing	2,638	638		-638			£2k virement to RR994 (Basement car park lighting)
RR984	AMSCP capacity counter UTMS Link to Highways	16,000	16,000			16,000		Planning approved; complete in 10/11
RR985	Install water supply to AMSCP for H&S	5,950	5,950	3,675	-2,275			Complete (underspend)
RR987	Link Road upgrade (Lighting, fences and footpath)	3,884	1,884			1,884		Held up due to bad weather - complete Spring '10
RR992	Dovecote bollard replacement/overhaul	18,000	14,216	560		13,656		Complete & invoiced 10/11
RR993	Replacement lighting equipment Star Yard	17,000	17,000			17,000		Complete in 10/11
RR994	Replacement basement car park lighting		2,000			2,000		£2k virement from RR983 + £4k BSP grant
RR988	Upgrade P&D machines - prior year adj			-1,002	-1,002			Difference re estimated creditor 08/09 & actual
RR989	Blizzards Yard entrance works - prior year adj			-2,000	-2,000			Difference re estimated creditor 08/09 & actual
RRxxx	Repair pedestrian barriers AMSCP for H&S	14,000	11,000			11,000		Loss of Engineer stopped progress; will do 10/11
RRxxx	AMSCP top deck options report						5,000	Commission of structural engineer

<b>Total Car Parks</b>	<b>101,472</b>	<b>82,688</b>	<b>1,328</b>	<b>-5,915</b>	<b>75,445</b>	<b>15,000</b>		
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<b>TOTAL PLANNING, SUSTAINABLE DEVL. &amp; TRANSPORT</b>	<b>101,472</b>	<b>82,688</b>	<b>1,328</b>	<b>-5,915</b>	<b>75,445</b>	<b>15,000</b>		
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## ENVIRONMENTAL MANAGEMENT

**Recycling**

RR950	Replacement boxes & lids	16,000	10,000	16,222	6,222		10,000	Contra overspend with RR991 (Pub Conv repairs)
RR990	Upgrading/additional recycling sites	15,982	16,000	16,252	252		16,000	Small overspend in 09/10
RRxxx	Relocate cans & plastic baler						4,180	
RRxxx	Star Yard CP recycling centre improvements						1,000	

<b>Total Recycling</b>	<b>31,982</b>	<b>26,000</b>	<b>32,474</b>	<b>6,474</b>	<b>0</b>	<b>31,180</b>		
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**Cleansing Services**

RR904	Replacement litter bins	9,000	9,000	8,879	-121		9,000	Small underspend in 09/10
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<b>Total Cleansing Services</b>	<b>9,000</b>	<b>9,000</b>	<b>8,879</b>	<b>-121</b>	<b>0</b>	<b>9,000</b>		
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**Public Conveniences**

RR991	Repair buildings & equipment	8,000	8,000	2,820	-5,180		8,000	Contra u/spend with RR950 (Recycling boxes & lids)
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<b>Total Public Conveniences</b>	<b>8,000</b>	<b>8,000</b>	<b>2,820</b>	<b>-5,180</b>	<b>0</b>	<b>8,000</b>		
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<b>TOTAL ENVIRONMENTAL MANAGEMENT</b>	<b>48,982</b>	<b>43,000</b>	<b>44,173</b>	<b>1,173</b>	<b>0</b>	<b>48,180</b>		
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## HEALTH, HOUSING &amp; COMMUNITY SAFETY

REPAIRS AND RENEWALS FUND OUTTURN 2009/10

Job Number	Repairs and Renewals Fund Scheme Description	Original Estimate 2009/10 £	Revised Estimate 2009/10 £	Actual 2009/10 £	Saving(-) Overspend(+) 2009/10 £	Carry Forward 2010/11 £	Original Estimate 2010/11 £	Comment
<b>TOTAL HEALTH, HOUSING &amp; COMMUNITY SAFETY</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

