

## Financial Outturn 2003-2004 - Unaudited

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### The City of Edinburgh Council

19 August 2004

#### Purpose of report

- 1 To refer to the Council a recommendation by the Executive concerning the recovery of funds under the budget flexibility scheme.

#### Details

- 2 On 15 June 2004, the Executive considered a report on the financial outturn on the Council's revenue and capital accounts for 2003/04 (Appendix 1). The accounts were still subject to audit.
- 3 The report summarised the outturn, by department, on the General Fund, detailed the principal movements across departments and advised on the Housing Revenue Account and the Capital Outturn.
- 4 Details were also given of the proposals to carry forward funds under the budget flexibility scheme, under which overspends or underspends of up to 1.5% of expenditure could be carried forward to the next financial year. The proposed carry forward totalled £1.373m.
- 5 The Executive agreed: -
  - 1) to note the report and the revenue and capital outturn position for the year ended 31 March 2004;
  - 2) to approve the reclassification of Property Care Services into the General Fund, from Significant Trading Operations;
  - 3) to recommend to the Council approval of the net recovery of £1.373m under the budget flexibility scheme; and
  - 4) to note that the report would be referred to the Resource Management and Audit Scrutiny Panel as part of their work programme.

## Recommendation

- 6 That the Council approve the net recovery of £1.373m under the budget flexibility scheme.

**Donald Anderson**  
Leader of the Council

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<b>Appendices</b>	1. Report No E/124/04-05/F by the Director of Finance.
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<b>Wards affected</b>	None
<b>Background Papers</b>	None

## Financial Outturn 2003/04 - Unaudited

### Executive of Council

10 August 2004

#### 1 Purpose of report

This report presents the financial outturn on the Council's revenue and capital accounts for 2003/04.

#### 2 Background

The annual accounts for 2003/04 were submitted to the Council at its meeting on 24<sup>th</sup> June 2004. The accounts are subject to audit.

#### 3 Main report

##### Revenue Outturn

3.1 The outturn on the General Fund can be summarised as follows:

	Revised Budget £000	Outturn £000	-- Variance --	
			£000	%
General Fund Services	626,265	627,187	922	0.15
Significant Trading Operations	(1,121)	(1,036)	85	(7.58)
Dividend Income (net)	(2,215)	(2,337)	(122)	5.51
Net Cost of Benefits	7,728	7,798	70	0.91
Loan Charges	78,842	75,633	(3,209)	-4.07
Prior Year and Other Adjustments	0	(3)	(3)	n/a
<b>Total Expenditure to be Funded</b>	<b>709,499</b>	<b>707,242</b>	<b>(2,257)</b>	<b>(0.32)</b>
Aggregate External Funding	(516,058)	(516,036)	22	
Council Tax	(188,769)	(187,456)	1,313	
Community Charge	(550)	(29)	521	
<b>Total Funding Received</b>	<b>(705,377)</b>	<b>(703,521)</b>	<b>1,856</b>	
<b>To be met by Funding from Reserves</b>	<b>4,122</b>	<b>3,721</b>	<b>(401)</b>	
Of which:				
Earmarked Reserves	3,563	3,586	23	
Unallocated General Fund Reserve	559	135	(424)	

- 3.2 Column 1 in the above table shows the revised approved budget, after taking account of any virements, supplementary estimates or other approved adjustments. Column 2 shows the expenditure and income at the year-end. A full service analysis of the outturn position is shown in Appendix 1.
- 3.3 The Unaudited Statement of Accounts for 2003/04 shows a General Fund deficit of £0.135m, as per the above table, together with a movement of (£0.023m) in earmarked reserves, resulting in a net deficit of £0.112m.
- 3.4 The outturn resulted in a contribution of £0.135m from the Unallocated General Fund reserve compared to the budgeted contribution from reserves of £0.559m, an improvement of £0.424m.
- 3.5 The nine-month report (based on period eight information) to the Executive of the Council on 10th February 2004, identified a projected deficit of £0.256m. A comparison between the nine-month projection and the outturn is shown below.

