

MOVEMENT IN RESERVES STATEMENT

This statement shows the movement in the year on the different reserves held by the Council, analysed into 'usable' reserves i.e. those that can be applied to fund expenditure or reduce local taxation, and other 'unusable' reserves. The Surplus / Deficit on the Provision of Services line shows the true economic cost of providing the Council's services, more details of which are shown in the Comprehensive Income and Expenditure Statement. These are different from the statutory amounts required to be charged to the General Fund Balance and the Housing Revenue Account for Council Tax setting and dwellings rent setting purposes.

The Net Increase / Decrease before Transfers to Earmarked Reserves line shows the statutory General Fund Balance and Housing Revenue Account Balance before any discretionary transfers to or from earmarked reserves undertaken by the Council.

<u>Usable Reserves 2012/13</u>	General Fund £'000	General Fund Earmarked £'000	HRA £'000	HRA Earmarked £'000	HRA Major Repairs £'000	Capital Receipts £'000	Capital Grants Unapplied £'000	Schools £'000	<u>Usable Reserve Total £'000</u>
Balance at 31 March 2012	(10,919)	(18,526)	(3,905)	0	(200)	0	(1,480)	(10,240)	(45,270)
Movement in Reserves during 2012/13:									
(Surplus)/deficit on provision of services	69,309	0	(2,170)	0	0	0	0	0	67,139
Total Comprehensive I&E	69,309	0	(2,170)	0	0	0	0	0	67,139
Adjustments between accounting basis and funding basis under regulations (note 7)	(78,299)		(5,862)		(3,237)	(657)		0	(88,055)
Net (increase)/decrease before transfers to Earmarked Reserves	(8,990)	0	(8,032)	0	(3,237)	(657)	0	0	(20,916)
Transfers (to)/from Earmarked Reserves (note 8)	5,710	(2,908)	9,937	(9,937)	0	0	0	(2,802)	0
(Increase)/Decrease in year	(3,280)	(2,908)	1,905	(9,937)	(3,237)	(657)	0	(2,802)	(20,916)
Balance at 31st March 2013	(14,199)	(21,434)	(2,000)	(9,937)	(3,437)	(657)	(1,480)	(13,042)	(66,186)

<u>Unusable Reserves 2012/13</u>	Revaluation Reserve £'000	Available For Sale £'000	Pensions £'000	Capital Adjustment Account £'000	Deferred Capital Receipts £'000	Financial Instrument £'000	Collection Fund Adjustment Account £'000	Short term Accumulated Absence £'000	<u>Unusable Reserve Total £'000</u>	<u>Total Reserves £'000</u>
Balance at 31 March 2012	(44,952)	312	249,620	(561,001)	(72)	1,949	1,581	8,309	(344,254)	(389,524)
Other Comprehensive I&E	(11,508)	(36)	48,436	0	0	0	0	0	36,892	104,031
Adjustments between accounting basis and funding basis under regulations (note 7)	9,966	0	5,773	77,709	72	(116)	(476)	(4,874)	88,055	0
(Increase)/Decrease in year	(1,542)	(36)	54,209	77,709	72	(116)	(476)	(4,874)	124,947	104,031
Balance at 31st March 2013	(46,494)	276	303,829	(483,292)	0	1,833	1,105	3,435	(219,308)	(285,494)

<u>Usable Reserves 2011/12</u>	General Fund £'000	General Fund Earmarked £'000	HRA £'000	HRA Earmarked £'000	HRA Major Repairs £'000	Capital Receipts £'000	Capital Grants Unapplied £'000	Schools £'000	<u>Usable Reserves Total £'000</u>
Balance at 31 March 2011	(6,990)	(12,091)	(3,742)	(46)	(200)	(2,568)	(1,480)	(11,332)	(38,448)
Movement in Reserves during 2011/12:									
(Surplus)/deficit on provision of services	123,587	0	152,974	0	0	0	0	0	276,561
Other Comprehensive I&E	(466)	0	0	0	0	0	0	0	(466)
Total Comprehensive I&E	123,121	0	152,974	0	0	0	0	0	276,095
Adjustments between accounting basis and funding basis under regulations (note 7)	(133,485)	0	(153,090)	0	0	2,568	0	1,092	(282,915)
Net (increase)/decrease before transfers to Earmarked Reserves	(10,364)	0	(116)	0	0	2,568	0	1,092	(6,820)
Transfers (to)/from Earmarked Reserves (note 8)	6,435	(6,435)	(46)	46	0	0	0	0	0
(Increase)/Decrease in year	(3,929)	(6,435)	(162)	46	0	2,568	0	1,092	(6,820)
Balance at 31st March 2012	(10,919)	(18,526)	(3,905)	0	(200)	0	(1,480)	(10,240)	(45,270)

