

APPENDIX B

Extracts for Audit Committee 29/6/15

**Core Financial
Statements
2014/15**

Note 32 Remuneration

UNAUDITED

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. This is 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.

Usable Reserves 2014/15		General Fund Balance	Earmarked General Reserves	Housing Revenue Account	Earmarked HRA Reserves	HRA Major Repairs Reserve	Capital Receipts Reserve	Capital Grants Unapplied Reserve	Schools Reserve	Usable Reserves Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 31 March 2014		(15,101)	(27,764)	(2,000)	(18,511)	(200)	(2,346)	(25,344)	(11,826)	(103,089)
Movement in Reserves during 2014/15:										
	(Surplus) / deficit on Provision of Services	10,097	0	(27,804)	0	0	0	0	0	(17,707)
	Other Comprehensive Income and Expenditure	0	0	0	0	0	0	0	0	0
	Total Comprehensive Income and Expenditure	10,097	0	(27,804)	0	0	0	0	0	(17,707)
	Adjustments between accounting basis and funding basis under regulations (Note 7)	(13,536)	0	27,958	0	0	(1,105)	10,284	0	23,601
	Net (increase) / decrease before transfers to Earmarked Reserves	(3,439)	0	154	0	0	(1,105)	10,284	0	5,894
	Transfers (to) / from Earmarked Reserves (Note 8)	3,237	(3,374)	(154)	154	0	0	0	137	0
	(Increase) / decrease in year	(202)	(3,374)	0	154	0	(1,105)	10,284	137	5,894
	Balance at 31 March 2015	(15,303)	(31,138)	(2,000)	(18,357)	(200)	(3,451)	(15,060)	(11,689)	(97,198)
Unusable Reserves 2014/15		Revaluation Reserve	Available For Sale	Pensions	Capital Adjustment Account	Financial Instrument	Collection Fund Adjustment Account	Short term Accumulated Absence	Unusable Reserves Total	Total Council Reserves
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 31 March 2014		(59,300)	148	307,141	(493,035)	1,717	2,653	2,942	(237,734)	(340,823)
Other Comprehensive I & E		(37,880)	(152)	60,761	0	0	0	0	22,729	5,022
Adjustments between accounting basis and funding basis under regulations (Note 7)		5,151	0	11,738	(37,389)	(116)	(2,515)	(470)	(23,601)	0
(Increase)/Decrease in year		(32,729)	(152)	72,499	(37,389)	(116)	(2,515)	(470)	(872)	5,022
Balance at 31st March 2015		(92,029)	(4)	379,640	(530,424)	1,601	138	2,472	(238,606)	(335,804)

Usable Reserves 2013/14													
	General Fund Balance	Earmarked General Fund Reserves	Housing Revenue Account	Earmarked HRA Reserves	HRA Major Repairs Reserve	Capital Receipts Reserve	Capital Grants Unapplied Reserve	Schools Reserve	Usable Reserves Total				
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000				
Balance at 31 March 2013	(14,199)	(21,434)	(2,000)	(9,937)	(3,437)	(657)	(1,480)	(13,042)	(66,186)				
Movement in Reserves during 2013/14:													
(Surplus) / deficit on Provision of Services	(11,404)	0	(22,682)	0	0	0	0	0	(34,087)				
Other Comprehensive Income & Expenditure	0	0	0	0	0	0	0	0	0				
Total Comprehensive Income and Expenditure	(11,404)	0	(22,682)	0	0	0	0	0	(34,087)				
Adjustments between accounting basis and funding basis under regulations (Note 7)	5,391	0	14,108	0	3,237	(1,689)	(23,864)	0	(2,817)				
Net (increase) / decrease before transfers to Earmarked Reserves	(6,013)	0	(8,574)	0	3,237	(1,689)	(23,864)	0	(36,903)				
Transfers (to) / from Earmarked Reserves (Note 8)	5,111	(6,330)	8,574	(8,574)	0	0	0	1,216	0				
(Increase) / decrease in year	(902)	(6,330)	0	(8,574)	3,237	(1,689)	(23,864)	1,216	(36,903)				
Balance at 31 March 2014	(15,101)	(27,764)	(2,000)	(18,511)	(200)	(2,346)	(25,344)	(11,826)	(103,089)				
Unusable Reserves 2013/14													
	Revaluation Reserve	Available For Sale	Pensions	Capital Adjustment Account	Deferred Capital Receipts	Financial Instrument	Collection Fund Adjustment Account	Short term Accumulated Absence	Unusable Reserves Total	Total Council Reserves			
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000			
Balance at 31 March 2013	(46,494)	276	303,829	(483,292)	0	1,833	1,105	3,435	(219,308)	(285,494)			
Other Comprehensive I&E	(13,605)	(128)	(7,510)	0	0	0	0	0	(21,244)	(55,329)			
Adjustments between accounting basis and funding basis under regulations (Note 7)	799	0	10,822	(9,743)	0	(116)	1,548	(493)	2,817	0			
(Increase)/Decrease in year	(12,806)	(128)	3,312	(9,743)	0	(116)	1,548	(493)	(18,427)	(55,329)			
Balance at 31st March 2014	(59,300)	148	307,141	(493,035)	0	1,717	2,653	2,942	(237,734)	(340,823)			