REPAIRS AND RENEWALS FUND OUTTURN 2009/10

Job Number	Repairs and Renewals Fund Scheme Description	Original Estimate 2009/10 £	Revised Estimate 2009/10 £	Actual 2009/10 £	Saving(-) Overspend(+) 2009/10 £	Carry Forward 2010/11 £	Original Estimate 2010/11 £	Comment
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RESOURCES & IMPROVEMENT

Information Technology

RR800	Replacement equipment / alterations	25,000	30,000	30,016	16		30,000	
RR877	Uniform - Estates Management		7,500	1,860		5,640		Expenditure early 10/11 (SS)
RRxxx	Upgrade telephone switching system						15,000	

<b>Total Information Technology</b>		<b>25,000</b>	<b>37,500</b>	<b>31,876</b>	<b>16</b>	<b>5,640</b>	<b>45,000</b>	
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Council Offices

RR861	Replacement lighting in Council Chamber	5,500	5,500			5,500		Awaiting quote; to be spent early 10/11
RR869	Internal office redecoration	10,000	8,550	240		8,310		Required for ad hoc tasks
RR870	Carpet tile & ceilings SCR	22,760	25,000	24,952	-48			
RR875	Water softener	3,500	4,950	4,943	-7			
RR876	Further chamber lighting		4,500	4,017	-483			
RR872	Replace brick step edges	3,000	3,000	1,261	-1,739			Take balance as saving in 09/10 (SR)
RR874	Boiler room pumps	8,500	5,000	5,030	30		6,500	
RR878	New interview room		5,000	4,038	-962			£5k virement from Blind repair & maintenance
RRxxx	Air conditioning unit Small Committee Room	10,000	10,000		-10,000			No expd imminent; take as saving in 09/10 (SR)
RRxxx	Blind repair & maintenance	10,000	5,000			5,000		£5k virement to RR878 (New interview room)
RRxxx	Replacement of paving	7,500	7,500			7,500		Request c/f to 10/11

<b>Total Council Offices</b>		<b>80,760</b>	<b>84,000</b>	<b>44,481</b>	<b>-13,209</b>	<b>26,310</b>	<b>6,500</b>	
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London Road Depot

RR928	Access road improvements						4,500	
RRxxx	Instal electricity sub meters re recharges						18,000	
RRxxx	Instal gas sub meters re recharges						12,000	
RRxxx	Electricity testing - H&S						3,000	

<b>Total Depot</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>37,500</b>	
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<b>RESOURCES &amp; IMPROVEMENT</b>		<b>105,760</b>	<b>121,500</b>	<b>76,357</b>	<b>-13,193</b>	<b>31,950</b>	<b>89,000</b>	
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<b>TOTAL R&amp;R FUND PROGRAMME</b>		<b>256,214</b>	<b>247,188</b>	<b>121,858</b>	<b>-17,935</b>	<b>107,395</b>	<b>152,180</b>	
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LEISURE CENTRES

RR157	Leisure Centres Fund	38,275	2,000	7,980		-5,980	60,275	Pending results of structural survey - c/f
RR158	Disability Discrimination Act works	51,800	20,000	5,242		14,758	31,800	Pending results of structural survey - c/f
RR159	Prestwood Leisure Centre	27,000	0				27,000	

<b>TOTAL R&amp;R LEISURE CENTRES</b>		<b>117,075</b>	<b>22,000</b>	<b>13,222</b>	<b>0</b>	<b>8,778</b>	<b>119,075</b>	
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<b>TOTAL REPAIRS &amp; RENEWALS PROGRAMME</b>		<b>373,289</b>	<b>269,188</b>	<b>135,080</b>	<b>-17,935</b>	<b>116,173</b>	<b>271,255</b>	
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## GENERAL FUND SUMMARY 2009/10 OUT-TURN