	<b>Nine-Month Report Over/(Under) Spend £000</b>	<b>Final Outturn Over/(Under) Spend £000</b>
General Fund Departments		
- City Development	2,079	244
- Environmental and Consumer Servs.	1,072	1,480
- Social Work	(2,063)	0
- Corporate Services	-	(627)
- Other Departments	1	(175)
	<hr/>	<hr/>
Total General Fund Departments	1,089	922
Significant Trading Operations		
- Environmental and Consumer Servs	(152)	91
- Other	-	(6)
Net Cost of Benefits	(81)	70
Dividends Receivable	-	(122)
Loans Charges	(1,881)	(3,209)
Prior year and other adjustments	331	(3)
Contribution to Earmarked Reserves	-	(23)
Aggregate External Finance	-	22
Council Tax	400	1,313
Community Charge	550	521
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(Surplus)/Deficit	256	(424)
	<hr/>	<hr/>
Budgeted Contribution from General Fund Reserve not required		559
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Deficit from Unallocated General Fund Reserve		135
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- 3.6 The principal movements in the final projected outturns are set out below. Appendix 2 shows a comparison of the year end outturn position for 2003/04 with 2002/03.

## **General Fund Departments**

### **3.7 City Development**

The reduction in the overspend compared to the nine month report position is due to a number of factors, the most significant being a Scottish Executive Grant in respect of the concessionary travel free scheme (£0.842m), which was only confirmed later in the year. Other reductions include reduced expenditure on Quality of Life projects (£0.2m) and Office Accommodation (£0.4m) and increased income from Statutory Notices (£0.4m). The year-end overspend relates to the Planning and Building Control ICT project (£1.3m) being partially offset by other departmental underspends.

### **3.8 Corporate Services**

The two main factors contributing to Corporate Services' underspend of £0.627m were:

- a delay in implementing a number of Scottish Executive backed projects, such as Community Budgeting (£0.154m), Community Planning (£0.074m) and CCTV (£0.125m);
- a decrease in the net cost of running the Corporate Transport Unit from a projected underspend in December 2003 of £0.420m to a final underspend of £0.593m.

### **3.9 Culture and Leisure**

The Department's overall underspend of £0.024m comprised a number of variances, notably a shortfall in libraries' income, including fines of £0.169m and a falling short against Usher Hall business targets (£0.166m). In addition to exercising control over staff recruitment, a material saving resulted from the delayed introduction of weekend opening in six of the city's libraries (£0.130m). Taken together, these factors allowed the Department to return an underspend of £0.024m, of which £0.012m is earmarked for the completion of Quality of Life projects.

### **3.10 Education**

Overall, the Education accounts show an underspend of £0.216m. Savings in employee costs totalling £2.8m have been largely offset by overspends in premises costs (£1.7m) due mainly to expenditure on building repairs, transport costs (£0.8m) attributable to home to school and Special Education Needs transport and third party payments (£0.5m) reflecting ongoing budget pressures associated with independent school fees. In addition, income has exceeded budget by £0.4m, reflecting increased revenue from fees and charges.

### **3.11 Environmental and Consumer Services, including Significant Trading Operations**

The main factors contributing to the departmental overspend were expenditure pressures of £0.838m arising from the closure of Powderhall transfer station (see 3.23 below), a shortfall of £0.174m in income from property enquiry certificates and additional costs associated with the negotiated settlement of public holidays (see 3.16 below).

### **3.12 Finance**

Additional costs arising from the ICT migration projects (Payroll, Revenue and Enterprise Finance) were the main causes of the overspend (£0.107m). In accordance with the Council's overall budget flexibility arrangements, there will be a corresponding underspend in 2004/05.

### 3.13 **Social Work**

There was a transfer to an earmarked reserve of £2.45m at the year-end, which resulted in a nil variance on the Social Work account. This reserve has been set up to assist in the funding of the new Social Work IT client index system. Funds of £1.5m were specifically set aside in 2003/04 from additional Scottish Executive monies and from the 2002/03 underspend. Additional income from Supporting People and the de-registration of properties on preserved rights also contributed to the surplus but were offset to some extent by overspends in other areas principally fostering and care at home.