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

This Statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Authorities raise taxation to cover expenditure in accordance with regulations: this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

2013/14				2014/15		
Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000		Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000
8,596	(4,294)	4,302	Central services to the public	4,317	(2,681)	1,637
13,426	(13,649)	(222)	Public Health	14,606	(14,508)	98
8,848	(579)	8,269	Cultural and related services	12,753	(1,269)	11,485
24,875	(2,382)	22,492	Environmental and regulatory services	25,749	(3,067)	22,683
17,655	(3,676)	13,979	Planning services	20,314	(5,015)	15,299
199,627	(140,311)	59,316	Children's and education services	211,560	(142,497)	69,062
26,074	(3,291)	22,783	Highways and transport services	28,989	(4,723)	24,266
1,738	(31,686)	(29,948)	Local authority housing (HRA)	(3,430)	(28,436)	(31,866)
69,006	(65,146)	3,861	Other housing services	70,231	(66,180)	4,051
97,402	(23,689)	73,713	Adult social care	99,764	(25,431)	74,334
4,000	(5,201)	(1,200)	Corporate and democratic core	3,626	(6,078)	(2,452)
1,784	(22)	1,762	Non-distributed costs	2,400	(36)	2,365
473,033	(293,926)	179,107	Cost of Services	490,879	(299,921)	190,962
					Note	
		33,719	Other operating expenditure		9	10,852
		20,242	Financing and investment income and expenditure		10	19,498
		(267,155)	Taxation and non-specific grant income and expenditure		11	(239,017)
		(34,087)	(Surplus) / deficit on Provision of Services			(17,705)
		(14,038)	Revaluation (gains) / losses on non-current assets		24a	(41,765)
		433	Revaluation losses (chargeable to Revaluation Reserve) on non-current assets		24a	3,885
		(128)	(Surplus) / deficit on revaluation of available for sale assets		24b	(152)
		1,279	Return on plan assets – pensions		43	(30,821)
		(8,789)	Actuarial (gains) / losses on pension fund assets and liabilities		43	91,582
		(21,243)	Other comprehensive income and expenditure - (surplus) / deficit			22,729
		(55,330)	Total Comprehensive Income and Expenditure Statement - (Surplus) / Deficit			5,024

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 is not able 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'.

31 March 2014 £'000	Note	31 March 2015	
		£'000	£'000
876,480	Property, plant & equipment (PPE)	12	974,623
81,675	Investment property	14	85,150
6,758	Intangible assets	15	8,821
4,852	Long-term investments	16	5,004
574	Long-term debtors	16	564
970,340	Long-term assets		1,074,162
14,124	Short-term investments	16	568
606	Current assets held for sale	20	173
46,944	Short-term debtors	18	47,697
19,083	Cash and cash equivalents	19	1,799
80,757	Current assets		50,237
(17,552)	Short-term borrowing	16	(31,603)
(44,709)	Short-term creditors	21	(43,054)
(6,346)	Provisions	22	(7,283)
(2,942)	Provisions - accumulated absences	24g	(2,472)
(71,549)	Current liabilities		(84,412)
(16,820)	Private Finance Initiative (PFI)	39	(16,268)
(289,961)	Long-term borrowing	16	(280,632)
(307,141)	Net liability related to defined benefit pension schemes	43	(379,640)
(24,801)	Capital grants (receipts in advance)	35	(27,643)
(638,722)	Long-term liabilities		(704,183)
340,823	Net assets		335,804
(103,089)	Usable reserves	23	(97,198)
(237,734)	Unusable reserves	24	(238,606)
(340,823)	Total reserves		(335,804)

CASH FLOW STATEMENT

The Cash Flow Statement shows the changes in cash and cash equivalents of the Council during the financial year. 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.

2013/14 £'000		Note	2014/15 £'000
34,087	Net surplus / (deficit) on the Provision of Services	25	17,705
45,306	Adjustments to net surplus / (deficit) on the provision of services for non-cash movements	25	27,542
(64,899)	Adjustment for items included in the net surplus / (deficit) on the provision of services that are investing and financing activities	25	(33,438)
14,494	Net cash inflows from operating activities	25	11,809
(11,162)	Investing activities	26	(38,423)
(7,558)	Financing activities	27	9,329
(4,224)	Net increase / (decrease) in cash and cash equivalents		(17,285)
23,307	Cash and Cash Equivalents at 1 April		19,083
19,083	Cash and Cash Equivalents at 31 March	19	1,799

DECLASSIFIED

32. Officers' Remuneration

Senior Officers are defined by the Council as any officer at Director level or above, plus the Chief Finance Officer (Section 151) and Monitoring Officer. During 2014/15, this classification included the:

- Chief Executive
- Six Directors
- Chief Finance Officer (Section 151)
- Chief Legal & Democratic Services Officer (Monitoring Officer)

