



Extracts from Unaudited Statement of Accounts for the year 2016/17

Presentation to Members
29/06/2017

Core Statements and Note 31

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Expenditure and Funding Analysis

Net Expenditure Chargeable to the General Fund and HRA	2015/16		Net Expenditure in the Comprehensive Income and Expenditure Statement	2016/17		Net Expenditure in the Comprehensive Income and Expenditure Statement
	Adjustments			Adjustments		
£000	£000	£000	£000	£000	£000	£000
68,996	3,571	72,477	Social Care, Health & Housing	75,654	(308)	75,346
55,054	838	55,892	Children's Services	54,378	1,486	55,864
42,682	36,135	78,817	Community Services	45,977	18,937	64,913
7,100	3,857	10,957	Regeneration & Business Support	6,247	3,684	9,931
(53)	24	(29)	Public Health	(187)	(13)	(201)
8,333	1,345	9,441	Chief Executives	7,790	1,359	9,148
8,532	1,101	9,302	Resources	11,490	(115)	11,375
3,620	(10,701)	(6,991)	Corporate Costs	2,792	(12,730)	(9,938)
(15,447)	21,875	6,428	Schools	(18,212)	23,722	5,510
(2,876)	(33,510)	(36,386)	Landlord Business (HRA)	(8,242)	12,511	4,269
175,941	24,535	199,906	Net Cost of Services	177,685	48,532	226,217
(176,289)	(28,446)	(204,166)	Other Income and Expenditure	(177,737)	(25,250)	(202,987)
(349)	(3,911)	(4,260)	(Surplus) / Deficit on Provision of Services	(52)	23,282	23,230
(78,774)			Opening Combined General Fund and HRA Balance	(79,164)		
(349)			Plus / less (Surplus) or Deficit on the General Fund and HRA Balance for the Year (Statutory basis)	(52)		
(41)			Transfers (to) / from other Reserves	(14,366)		
(79,164)			Closing Combined General Fund and HRA Balance	(93,582)		

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 both the Expenditure and Funding Analysis and the Movement in Reserves Statement.

2015/16 Restated			2016/17		
Expenditure	Income	Net	Expenditure	Income	Net
£000	£000	£000	£000	£000	£000
100,532	(28,055)	72,477	103,622	(28,276)	75,346
84,739	(28,847)	55,892	84,951	(29,088)	55,863
92,603	(13,787)	78,816	80,581	(15,667)	64,914
16,155	(5,199)	10,956	17,205	(7,274)	9,931
15,826	(15,855)	(29)	17,753	(17,953)	(200)
9,476	(35)	9,441	10,851	(1,702)	9,149
78,412	(69,110)	9,302	78,779	(67,405)	11,374
2,138	(9,129)	(6,991)	2,492	(12,430)	(9,938)
119,273	(112,846)	6,427	118,187	(112,677)	5,510
(7,659)	(28,727)	(36,386)	33,907	(29,639)	4,268
511,495	(311,589)	199,906	548,328	(322,110)	226,218
14,460	0	14,460	15,446	0	15,446
36,499	(13,860)	22,639	36,842	(15,535)	21,307
11,889	(253,154)	(241,265)	11,046	(250,786)	(239,741)
574,343	(578,603)	(4,260)	611,662	(588,432)	23,230
		(78,715)			(59,134)
		(147)			(128)
		(74,176)			85,042
		(153,037)			25,780
		(157,297)			49,010

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.

