



ORKNEY
ISLANDS COUNCIL

Revenue Estimates Summary
2013/2014

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Foreword by Head of Finance

Introduction

The Local Government Finance Act 1992 is the legislative basis for the current system of local taxation, namely Council Tax. The Council is required to set a balanced budget by the 11 March in the financial year preceding that for which it is set. The revenue budget for the financial year 2013/14, commencing 1 April 2013, was agreed on 14 February 2013 with the Council Tax Band D level continuing to remain frozen at the 2007/08 level of £1,037.

Level of Expenditure

The net revenue budget for 2013/14 stands at £80.157M, representing a decrease from the previous year of £2.998M. The removal of the Police and Fire Requisitions budget of £3.044M, previously paid to Highland Council, is the main reason for this significant reduction in the overall Council budget.

Delivering a balanced budget was only possible through the introduction of savings and efficiency measures totalling £1.135M being applied across General Fund services. Contained within individual service budgets it has also been possible to accommodate £0.140M of additional growth, together with potential contingency funded growth items of £0.785M.

Prior to the issue of service budgets on 1 April 2013, £0.170M was transferred from these contingency items to Social Care Services in respect of complex packages of care, thereby reducing the potential contingency items to £0.615M. In addition to the potential contingency growth items, provision was also made for Older Persons and Early Years Change Funds of £0.091M, together with an unallocated balance of £0.01M. As a result the total corporate contingency budget was set at £0.716M from 1 April onwards, the details of which are provided on page 23.

Document Structure

The Strategy and Assumption on page 7 sets out the Medium Term Financial Strategy (MTFS) as agreed by Council on 14 February 2013. This includes the MTFS itself, Council Tax calculation and the allocation of approved growth and savings across General Fund Service Areas.

The Service Committee Budgets on page 25 provides a budget summary by service committee. This includes details of all General Fund and Non-General Fund services.

A Glossary of Terms is provided at page 39.

Definition of Key Terms

The estimates have been prepared using the format of the Council's financial ledger system, which reflects the standard classification of local authority income and expenditure as recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Local Authorities (Scotland) Accountancy Advisory Committee (LASAAC).

Each of the constituent elements of the 2013/14 budget total are shown to enable both reader and budget holder to quickly see what makes up the budget figure presented.

The budget figures given cover eleven separate datasets, ranging from Approved Budget 2012/13 through to Approved Budget 2013/14.

These eleven datasets or columns of information are split between two distinct groupings which cover the two financial years 2012/13 and 2013/14.

The details show the full year revenue costs of providing General Fund, Housing Revenue Account, Harbour Authority and Orkney College services.

Approved Budget 2012/13	Approved budget to 31 March 2013. As approved by Council, 9 February 2012.
Permanent Virements 2012/13	Approved virements to 31 March 2013. As approved by services during 2012/13.
Revised Budget 2012/13	Approved Budget 2012/13 plus any permanent budget changes made during 2012/13.
Baseline Movement 2012/13	Budget movements made to the Revised Budget in light of agreed service changes.
Revised Baseline 2012/13	Revised Budget plus any Baseline Movements. It is the Revised Baseline to which inflation is applied.
Inflation 2013/14	Increases at agreed rate of uplift following the application of the approved budget uplifts.
One-off Adjustments 2013/14	Changes made primarily to time-limited funding arrangements, therefore not part of the Baseline.
Approved Growth 2013/14	New and additional service spending pressures as proposed collectively by the Corporate Management Team and approved by Council.
Efficiency Savings 2013/14	Savings and efficiencies as proposed collectively by the Corporate Management Team and approved by Council.
Final Adjustment 2013/14	Final budget changes have been made primarily in relation to known funding levels.
Approved Budget 2013/14	Approved budget to 31 March 2014. As approved by Council, 14 February 2013.

Definition of Key Terms (continued)

The following terms are used throughout the estimates with the undernoted definitions:

Service Area	Specific area within a Service Committee e.g. Social Care, Transportation, etc.
Service Function	Specific function within a Service Area e.g. Childcare, Elderly Residential, etc.
Subjective Group	Expenditure and Income Grouping e.g. Staff, Property, Fees and Charges etc.