<u>Unusable Reserves 2011/12</u>	Revaluation Reserve £'000	Available For Sale £'000	Pensions £'000	Capital Adjustment Account £'000	Deferred Capital Receipts £'000	Financial Instrument £'000	Collection Fund Adjustment Account £'000	Short term Accumulated Absence £'000	<u>Unusable Reserves Total £'000</u>	<u>Total Reserves £'000</u>
Balance at 31st March 2011	(50,019)	398	197,283	(828,163)	(72)	2,065	1,292	5,687	(671,530)	(709,978)
Movement in Reserves during 2011/12:										
(Surplus)/deficit on provision of services	0	0	0	0	0	0	0	0	0	276,561
Other Comprehensive I&E	(9,283)	(243)	53,887	0	0	0	0	0	44,363	43,895
Total Comprehensive I&E	(9,283)	(243)	53,887	0	0	0	0	0	44,363	320,456
Adjustments between accounting basis and funding basis under regulations (note 7)	14,350	157	(1,550)	267,162	0	(116)	288	2,622	282,915	0
Net (increase)/decrease before transfers to Earmarked Reserves	5,067	(86)	52,337	267,162	0	(116)	288	2,622	327,276	320,456
Transfers (to)/from Earmarked Reserves (note 8)	0	0	0	0	0	0	0	0	0	0
(Increase)/Decrease in year	5,067	(86)	52,337	267,162	0	(116)	288	2,622	327,276	320,456
Balance at 31st March 2012	(44,952)	312	249,620	(561,001)	(72)	1,949	1,581	8,309	(344,254)	(389,524)

BALANCE SHEET

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Council. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Council. Reserves are reported in two categories.

The first category of reserves are usable reserves, i.e. those reserves that the Council may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt).

The second category of reserves is unusable reserves, i.e. those reserves that the Council may not use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold: and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

<u>31</u> <u>March</u> <u>2012</u> <u>£'000</u>	<u>Note</u>	<u>31</u> <u>March</u> <u>2013</u> <u>£'000</u>	<u>31</u> <u>March</u> <u>2013</u> <u>£'000</u>
Long Term Assets			
886,649	Property, Plant & Equipment	12	834,332
79,264	Investment Properties	13	78,809
6,650	Intangible Assets	14	8,380
4,688	Long Term Investments	15	4,724
1,143	Long Term Debtors	15	1,117
978,394			927,362
Current Assets			
12,796	Short Term Investments- principal	15	20,118
2,961	Assets Held for Sale	19	2,700
55,620	Short Term Debtors	17	48,093
45,679	Cash and Cash Equivalents	18	23,307
117,056			94,218
Current Liabilities			
(5,038)	Short Term Borrowing	15	(8,792)
(52,441)	Short Term Creditors	20	(37,183)
(3,713)	Provisions	21	(4,180)
(8,309)	Provisions - accumulated absences	23	(3,435)
(69,501)			(53,590)
Long Term Liabilities			
(355)	Long Term Creditors	15	(132)
(18,005)	Private Finance Initiative (PFI)	38	(17,409)
(313,678)	Long Term Borrowing ²	15	(306,225)
(249,620)	Liability to Defined Benefit Pension Scheme	42	(303,829)
(54,766)	Capital Grants (receipts in advance)	34	(54,901)
(636,424)			(682,496)
389,524	Net Assets		285,494
Total Reserves			
(45,270)	Usable Reserves	22	(66,186)
(344,254)	Unusable Reserves	23	(219,308)
(389,524)			(285,494)

³ £164,995k additional long term borrowing taken on to facilitate the HRA's self financing during 2011/12.

CASH FLOW STATEMENT

The Cash Flow Statement shows the changes in cash and cash equivalents of the Council during the reporting period. The statement shows how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Council are funded by way of taxation and grant income or from the recipients of services provided by the Council. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Council's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Council.

<u>2011/12</u> <u>£'000</u>	<u>Note</u>	<u>2012/13</u> <u>£'000</u>
(276,561) Net surplus/(deficit) on the provision of services	24	(67,139)
185,345 Adjustment net surplus/(deficit) on the provision of services for non-cash movements	24	133,498
(38,334) Adjustment for items included in the net surplus/(deficit) on the provision of services that are investing and financing activities	24	(33,819)
(129,550) Net cash flows from operating activities- inflow/(outflow)	24	32,540
11,200 Investing activities	25	(49,874)
158,972 Financing activities	26	(5,038)
40,622 Net increase/(decrease) in cash and cash equivalents		(22,372)
5,057 Cash and cash equivalents at 1st April		45,679
45,679 Cash and cash equivalents at 31st March	18	23,307

31. Officers' Remuneration

Senior Officers are defined by the Authority as any officer at Director level or above, plus the Section 151 and Monitoring Officer. During 2012/13, this classification included the:

- Chief Executive
- Four Directors
- The Section 151 Officer
- Monitoring Officer