### **Other General Fund Expenditure/Income**

### 3.14 **Significant Trading Operations**

The legislation that led to the creation of Direct Labour and Direct Service Organisations was repealed in the Local Government in Scotland Act 2003. The Act requires the Council to consider all services provided and determine which are Significant Trading Operations. The Act requires statutory trading accounts to be maintained for Significant Trading Operation and to break even over a three-year rolling period. 2003/04 is the first year of trading for the areas identified as Significant Trading Operations.

3.15 The Executive considered a report at its meeting on 10<sup>th</sup> February 2004, which identified the following Significant Trading Operations:

- Edinburgh Road Services
- Edinburgh Building Services
- Edinburgh Building Services - Property Care Services
- Building Cleaning
- Fleet Maintenance
- Other Catering
- School and Welfare Catering
- Ground Maintenance
- Other Cleaning and Related Services
- Refuse Collection/Trade Waste
- Blindcraft

Since the report was approved, it has emerged that the Property Care Services (PCS) element of Edinburgh Building Services was not part of the former DLO contract, and therefore should not have been automatically included as a Significant Trading Operation. On reviewing PCS on its own, it does not satisfy the Significant Trading Operation criteria as most of its services consist of a straight recharge of costs. The remaining areas of the service are not considered significant. The Executive is asked to approve the removal of Property Care Services from the list of Significant Trading Operations.

3.16 The Significant Trading Operations recorded trading surpluses other than the following:

- (i) Blindcraft recorded a trading deficit of £0.209m after a contribution of £0.836m from the Social Work department. It should be noted that the Council is undertaking a review of this service and a report setting out recommendations for its future operation will be prepared for the Executive to consider.

- (ii) Refuse Collection/Trade Waste recorded a trading deficit of £0.285m as a result of a negotiated settlement with staff relating to public holiday working which will reduce the cost base in following years.

It should be noted that the trading position is calculated in accordance with "A Best Value Approach to Trading Accounts – A Guidance Note for Local Authority Practitioners", and the trading results therefore differ from the out-turn position, as reported in Appendix 1.

### 3.17 Loan Charges

The reduction of £3.209m in financing costs resulted from the interest rate being 0.698% lower than the budgeted rate of 7.75%. This lower interest rate was achieved as a result of the Council's successful borrowing strategy and proactive debt management in 2002/03 and 2003/04, as well as significant re-scheduling of the Council's debt portfolio undertaken during 2003/04.

### 3.18 Prior Year Taxation

As reported in the nine-month report, income from prior year's taxation (budgeted as Council Tax £0.400m and Community Charge £0.550m) is reducing year-on-year, although arrangements continue to be made through sheriff officers to collect monies. It was noted during the budget process that the income will be collected, but that this will be achieved over a longer time period, and that the deferment of income in 2003/04 would be offset through savings in loan charges.

### 3.19 Council Tax

Council Tax was below budget by £1.313m. It is established practice to carry out an annual review of discounts and exemptions. However, in 2003/04 this was not carried out due to the migration to a new computer system. It will therefore be necessary to carry out the review of 2003/04 in 2004/05. It should be noted that this review will be backdated to April 2003, however, it is not anticipated to recover the full amount of the shortfall.

### Budget Flexibility

- 3.20 Members will recall that Council approved the introduction of a budget flexibility scheme in December 2002. The table below summarises the updated unaudited outturn position for General Fund Services.

Department	Revised Budget £000	Outturn £000	Variance £000	1.5% of Budget £000	Carry Forward £000
City Development	51,557	51,763	206	773	206
Corporate Services	19,305	18,715	(590)	290	(325)
Culture and Leisure	28,568	28,544	(24)	429	(24)
Education	73,583	73,637	(216)	1,108	(216)
Environ\Consumer Serv	36,998	38,569	1,571	555	1,571
Finance	21,098	21,205	107	316	107
Housing Non HRA	8,356	8,410	54	125	54
Social Work	163,726	163,726	0	2,456	0
<b>Total</b>			<b>1,108</b>		<b>1,373</b>