The remuneration paid to the Council'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) 2014/15 2013/14	181,300 181,300	801 1,300	182,101 182,600	44,237 43,331	226,338 225,931
Sue Harrison (Director of Children's Services) 2014/15 *	76,125	441	76,566	18,574	95,140
Edwina Grant (Deputy Chief Executive & Director of Children's Services) 2014/15 * 2013/14	50,507 153,988	301 1,241	50,808 155,229	12,091 36,713	62,899 191,942
Julie Ogley (Director of Social Care, Health & Housing) 2014/15 2013/14	142,781 140,562	1,160 827	143,941 141,389	34,838 33,594	178,780 174,983
Charles Warboys (Chief Finance Officer - S151) 2014/15 2013/14	101,655 89,973	572 833	102,227 90,806	24,804 21,503	127,031 112,309
John Atkinson (Monitoring Officer) 2014/15 2013/14	0 83,952	0 544	0 84,496	0 10,596	0 95,092
Alan Fleming (BEAR & Programme Director) 2014/15 2013/14	0 130,744	0 1,450	0 132,194	0 18,279	0 150,473
Marcel Coiffait (Director of Community Services) 2014/15 2013/14	108,839 96,833	569 394	109,408 97,227	26,657 23,143	136,065 120,370
Deb Broadbent-Clarke (Director of Improvement & Corporate Services) 2014/15 2013/14 *	135,000 101,250	488 299	135,488 101,549	0 0	135,488 101,549

Melanie Clay (Chief Legal & Democratic Services Officer) 2014/15 2013/14 *	84,800 39,058	0 0	84,800 39,058	20,605 9,335	105,405 48,393
Jason Longhurst (Director of Regeneration & Business Support) 2014/15 2013/14 *	110,000 9,821	1,807 0	111,807 9,821	26,840 2,348	138,647 12,169
Muriel Scott (Director of Public Health) 2014/15 2013/14	98,214 98,214	2,899 2,673	101,113 100,887	23,964 12,604	125,077 113,491
Totals: 2014/15 2013/14	1,089,221 1,125,695	9,038 9,651	1,098,259 1,135,526	232,611 211,446	1,330,870 1,346,702

* Part-year costs only

John Atkinson - Monitoring Officer – left 1/12/13.

Alan Fleming - BEAR & Programme Director - left 1/1/14.

Edwina Grant left 27/7/14 but was paid as Interim Director of Children's Services by Carlisle Management Services from 11/8/14 - 21/9/14 at a cost of £21,527.

Sue Harrison - Director of Children's Services – joined 22/9/14.

Muriel Scott - Director of Public Health is funded by Central Bedfordshire Council, Bedford Borough Council and Milton Keynes Council. CBC's element is a total remuneration of £46,787.

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

The following table shows 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). The numbers for temporary employees and interim managers are based on the total cost paid to specialist staffing agencies which will be higher than the remuneration received by the individual staff.

Remuneration band	2013/14	2014/15	2013/14	2014/15
	Number of permanent employees	Number of permanent employees	Number of temporary employees and interim managers	Number of temporary employees and interim managers
£50,000-£54,999	61	56	15	15
£55,000-£59,999	24	47	13	10
£60,000-£64,999	37	37	17	15
£65,000-£69,999	8	15	5	18
£70,000-£74,999	8	6	6	6
£75,000-£79,999	6	2	6	5
£80,000-£84,999	4	4	3	5
£85,000-£89,999	4	8	0	3
£90,000-£94,999	0	3	4	1
£95,000-£99,999	1	1	5	1
£100,000-£104,999	0	1	1	1
£105,000-£109,999	1	1	1	1
£110,000-£114,999	0	0	0	0
£115,000-£119,999	0	0	0	0
£120,000-£124,999	0	0	0	1
£125,000-£129,999	0	0	0	1
£130,000-£134,999	0	0	0	0
£135,000-£139,999	0	0	0	0
£140,000-£144,999	0	0	0	0
£145,000-£149,999	0	0	1	1
£150,000-£154,999	1	0	0	0
£160,000-£164,999	0	0	0	0
£165,000-£169,999	0	0	0	1
Total	155	181	77	85

* The numbers of permanent employees receiving more than £50k remuneration in 2013/14 were understated in the published Statement of Accounts 2013/14. The corrected figures for 2013/14 are shown above.

Exit Packages

The total cost of £779k in the tables below includes all exit packages that have been agreed, accrued for and charged to the Council's Comprehensive Income & Expenditure Statement for the current year. The Council'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, e.g., redundancy, pay in lieu of notice, severance and actuarial strain.

Exit package cost bands (including special payments)	Total number of compulsory redundancies by cost band		Total cost of exit packages in each band	
	2013/14	2014/15	2013/14 £'000	2014/15 £'000
£0 - £20K	50	59	294	403
£20 - £40K	6	7	177	184
£40 - £60K	4	4	189	192
£60 - £80K	0	0	0	0
£80 - £100K	0	0	0	0
£100 - £150K	0	0	0	0
£150 - £200k	1	0	156	0
Total	61	70	816	779