The remuneration paid to the Authority's permanent senior employees is as follows:

	Salary, Fees & Allowances	Expenses & Other Payments	Total Remuneration Excluding Pension contributions	Pension Contributions	Total
Richard Carr – Chief Executive 2012/13 2011/12	181,331 184,213	1,062 897	182,393 185,110	39,705 40,110	222,098 225,220
Edwina Grant – Deputy Chief Executive 2012/13 2011/12	153,904 155,987	598 1,964	154,502 157,951	33,641 33,984	188,143 191,935
Gary Alderson – Director of Sustainable Communities 2012/13 2011/12	130,340 100,150	440 199	130,780 100,349	28,544 21,789	159,324 122,138
Julie Ogley – Director social Care, Health & Housing 2012/13 2011/12	140,561 142,615	613 474	141,174 143,089	30,783 31,097	171,957 174,186
Charles Warboys – S151 Officer 2012/13 2011/12	89,082 67,092	1,170 676	90,252 67,768	19,509 14,634	109,761 82,402
John Atkinson – Monitoring Officer 2012/13 2011/12	70,903 72,057	572 838	71,475 72,895	15,528 15,675	87,003 88,570
Alan Fleming – Service Director Business Services 2012/13 (Jun-Oct 2011) 2011/12	101,457 103,619	1,814 1,326	103,271 104,945	22,788 22,549	126,059 127,494
Richard Ellis – Director of Customer & Shared Services 2012/13 (Apr-July 2011) 2011/12	0 40,777	0 88,137	0 128,914	0 8,848	0 137,762
Total 2012/13 2011/12	867,578 866,510	6,269 94,511	873,848 961,021	190,498 188,686	1,064,345 1,149,707

Remuneration will be less than in 2011/12 due to a full year's effect of the 2% salary reduction introduced in October 2011.

Alan Fleming was Acting Director of Sustainable Communities from June – October 2011.

Charles Warboys commenced employment with Central Bedfordshire Council mid-June 2011.

Deb Clarke has been the Interim Assistant Chief Executive of People & Organisation since 1st August 2011, prior to which she held another role in the Authority. As at 31st March 2013 Deb Clarke was not an employee of the Authority, but provided services under an interim management contract. The cost to the Authority for this post in 2011/12 was £119K (60k for prior post from April to July 2011) and for 2012/13 the cost was £170k. This comprised fees for Deb Clarke and a margin for the interim management company.

There were no other payments in either year to Senior Officers in relation to bonuses.

The Council's other employees (excluding those individuals listed above within senior employees) receiving more than £50k remuneration for the year (excluding employer's pension contributions) were paid in the following bands:

	<u>2011/12</u>	<u>2012/13</u>	<u>2011/12</u>	<u>2012/13</u>
	<u>Number of permanent employees</u>	<u>Number of permanent employees</u>	<u>Number of temporary employees and interim managers</u>	<u>Number of temporary employees and interim managers</u>
£50,000-£54,999	78	51	11	9
£55,000-£59,999	41	31	5	17
£60,000-£64,999	35	40	9	18
£65,000-£69,999	19	8	3	5
£70,000-£74,999	8	6	3	5
£75,000-£79,999	5	4	3	3
£80,000-£84,999	7	4	1	3
£85,000-£89,999	4	5	0	3
£90,000-£94,999	1	2	1	0
£95,000-£99,999	1	0	2	0
£100,000-£104,999	0	1	0	5
£105,000-£109,999	0	0	0	0
£110,000-£114,999	0	2	0	1
£115,000-£119,999	0	0	0	1
£120,000-£124,999	0	0	0	0
£125,000-£129,999	0	0	0	0
£130,000-£134,999	0	0	0	0
£135,000-£139,999	0	0	1	1
£140,000-£144,999	0	0	1	1
£145,000-£149,999	0	0	1	1
Total	199	154	41	73

This table above includes redundancy costs for employees who have now left the Council's employment.

Exit Packages:

The total cost of £1.3m in the table below includes all exit packages that have been agreed, accrued for and charged to the Authority's Comprehensive Income & Expenditure Statement for the current year. The Authority's Comprehensive Income & Expenditure Statement does not include any provision for exit packages, however there is an earmarked reserve established for this purpose.

The table below includes all benefits on termination, i.e. redundancy, pay in lieu of notice, severance and actuarial strain, etc.

Exit package cost band (inc. special payments)	Total number of compulsory redundancies by cost band		Total cost of exit packages in each band (£'000)	
	2011/12	2012/13	2011/12	2012/13
£0 - £20K	156	54	963	416
£20 - £40K	30	13	813	342
£40 - £60K	13	2	632	94
£60 - £80K	5	2	333	139
£80 - £100K	1	3	88	266
£100 - £150K	1	0	114	0
Total	206	74	2,943	1,257