	General Fund Balance £000	Earmarked General Fund Reserves £000	Housing Revenue Account (HRA) £000	Earmarked HRA Reserves £000	Capital Receipts Reserve £000	Major Repairs Reserve £000	Capital Grants Un-applied Account £000	Total Usable Reserves £000	Unusable Reserves £000	Total Reserves £000
Balance at 31 March 2016	(15,517)	(44,395)	(2,000)	(17,252)	(2,996)	(200)	(3,260)	(85,619)	(411,773)	(497,392)
Movement in reserves during 2016/17										
(Surplus) / deficit on the provision of services	20,130		3,101					23,230		23,230
Other Comprehensive Income / Expenditure									25,780	25,780
Total Comprehensive Income and Expenditure	20,130	0	3,101	0	0	0	0	23,230	25,780	49,010
Adjustments between accounting basis and funding basis under regulations	(30,229)		(7,419)		(3,478)	0	800	(40,326)	40,326	0
Net Increase or Decrease before Transfers to Earmarked Reserves	(10,099)	0	(4,319)	0	(3,478)	0	800	(17,096)	66,106	49,010
Transfers (to) / from Earmarked Reserves	10,047	(10,047)	4,319	(4,319)				0		0
(Increase) / Decrease in 2016/17	(52)	(10,047)	0	(4,319)	(3,478)	0	800	(17,096)	66,106	49,010
Balance at 31 March 2017	(15,569)	(54,442)	(2,000)	(21,571)	(6,474)	(200)	(2,459)	(102,715)	(345,668)	(448,382)

	General Fund Balance £000	Earmarked General Fund Reserves £000	Housing Revenue Account (HRA) £000	Earmarked HRA Reserves £000	Capital Receipts Reserve £000	Major Repairs Reserve £000	Capital Grants Un- applied Account £000	Total Usable Reserves £000	Unusable Reserves £000	Total Reserves £000
Balance at 31 March 2015	(15,167)	(43,250)	(2,000)	(18,357)	(3,451)	(200)	(13,580)	(96,005)	(244,094)	(340,099)
Movement in reserves during 2015/16										
(Surplus) / deficit on the provision of services	29,437		(33,697)					(4,260)		(4,260)
Other Comprehensive Income / Expenditure									(153,034)	(153,034)
Total Comprehensive Income and Expenditure	29,437	0	(33,697)	0	0	0	10,320	(4,260)	(153,034)	(157,294)
Adjustments between accounting basis and funding basis under regulations	(30,930)		34,801			0		14,646	(14,646)	0
Net (Increase) / Decrease before Transfers to Earmarked Reserves	(1,493)	0	1,104	0	455	0	10,320	10,386	(167,680)	(157,294)
Transfers (to) / from Earmarked Reserves	1,144	(1,144)	(1,104)	1,104				0		0
Increase or Decrease in 2015/16	(349)	(1,144)	0	1,104	455	0	10,320	10,386	(167,680)	(157,294)
Balance at 31 March 2016	(15,516)	(44,394)	(2,000)	(17,253)	(2,996)	(200)	(3,260)	(85,619)	(411,774)	(497,393)

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 to 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 2016		31 March 2017
£'000		£'000
1,193,334	Property, Plant and Equipment	1,269,878
8,670	Intangible Assets	12,185
5,150	Long Term Investments	5,279
549	Long Term Debtors	491
1,207,703	Long Term Assets	1,287,833
564	Short-term Investments	1,007
173	Assets Held for Sale	6
98	Inventories	90
54,700	Short Term Debtors	44,726
409	Cash and Cash Equivalents	4,263
55,944	Current Assets	50,093
(63,683)	Short-Term Borrowing	(73,430)
(48,071)	Short-Term Creditors	(59,791)
(5,677)	Provisions	(6,101)
(117,431)	Current Liabilities	(139,321)
(274,146)	Long Term Borrowing	(274,279)
(335,814)	Other Long-Term Liabilities	(433,016)
(38,863)	Grants Receipts in Advance - Capital	(42,927)
(648,823)	Long Term Liabilities	(750,222)
497,393	Net Assets	448,382
(85,619)	Usable Reserves	(102,715)
(411,774)	Unusable Reserves	(345,668)
(497,393)	Total Reserves	(448,382)

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.