- 3.21 For the budget flexibility scheme, devolved school management, housing benefits, social inclusion partnerships (SIPs) and parking income are excluded. Outturns also exclude costs of central support and capital charges. Significant Trading Operations are included within the appropriate department.
- 3.22 Members will note that the outturn variance equals the carry forward for all departments, except Corporate Services. The additional £0.035m over the allowable 1.5% carry forward relates to monies whereby the authority to spend is fully delegated to Local Development Committees.
- 3.23 Due to Health and Safety considerations, the Director of Environmental and Consumer Services closed the Powderhall transfer station in 2002/03, which resulted in a significant expenditure pressure on his department. The depot did not re-open until summer 2003. Members will recall that the Executive on 4<sup>th</sup> November 2003 approved that any overspend not contained within available resources in 2003/04 be included in the department's year-end carry forward under budget flexibility.

#### **Approval of Carry Forwards**

- 3.24 Approval of the carry forwards, as shown in the above table, will require £0.565m to be set aside in an ear-marked reserve for Corporate Services, Culture and Leisure and Education. This will be offset by the sum of £1.938m, which is to be recovered from City Development, Environmental and Consumer Services, Finance and Housing Non HRA. This results in a net sum of £1.373m to be returned to the Unallocated General Fund Reserve.
- 3.25 Service Directors have included details of how these overspends will be recovered in 2004/05 (and future years, where appropriate) in the three-month revenue and capital monitoring report.

#### **Housing Revenue Account**

- 3.26 There was a surplus of £4.032m on the HRA at the year-end. This included a drawdown during the year of £1.5m from the Repairs and Renewals Fund and therefore there was a net increase of £2.532m in the Fund for the year. Council at its meeting of 24<sup>th</sup> June 2004 approved the transfer of the HRA surplus of £4.032m to the Renewal and Repairs Fund.
- 3.27 Loan charges were less than budget by £3m principally due to lower interest rates and the effect of increased receipts from the sale of Council Houses. There was also no requirement to fund capital from current revenue due to the increase in capital receipts and limited additional borrowing, which resulted in savings of £3.8m. This was offset by additional expenditure of £3.2m on repairs and maintenance, which included a contract price increase. There was also increased expenditure of £0.6m to fund new initiatives such as Choice Based letting and the Stair Cleaning Pilot. Overspends in other areas included the write-off of former tenancy arrears of £0.5m.



## General Fund Balance

- 3.28 The unaudited balance on the General Fund as at 31st March 2004 stood at £24.795m.

	£m	£m
Balance		24.795
Earmarked Balances:		
Spend to Save	1.680	
Insurance Claims	4.321	
Devolved School Management	1.100	
Budget Flexibility	(1.373)	
Revenue Support Grant for Specific Purposes (including MGF)	1.377	
Social Work IT Client Index System	2.453	
Change Management	0.355	
Other Balances	1.845	11.758
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Unallocated General Fund Reserve		13.037
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- 3.29 Members will recall that in the 2004-2007 budget, a review of the reserves strategy was undertaken in light of further guidance from CIPFA. This guidance advises that "within the existing statutory and regulatory framework, it is the responsibility of the finance director to advise local authorities about the level of reserves that they should hold and to ensure that there are clear protocols for their establishment and use."
- 3.30 The 2004-2007 budget provided for unallocated balances of £12.3m and £13.5m at the end of 2004/05 and 2005/06 respectively. The balance on the unallocated General Fund Reserve at 31<sup>st</sup> March 2004 represents 1.84% of General Fund expenditure. This is considered to be adequate, taking into account the Council's overall financial resources, the risks inherent in the budget process and the arrangements in place to manage these matters.
- 3.31 In setting the 2004/05 revenue budget, it was agreed that no contributions would be made to or from the Unallocated General Fund Reserve. The reserves will be reviewed as part of the budget process, and a statement on the contributions from / to reserves included in my report to the Executive in January 2005 and Council in February 2005.