More detailed descriptions of each element within each of the Subjective Groups now follow:

Subjective Group (Expenditure)

Staff Costs	Salaries, Wages, Pension Contributions, National Insurance.
Other Staff Costs	Interview & Removal Expenses, Staff Advertising.
Property Costs	Rent, Rates, Insurance, Heat, Light and Power, Repairs and Maintenance, Cleaning.
Supplies and Services	Purchases of Supplies, Materials, Equipment, Contract Services, Consultants, IT costs.
Transport Costs	Vehicle and Plant Costs, Transport, Fares, Staff Mileage.
Administration Costs	Office Stationery, Photocopying, Telephones, Postage, Printing, Subsistence, Training, non-Property Insurance.
Apportioned Costs	The cost of Central Support Services (Chief Executive, Administration, Legal, Finance & Technical Services) recharged to Service Areas.
Third Party Payments	Payments for the provision of services on an Agency basis, such as Other Local Authorities, Voluntary Organisations, and Private Contractors.
Transfer Payments	Payments to individuals for which no goods or services are received, such as Student Bursaries, Housing Benefits and other Grant Payments.
Loan Charges	Financing of the Capital Programme
Miscellaneous Expenditure	Other Expenditure

Definition of Key Terms (continued)

Subjective Group (Income)

Government Grants	Scottish Government Grants.
Other Grants & Reimbursements	Health Authority, Other Agencies and Voluntary Organisations.
Rents & Lettings	Hire of Equipment, Lettings and Rents.
Sales	Sale of equipment and materials, Canteen, Refectory and School Meals.
Interest & Loans	Interest on Revenue Balances and Loans.
Fees & Charges	Licenses, Admission Charges, Harbour Dues and Care Charges.
Apportioned Income	The recharge of Central Support Services (Chief Executive, Administration, Legal, Finance & D&I Support) recharged from Service Areas.
Miscellaneous Income	Other Income.

Gareth Waterson

Head of Finance

April 2013

General Fund Strategy and Assumptions

Medium Term Financial Strategy (MTFS)

Formulating and Developing the Budget Strategy

Pre-2013/14

The reductions in public spending which have been implemented were acknowledged when the Council set its budget for financial year 2011/12. The predictions for cuts in public spending guided a requirement to work on General Fund savings targets as follows;

- up to £12m for the 3 year period 2011/12 to 2013/14; and
- a £4m target for 2011/12 although approved savings options for that year exceeded that figure providing flexibility in achieving the savings target.

The Council has been following a strategic approach to guiding the budget setting process since 2011/12 and this approach has proved effective for the past two years. It is proposed that this current approach continues to be endorsed by the Council. Proposals for a new approach to developing a medium term resource strategy will be submitted to future meetings of the Council.

At a budget briefing held in late 2011, Members were advised of some key messages regarding the then forthcoming settlement that had emerged from discussions between COSLA and the Scottish Government, including the following;

- there would be a three year settlement for 2012-15;
- the overall settlement would be “flat cash” but distribution to individual councils would result in some gaining and some losing in terms of their individual grant settlement;
- there would be a Council Tax freeze over the three years;
- there would be a freeze on capital which would also be re-profiled;
- there would be an obligation to maintain police numbers;
- there would be an obligation to maintain teacher numbers in line with pupil numbers; and
- there would be an increased emphasis on preventative spending.

2013/14 onwards

Members have been engaged in the budget setting process over the past year with several budget seminars held to inform and engage on a range of budget setting matters.

The major change to the settlement figures for 2013/14 from 2012/13 is the removal of funding for the Police and Fire services, which will, from 1 April 2013, be paid directly to the single Police and Fire bodies. This reduces the headline funding level for the Council but will not significantly impact on spending on local services.

The saving proposals for 2013/14 worked up when setting the 2012/13 revenue budget were re-examined in light of the new financial settlement information and amended proposals were formulated and discussed through a series of budget seminars.

Although settlement figures have been provided by the Scottish Government for the period to 2015, the Council has **set a budget for one year only**.

In addition to setting the Council Tax level for 2013/14, the Council is required by law to set a balanced revenue budget whereby the level of budgeted expenditure cannot be set at a level greater than the known or realistically anticipated total income for that year.

Headline Grant Settlement and Projected Spending Pressures

Finance Settlement

The following table sets out the headline grant figures. The 2011/12 and 2012/13 grant figures are also provided for comparison, while the projected spending pressures for 2013/14 to 2014/15 are set out in the table on page 11.