2015/16	£	2016/17	£
(4,260)	Net (surplus) / deficit on the provision of services	23,230	
(45,959)	Adjustment to (surplus) / deficit on the provision of services for noncash movements	(89,110)	
37,116	* Adjustment for items included in the net (surplus) / deficit on the provision of services that are investing or financing activities	55,851	
(13,103)	Net cash flows from operating activities	(10,029)	
37,516	* Net cash flows from investing activities	17,026	
(23,023)	Net cash flows from financing activities	(10,852)	
1,390	Net (increase) or decrease in cash and cash equivalents	(3,854)	
1,799	Cash and cash equivalents at the beginning of the reporting period	409	
409	Cash and cash equivalents at the end of the reporting period	4,263	

* To conform with CIPFA's Code of Practice, interest has been included in Net Operating Activities instead of Investing Activities in 2016/17 although the figures for 2015/16 have been left unchanged from last year's published accounts.

Note 31 - Officers' Remuneration

Senior Officers are defined by the Council as any officer at Director level or above. During 2016/17, this classification included the Chief Executive and seven Directors

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

Officers Remuneration

2016/17	Salary, Fees and Allowances	Expenses Allowances	Compensation for Loss of Office	Pension Contribution	Total
	£0	£0	£0	£0	£0
Chief Executive (R Carr)	183,113	1,457	0	45,595	230,165
	181,300	1,193	0	45,144	227,637
Director of Children's Services (S Harrison)	146,450	748	0	36,466	183,664
	145,000	808	0	36,105	181,913
Director of Social Care, Health & Housing (J Ogley)	146,450	1,699	0	36,466	184,615
	145,000	1,373	0	36,104	182,477
Director of Resources (C Warboys)	117,050	1,073	0	29,145	147,268
	110,000	853	0	27,390	138,243
Director of Community Services (M Coiffait)	117,050	528	0	29,145	146,723
	110,000	574	0	27,390	137,964
Director of Improvement & Corporate Services (D Broadbent-Clarke)	34,050	167	63,287	0	97,504
	132,692	597	0	0	133,289
Chief Legal & Democratic Services Officer (M Clay)	0	0	0	0	0
	39,579	0	0	9,855	49,434
Director of Regeneration & Business Support (J Longhurst)	115,550	2,685	0	28,772	147,007
	110,000	1,626	0	27,390	139,016
Director of Public Health (M Scott)	101,182	2,994	0	25,734	129,910
	100,669	3,167	0	25,604	129,440
Total	960,895	11,351	63,287	231,323	1,266,856
	1,074,240	10,191	0	234,982	1,319,413

Deb Broadbent-Clarke - Director of Improvement & Corporate Services left the Council on 30th June 2016.

Charles Warboys – Director of Resources was appointed to this new position on 1st October 2016, having previously been the Chief Finance Officer.

Muriel Scott - Director of Public Health is funded by Central Bedfordshire Council, Bedford Borough Council and Milton Keynes Council. Central Bedfordshire Council's element is a total remuneration of £52,671.

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

Senior Employees Remuneration

	2015/16	2016/17
£50,001 to £55,000	63	51
£55,001 to £60,000	40	58
£60,001 to £65,000	33	36
£65,001 to £70,000	26	21
£70,001 to £75,000	6	8
£75,001 to £80,000	5	6
£80,001 to £85,000	4	3
£85,001 to £90,000	6	6
£90,001 to £95,000	4	1
£95,001 to £100,000	2	4
£100,001 to £105,000	2	3
Total	191	197

The above table shows the Council's other school and non-school permanent employees (excluding those individuals listed above within senior employees) receiving more than £50k remuneration for the year (excluding employer's pension contributions).

Exit Packages

Exit package cost band (including special payments)	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band		Total cost of exit packages in each band (£000)	
	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17
£0-£20,000	35	22	18	5	53	27	319,000	116,000
£20,001 - £40,000	6	6	7	0	13	6	329,000	155,000
£40,001 - £60,000	0	1	0	1	0	2	0	90,000
£60,001 - £200,000	1	1	1	2	2	3	130,000	312,000
Total	42	30	26	8	68	38	778,000	673,000

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