	2009/10 Original Estimate £	2009/10 Revised Estimate £	2009/10 Actual £	2009/10 Variance
<b>Service Expenditure</b>				
Cultural, Environmental & Planning	8,226,810	8,168,700	8,203,209	34,509
Highways, Roads & Transport	(248,670)	(291,410)	(247,834)	43,576
Housing	1,167,590	1,226,170	1,061,553	(164,617)
Central Services	1,050,900	1,006,920	841,618	(165,302)
Corporate & Democratic Core	1,583,270	1,355,090	1,297,044	(58,046)
Non Distributed Costs	52,340	56,410	66,227	9,817
<b>Net Cost of Services</b>	<b>11,832,240</b>	<b>11,521,880</b>	<b>11,221,817</b>	<b>(300,063)</b>
Surpluses/Deficits on trading undertakings	92,570	108,350	116,215	7,865
Transformation Contingency	-	89,860	89,860	-
Reversal of Capital Charges included in net cost of services	(923,590)	(814,110)	(954,578)	(140,468)
Interest and Investment Income	(150,250)	(150,250)	(150,250)	-
<b>Net Operating Expenditure</b>	<b>10,850,970</b>	<b>10,755,730</b>	<b>10,323,065</b>	<b>(432,665)</b>
Added to / (taken from) Balances	-	95,240	527,905	432,665
<b>Council Funding Requirement</b>	<b>10,850,970</b>	<b>10,850,970</b>	<b>10,850,970</b>	<b>0</b>

**CULTURAL, ENVIRONMENTAL &  
PLANNING**
Objective Analysis

2009/10 Original Estimate £	2009/10 Revised Estimate £	2009/10 Actual £	2009/10 Variance £
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**Culture & Heritage**

Community Projects

174,090	185,420	195,946	10,526
<b>174,090</b>	<b>185,420</b>	<b>195,946</b>	<b>10,526</b>

**Total Culture & Heritage**
**Recreation & Sport**

Community Centres

6,440	5,430	1,945	-3,485
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Indoor Sports &amp; Recreation Facilities

801,030	779,210	851,231	72,021
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**Total Recreation & Sport**

<b>807,470</b>	<b>784,640</b>	<b>853,176</b>	<b>68,536</b>
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**Open Spaces**

Community Parks &amp; Open Spaces

241,550	255,630	219,930	-35,701
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**Total Open Spaces**

<b>241,550</b>	<b>255,630</b>	<b>219,930</b>	<b>-35,701</b>
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**Tourism**

Marketing Strategy

22,560	11,120	16,091	4,971
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**Total Tourism**

<b>22,560</b>	<b>11,120</b>	<b>16,091</b>	<b>4,971</b>
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**Cemetery & Crematoria**

Great Missenden Cemetery

11,440	13,690	11,374	-2,316
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**Total Cemetery and Crematoria**

<b>11,440</b>	<b>13,690</b>	<b>11,374</b>	<b>-2,316</b>
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**Environmental Health**

Food Safety

110,690	161,670	132,975	-28,695
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Pollution Reduction

191,970	226,010	233,154	7,144
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Health &amp; Safety at Work

144,260	99,680	110,785	11,105
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Pest Control

26,530	27,420	23,746	-3,674
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Public Health

251,140	280,660	278,797	-1,863
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Licensing

54,900	71,490	88,212	16,722
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Public Conveniences

123,840	122,680	124,901	2,221
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**Total Environmental Health**

<b>903,330</b>	<b>989,610</b>	<b>992,571</b>	<b>2,961</b>
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**Community Safety**

Safer Communities

252,040	211,550	227,071	15,521
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**Total Community Safety**

<b>252,040</b>	<b>211,550</b>	<b>227,071</b>	<b>15,521</b>
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**Land Drainage**

Land Drainage	680	1,790	2,127	337
<b>Total Land Drainage</b>	<b>680</b>	<b>1,790</b>	<b>2,127</b>	<b>337</b>