## Capital Outturn

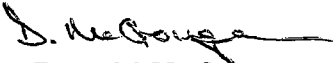
- 3.32 Appendix 3 shows the capital outturn position. Expenditure of £71.389m was incurred during the year, compared to a budget of £85.183m. While Service Directors had been requested to hold slippage until the end of the financial year, it was nevertheless apparent that the final outturn expenditure position was significantly lower than that previously forecast. Such high levels of slippage create significant difficulties in managing the three-year programme and meeting Council priorities. Arrangements for the planning and monitoring of capital projects will be reviewed for the setting of the 2005-2008 capital programme, to improve performance in this area.

- 3.33 The outturn position on Non HRA capital expenditure amounted to deferment of projects totalling £13.840m. A departmental summary of the breakdown of this underspend, together with the carry forward position to 2004/05, are contained in Appendix 3. Departmental approved budgets for 2004/05 have been amended accordingly.
- 3.34 The Section 94 outturn position was a net under-spend of £0.930m, as shown in Appendix 3. This was within the permitted maximum variance of 10% of overall consent (relating to £4.743m).
- 3.35 The Section 94 outturn position on the HRA is detailed in Appendix 4. This shows a carry forward of unapplied capital receipts to 2004/05 of £1.264m.

#### **4 Recommendation**

The Executive is asked to:

- i) note this report and the revenue and capital outturn position for the year ended 31st March 2004;
- ii) approve the reclassification of Property Care Services into the General Fund, from Significant Trading Operations;
- iii) refer the report to Council to approve the net recovery of £1.373m under the budget flexibility scheme, as detailed in the table at 3.20 above;
- iv) note that the report will be referred to the Resource Management and Audit Scrutiny Panel as part of their work programme.

  
**Donald McGougan**  
Director of Finance  
*29th July 2004.*

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<b>Appendices</b>	1 - 4
<b>Contact/tel</b>	Alison Henry 469 3172
<b>Wards affected</b>	None
<b>Background Papers</b>	Departmental Working Papers

## THE CITY OF EDINBURGH COUNCIL

## UNAUDITED OUT-TURN STATEMENT 2003-2004

Service	2003-2004		
	Revised Budget £'000	Outturn £'000	Outturn Variance £'000
City Development	34,478	34,722	244
Corporate Services	19,613	18,986	(627)
Culture and Leisure	28,568	28,544	(24)
Education	236,409	236,193	(216)
Environmental and Consumer Services	37,361	38,841	1,480
Finance	21,098	21,205	107
Housing - Non HRA	8,557	8,616	59
Joint Board Requisitions			
Police	48,156	48,156	0
Fire	23,119	23,009	(110)
Valuation	3,444	3,450	6
Social Work	163,726	163,726	0
Social Inclusion Partnership	1,736	1,739	3
<b>Total - General Fund Departments</b>	<b>626,265</b>	<b>627,187</b>	<b>922</b>
<b>Significant Trading Operations</b>			
Blindcraft	0	0	0
Edinburgh Building Services	(201)	(206)	(5)
Edin Roads Services	(249)	(287)	(38)
Direct Cleaning	(123)	(231)	(108)
Fleet Maintenance	(43)	(118)	(75)
Ground Maintenance	(38)	(36)	2
Other Catering	(8)	(22)	(14)
Other Cleaning	(293)	(281)	12
Refuse Collection / Trade Waste	(32)	45	77
School & Welfare Catering	(134)	100	234
<b>Total - Significant Trading Operations</b>	<b>(1,121)</b>	<b>(1,036)</b>	<b>85</b>
Dividends Receivable	(2,215)	(2,337)	(122)
<b>General Fund Services</b>	<b>622,929</b>	<b>623,814</b>	<b>885</b>
Net Cost of Benefits	7,728	7,798	70
Loans Charges	78,842	75,633	(3,209)
Other Adjustments -			
Provision for Bad Debts	0	(1,254)	(1,254)
Prior Year and Other Adjusts	0	1,251	1,251
<b>Total Expenditure to be Funded</b>	<b>709,499</b>	<b>707,242</b>	<b>(2,257)</b>
Funded by -			
Revenue Support Grant	(356,068)	(356,046)	22
Non Domestic Rates	(159,990)	(159,990)	0
Council Tax	(188,769)	(187,456)	1,313
Community Charge	(550)	(29)	521
Contribution from Earmarked Reserves	(3,563)	(3,586)	(23)
Use of Reserves	(559)	(135)	424
<b>Total Funding</b>	<b>(709,499)</b>	<b>(707,242)</b>	<b>2,257</b>
<b>Housing - HRA</b>	<b>0</b>	<b>(4,032)</b>	<b>(4,032)</b>