**Street Cleansing**

Street Cleansing	796,090	748,320	752,992	4,672
<b>Total Street Cleansing</b>	<b>796,090</b>	<b>748,320</b>	<b>752,992</b>	<b>4,672</b>

**Waste Collection**

Household Waste Collection	1,865,580	1,781,510	1,794,102	12,592
Recycling	949,270	986,790	1,013,101	26,311
<b>Total Waste Collection</b>	<b>2,814,850</b>	<b>2,768,300</b>	<b>2,807,202</b>	<b>38,902</b>

**Building Control**

Building Control	337,480	367,170	320,005	-47,165
<b>Total Building Control</b>	<b>337,480</b>	<b>367,170</b>	<b>320,005</b>	<b>-47,165</b>

**Development Control**

Applications	727,070	692,250	721,152	28,902
Enforcement	528,770	543,700	491,466	-52,234
<b>Total Development Control</b>	<b>1,255,840</b>	<b>1,235,950</b>	<b>1,212,619</b>	<b>-23,331</b>

**Planning Policy**

Local Development Framework	428,300	455,790	459,840	4,050
Conservation	50,600	50,730	43,030	-7,700
<b>Total Planning Policy</b>	<b>478,900</b>	<b>506,520</b>	<b>502,870</b>	<b>-3,650</b>

**Economic Development**

Town & Village Revitalisation	70,060	88,990	89,236	246
Joint Local Authority Working	60,430	0	0	0
<b>Total Economic Development</b>	<b>130,490</b>	<b>88,990</b>	<b>89,236</b>	<b>246</b>

**Total Cultural, Environmental & Planning**

	<b>8,226,810</b>	<b>8,168,700</b>	<b>8,203,209</b>	<b>34,509</b>
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**HIGHWAYS ROADS &  
TRANSPORT**
Objective Analysis

2009/10 Original Estimate £	2009/10 Revised Estimate £	2009/10 Actual £	2009/10 Variance £
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**Traffic Management**

Traffic Management  
**Total Traffic Management**

65,940	63,330	65,131	1,801
<b>65,940</b>	<b>63,330</b>	<b>65,131</b>	<b>1,801</b>

**Parking Services**

Parking Services  
**Total Parking Services**

-662,400	-675,030	-603,998	71,032
<b>-662,400</b>	<b>-675,030</b>	<b>-603,998</b>	<b>71,032</b>

**Public Transport**

Concessionary Fares  
**Total Public Transport**

347,790	320,290	291,033	-29,257
<b>347,790</b>	<b>320,290</b>	<b>291,033</b>	<b>-29,257</b>

**Total Highways, Roads & Transport**

<b>-248,670</b>	<b>-291,410</b>	<b>-247,834</b>	<b>43,576</b>
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**HOUSING SERVICES**
Objective Analysis

2009/10 Original Estimate £	2009/10 Revised Estimate £	2009/10 Actual £	2009/10 Variance £
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**Housing Strategy**

Housing Enabling Role  
**Total Housing Strategy**

137,200	109,070	166,491	57,421
<b>137,200</b>	<b>109,070</b>	<b>166,491</b>	<b>57,421</b>

**Housing Advances**

Housing Advances  
**Total Housing Advances**

1,700	2,390	2,100	-290
<b>1,700</b>	<b>2,390</b>	<b>2,100</b>	<b>-290</b>

**Private Sector Housing Renewal**

Renovation Grants  
**Total Private Sector Housing**

168,990	171,930	157,929	-14,001
<b>168,990</b>	<b>171,930</b>	<b>157,929</b>	<b>-14,001</b>

**Homelessness**

Homelessness  
**Total Homelessness**

290,020	293,070	269,458	-23,612
<b>290,020</b>	<b>293,070</b>	<b>269,458</b>	<b>-23,612</b>