## THE CITY OF EDINBURGH COUNCIL

## COMPARISON OF 2003-04 (UNAUDITED) AND 2002-2003 (AUDITED)

Service	2003-04			2002-03		
	Revised Budget £'000	Outturn £'000	Outturn Variance £'000	Revised Budget £'000	Outturn £'000	Outturn Variance £'000
City Development	34,478	34,722	244	32,870	33,311	441
Corporate Services	19,613	18,986	(627)	16,473	16,478	5
Culture and Leisure	28,568	28,544	(24)	28,433	28,495	62
Education	236,409	236,193	(216)	208,578	208,479	(99)
Environmental and Consumer Services	37,361	38,841	1,480	35,841	36,960	1,119
Finance	21,098	21,205	107	20,640	20,338	(302)
Housing - Non HRA	8,557	8,616	59	7,709	8,292	583
Joint Board Requisitions						
Police	48,156	48,156	0	44,948	44,948	0
Fire	23,119	23,009	(110)	22,208	22,208	0
Valuation	3,444	3,450	6	3,434	3,440	6
Social Work	163,726	163,726	0	147,864	145,679	(2,185)
Social Inclusion Partnership	1,736	1,739	3	1,836	1,719	(117)
<b>Total - General Fund Departments</b>	<b>626,265</b>	<b>627,187</b>	<b>922</b>	<b>570,834</b>	<b>570,347</b>	<b>(487)</b>
<b>Significant Trading Operations</b>						
Blindcraft	0	0	0	n/a	n/a	n/a
Edinburgh Building Services	(201)	(206)	(5)	(270)	(18)	252
Edin Roads Services	(249)	(287)	(38)	(242)	(391)	(149)
Direct Cleaning	(123)	(231)	(108)	(79)	(134)	(55)
Fleet Maintenance	(43)	(118)	(75)	(7)	(55)	(48)
Ground Maintenance	(38)	(36)	2	(23)	(255)	(232)
Other Catering	(8)	(22)	(14)	(4)	(16)	(12)
Other Cleaning	(293)	(281)	12	(301)	(416)	(115)
Refuse Collection / Trade Waste	(32)	45	77	(82)	(251)	(169)
School & Welfare Catering	(134)	100	234	(48)	8	56
<b>Total - Significant Trading Operations</b>	<b>(1,121)</b>	<b>(1,036)</b>	<b>85</b>	<b>(1,056)</b>	<b>(1,528)</b>	<b>(472)</b>
Dividends Receivable	(2,215)	(2,337)	(122)	(2,826)	(2,817)	9
<b>General Fund Services</b>	<b>622,929</b>	<b>623,814</b>	<b>885</b>	<b>566,952</b>	<b>566,002</b>	<b>(950)</b>
Net Cost of Benefits	7,728	7,798	70	7,222	7,032	(190)
Loans Charges	78,842	75,633	(3,209)	79,022	75,993	(3,029)
Other Adjustments -						
Provision for Bad Debts	0	(1,254)	(1,254)	0	(226)	(226)
Prior Year and Other Adjusts	0	1,251	1,251	249	1,676	1,427
<b>Total Expenditure to be Funded</b>	<b>709,499</b>	<b>707,242</b>	<b>(2,257)</b>	<b>653,445</b>	<b>650,477</b>	<b>(2,968)</b>
Funded by -						
Revenue Support Grant	(356,068)	(356,046)	22	(319,132)	(319,130)	2
Non Domestic Rates	(159,990)	(159,990)	0	(152,317)	(152,131)	186
Council Tax	(188,769)	(187,456)	1,313	(179,737)	(180,345)	(608)
Community Charge	(550)	(29)	521	(650)	(31)	619
Contribution from Earmarked Reserves	(3,563)	(3,586)	(23)	0	(119)	(119)
Use of Reserves	(559)	(135)	424	(1,609)	1,279	2,888
<b>Total Funding</b>	<b>(709,499)</b>	<b>(707,242)</b>	<b>2,257</b>	<b>(653,445)</b>	<b>(650,477)</b>	<b>2,968</b>
<b>Housing - HRA</b>	<b>0</b>	<b>(4,032)</b>	<b>(4,032)</b>	<b>0</b>	<b>(100)</b>	<b>(100)</b>

**THE CITY OF EDINBURGH COUNCIL****CAPITAL OUTTURN 2003-04****NON HRA**

<b>Account</b>	<b>2003-2004 Budget £'000</b>	<b>2003-2004 Section 94 Outturn £'000</b>	<b>Section 94 Adjustment re Opening Accruals £'000</b>	<b>2003-2004 Final Out-turn Position £'000</b>	<b>Other Adjustments £'000</b>	<b>Carry Forward to 2004-2005 £'000</b>	<b>Approved 2004-2005 Budget £'000</b>	<b>Revised 2004-2005 Budget £'000</b>
City Development	44,213	36,613	2,529	34,084	222	10,351	40,524	50,875
- Flood Prevention							11,245	11,245
Corporate Services	2,812	1,454	(28)	1,482	(192)	1,138	2,145	3,283
Culture and Leisure	5,994	4,629	(108)	4,737	0	1,257	6,116	7,373
Education	17,692	17,839	(440)	18,279	0	(587)	17,263	16,676
Environmental and Consumer Servs	1,587	1,048	(4)	1,052	0	535	2,073	2,608
Finance	400	458	0	458	0	(58)	120	62
Housing - Non HRA	1,477	978	86	892	(28)	557	850	1,407
- Private Sector Housing Grant	5,387	7,099	1,649	5,450	63	0	5,039	5,039
Social Work	4,509	4,125	(63)	4,188	(30)	291	7,466	7,757
- Blindcraft							153	153
<u>Other Projects</u>								
Corporate Projects	447	179	0	179	0	268	492	760
Development Fund	89	1	0	1	0	88	0	88
Gilmerton Limestone	43	62	0	62	19	0	0	0
Scottish Executive - F.E.T.A.	533	525	0	525	(8)	0	0	0
<b>TOTAL</b>	<b>85,183</b>	<b>75,010</b>	<b>3,621</b>	<b>71,389</b>	<b>46</b>	<b>13,840</b>	<b>93,486</b>	<b>107,326</b>

<b>Section 94 Consent</b>								
<b>Resources</b>								
<u>Capital Receipts:</u>								
- Asset Sales - General Services	(23,648)	(14,804)	0	(14,804)	(1,068)	(9,912)	(14,065)	(23,977)
- Asset Sales - Office Accommodation	(1,200)	(810)	0	(810)	0	(390)	(2,956)	(3,346)
- Other Contributions	(11,533)	(11,703)	0	(11,703)	(5,870)	(5,700)	0	(5,700)
- Capital from Current Revenue	(2,570)	(2,570)	0	(2,570)	0	0		0
<b>Total Capital Receipts</b>	<b>(38,951)</b>	<b>(29,887)</b>	<b>0</b>	<b>(29,887)</b>	<b>(6,938)</b>	<b>(16,002)</b>	<b>(17,021)</b>	<b>(33,023)</b>
<u>Capital Grants</u>								
- Flood Prevention	n/a	n/a	n/a	n/a	n/a	n/a	(11,245)	(11,245)
- Integrated Transport Fund	n/a	n/a	n/a	n/a	n/a	n/a	(7,975)	(7,975)
- Private Sector Housing Grant	n/a	n/a	n/a	n/a	n/a	n/a	(5,039)	(5,039)
- Public Transport Fund	n/a	n/a	n/a	n/a	n/a	n/a	(6,111)	(6,111)
- Schools Fund	n/a	n/a	n/a	n/a	n/a	n/a	(5,462)	(5,462)
- Other	n/a	n/a	n/a	n/a	n/a	n/a	(4,256)	(4,256)
<b>Total Capital Grants</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>0</b>	<b>(40,088)</b>	<b>(40,088)</b>
<b>Total Capital Resources</b>	<b>(38,951)</b>	<b>(29,887)</b>	<b>0</b>	<b>(29,887)</b>	<b>(6,938)</b>	<b>(16,002)</b>	<b>(57,109)</b>	<b>(73,111)</b>