**Housing Benefit & Administration**

Housing Benefits  
**Total Housing Benefit & Administration**

569,680	649,710	465,575	-184,135
<b>569,680</b>	<b>649,710</b>	<b>465,575</b>	<b>-184,135</b>

**Total Housing Services**

<b>1,167,590</b>	<b>1,226,170</b>	<b>1,061,553</b>	<b>-164,617</b>
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## CENTRAL SERVICES

Objective Analysis

	2009/10 Original Estimate £	2009/10 Revised Estimate £	2009/10 Actual £	2009/10 Variance £
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**Local Tax Collection**

Council Tax Cost of Collection	349,020	338,500	346,837	8,337
Council Tax Benefits & Administration	44,070	45,060	-101,968	-147,028
NNDR Collection Costs	47,060	55,720	44,450	-11,270
<b>Total Council Tax Collection</b>	<b>440,150</b>	<b>439,280</b>	<b>289,319</b>	<b>-149,961</b>

**Elections**

Registration of Electors	106,190	101,900	110,629	8,729
Conducting Elections	123,000	112,600	109,533	-3,067
<b>Total Elections</b>	<b>229,190</b>	<b>214,500</b>	<b>220,162</b>	<b>5,662</b>

**Emergency Planning**

Emergency Planning	51,020	53,730	46,049	-7,681
<b>Total Emergency Planning</b>	<b>51,020</b>	<b>53,730</b>	<b>46,049</b>	<b>-7,681</b>

**Local Land Charges**

Local Land Charges	19,850	5,140	-20,817	-25,957
<b>Total Local Land Charges</b>	<b>19,850</b>	<b>5,140</b>	<b>-20,817</b>	<b>-25,957</b>

**Grants**

Grants	310,690	294,270	306,904	12,634
<b>Total Grants</b>	<b>310,690</b>	<b>294,270</b>	<b>306,904</b>	<b>12,634</b>

**Total Central Services**

	<b>1,050,900</b>	<b>1,006,920</b>	<b>841,618</b>	<b>-165,302</b>
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CORPORATE & DEMOCRATIC  
COREObjective Analysis

	2009/10 Original Estimate £	2009/10 Revised Estimate £	2009/10 Actual £	2009/10 Variance £
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**Corporate Management**

Corporate Management	752,710	551,850	551,455	-395
Treasury Management	34,940	31,880	34,777	2,897
<b>Total Corporate Management</b>	<b>787,650</b>	<b>583,730</b>	<b>586,232</b>	<b>2,502</b>

**Democratic Representation**

Member Support	795,620	771,360	710,812	-60,548
<b>Total Democratic Representation</b>	<b>795,620</b>	<b>771,360</b>	<b>710,812</b>	<b>-60,548</b>

**Total Corporate & Democratic Core**

	<b>1,583,270</b>	<b>1,355,090</b>	<b>1,297,044</b>	<b>-58,046</b>
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## NON DISTRIBUTED COSTS

Objective Analysis

	2009/10 Original Estimate £	2009/10 Revised Estimate £	2009/10 Actual £	2009/10 Variance £
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Central Finance Items

	52,340	56,410	66,227	9,817
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**Total Unapportionable Central Overheads**

	<b>52,340</b>	<b>56,410</b>	<b>66,227</b>	<b>9,817</b>
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**Total Unapportionable Central Overheads**

	<b>52,340</b>	<b>56,410</b>	<b>66,227</b>	<b>9,817</b>

## TRADING ACCOUNTS

Objective Analysis

	2009/10 Original Estimate £	2009/10 Revised Estimate £	2009/10 Actual £	2009/10 Variance £
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**Trading Accounts**

Open Markets

	7,170	6,020	5,497	-523
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London Road Depot

	22,590	43,480	35,786	-7,694
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Miscellaneous Properties

	62,810	58,850	74,933	16,083
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**Total Trading Accounts**

	<b>92,570</b>	<b>108,350</b>	<b>116,215</b>	<b>7,865</b>
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