<b>Borrowing</b>								
<u>Capital Consents</u>								
- Basic Consent	(30,713)	(30,713)	0	(30,713)	0	0	n/a	n/a
- Challenge Fund Consent	(691)	(691)	0	(691)	0	0	n/a	n/a
- Public Transport Fund Consent	(14,471)	(14,471)	0	(14,471)	0	0	n/a	n/a
- City Growth Fund	(178)	(178)	0	(178)	0	0	n/a	n/a
<b>Total Consent</b>	<b>(46,053)</b>	<b>(46,053)</b>	<b>0</b>	<b>(46,053)</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>n/a</b>
<b>Balance to be Funded</b>	<b>179</b>	<b>(930)</b>	<b>3,621</b>	<b>(4,551)</b>	<b>(6,892)</b>	<b>(7,822)</b>	<b>36,377</b>	<b>28,555</b>
- Utilisation of Previous Year's Receipts						0	6,887	6,887
- Borrowing Supported through RSG						0	25,089	25,089
- Prudential Borrowing supported by Depts						0	2,950	2,950
<b>Total Supported Borrowing</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>34,926</b>	<b>34,926</b>
<b>Unsupported Borrowing</b>	<b>179</b>	<b>(930)</b>	<b>3,621</b>	<b>(4,551)</b>	<b>(6,892)</b>	<b>(7,822)</b>	<b>1,451</b>	<b>(6,371)</b>
<b>TOTAL</b>	<b>179</b>	<b>(930)</b>	<b>3,621</b>	<b>(4,551)</b>	<b>(6,892)</b>	<b>(7,822)</b>	<b>36,377</b>	<b>28,555</b>

**THE CITY OF EDINBURGH COUNCIL****CAPITAL OUTTURN 2003-04 (SECTION 94)****HOUSING REVENUE ACCOUNT**

<b>Account</b>	<b>Annual Budget £'000</b>	<b>Out-turn £'000</b>	<b>Variance £'000</b>
Gross Expenditure	25,962	26,902	940
Less: Allowance for Overprogramming	(1,250)	0	1,250
Revised Budget	24,712	26,902	2,190

<b>Section 94 Consent</b>			
Basic Consent	(16,916)	(16,916)	0
Capital Receipts:			
Income	(12,292)	(24,581)	(12,289)
Set Aside Receipts	7,779	14,781	7,002
Useable Receipts Brought Forward	(248)	(1,450)	(1,202)
C.F.C.R.	(3,035)	0	3,035
Useable Receipts Carried Forward		1,264	1,264
<b>TOTAL</b>	<b>(24,712)</b>	<b>(26,902)</b>	<b>(2,190)</b>

**Agenda item: Executive of 10 August 2004**

**Report title: Financial Outturn 2003-2004 - Unaudited**

In accordance with the Council's Standing Orders, the contents of this report have been noted by the appropriate Executive Member.

Without prejudice to the integrity of the report, and the recommendations contained within it, the Executive Member expresses his/her own views as follows:

Signed: *Maureen M. Child* Date: *30 July 2004*

**For information** – Standing Order 57(1) states:

“Heads of Department will prepare reports, with professional advice and recommendations, on matters requiring decisions by the Executive:

- a report seeking decisions on matters of corporate strategy, corporate policy and corporate projects will be submitted direct to the Executive
- a report seeking decisions on matters relating to the special responsibilities allocated to an individual member of the Executive will be submitted, in the first instance, to that member. The member will add his or her own recommendation to it before submission to the Executive. Where the Executive member disagrees with the advice and the recommendation of the officers, the Executive member will also state his or her reasons.”