2011/12 £m	2012/13 £m	Description	2013/14 £m	2014/15 £m
72.312	71.540	Scottish Government grant funding	67.987	67.405
(2.473)	(0.772)	Annual (Decrease)/Increase	(3.553)	(0.582)
(3.3)	(1.1)	Annual (Decrease)/Increase %	(5.0)	(0.9)

The table above is based on previous finance circulars and the figures announced in Local Government Finance Circular No. 2/2013 for the settlement period 2013-15. It should be noted that confirmation of the 2014/15 position for additional funding for the Council Tax Reduction scheme, Social Fund and Probationer Teachers which totalled £701K in 2013/14 has not been confirmed and therefore these figures are excluded from the 2014/15 figures presented above.

The significant reduction in the headline settlement figures from 2012/13 to 2013/14 is largely accounted for by the removal of funding for Police and Fire Services which, from April 2013, will be paid directly to the new single Police and Fire bodies rather than the Council.

The Scottish Government has provided a flat cash settlement to local government over the settlement period, however, the application of the distribution system resulted in a cash reduction for Orkney in 2012/13. Stripping out the effect of removing the Police and Fire funding there are increases in funding in 2013/14 and 2014/15.

In simple terms, the 2013/14 settlement has reduced by £3.553m as follows:-

2013/14 Settlement Reduction	£m	£m
2012/13 (FC/2012)		71.540
2013/14 (FC/2013)		<u>67.987</u>
Settlement Movement		<u>-3.553</u>
Represented by:		
2013/14 Increase (09/02/12)		
2012/13 Funding (budgeted)	71.540	
2013/14 Funding (original)	<u>71.647</u>	
		0.107
Further Settlement Additions (14/03/12)		<u>0.823</u>
		0.930
Less Police and Fire Removal		
Ring Fenced Grant - Police	-1.428	
General Revenue Funding	<u>-3.055</u>	
		<u>-4.483</u>
		<u>-3.553</u>

Increased funding of £0.930m has been provided to allow local authorities to deal with new pressures such as Welfare Reform (£692k) from 2013/14 onwards. For the Council, there is also an additional pressure in relation the lifecycle maintenance costs and facilities management of the Schools Investment Programme (SIP) which has to be found within the settlement figures provided. The Scottish Government have confirmed that additional funding of £1.513m in 2013/14 (£0.825m) and 2014/15 (£0.628m) has been awarded, however, the reality is that this represents an additional service pressure to be found from 2013/14 onwards. More specifically, there is a requirement to fund the facilities management costs and make an annual contribution to a sinking fund from the settlement figures provided. These contributions will commence in 2013/14 with the level set at £0.825m to match the settlement allocation.

The sinking fund is required to make provision for the future replacement of those elements of the new buildings that will require replacement and will help ensure that the Council has the funding available when it is required to pay for that maintenance. This was a condition of the overall SIP funding package.

Over the 3-year settlement period, government funding has reduced by £3.140m in real terms, with an ongoing requirement to fund national projects and initiatives within the overall level of funding awarded.

Settlement Period	£m	£m
2010/11 to 2011/12 Reduction		-2.473
2011/12 to 2012/13 Reduction		-0.772
2012/13 to 2013/14 Additions	0.930	
Less SIP award	<u>-0.825</u>	
		<u>0.105</u>
		<u>-3.140</u>

Grant Aided Expenditure (GAE)

There is an overall reduction of £399k in the 2013/14 Grant Aided Expenditure (GAE) distribution to Orkney. The most significant reduction is £417k in Education where £312k was due to a reduction in Secondary Pupil numbers relative to other authorities. Social Work GAE has a small increase of £18k while Roads and Transportation GAE was almost static with a £1k increase.

The reduction in Loan and Leasing Charges by £226k from £7.981m to £7.755m in 2013/14 continues to be worthy of note. This budget line reduces by a further £258k in 2014/15. The loan charge support will continue to reduce over future years according to the government profile for repayment of capital debt.

Cash Freeze Commitments

In order to secure the level of grant settlement for 2013/14 set out on page 7, the Council was required to agree to the delivery of certain commitments within the funding being provided or face a financial penalty for choosing not to. In common with all other local authorities in Scotland, the Council chose to comply with the commitments, thereby avoiding the sanction of a financial penalty estimated at around £2.7m. The new commitments replace the earlier commitments set out in the 2007 Concordat document.

In light of the sanction outlined above, the Council agreed in principle to the full funding package as set out in letters from the Cabinet Secretary for Finance, Employment and Sustainable Growth dated 21 September and 8 December 2011. The principal conditions outlined in those letters were:-

- a Council Tax freeze in each of the three years of the Spending Review period;
- maintaining teacher numbers in line with pupil numbers;
- securing places for all probationary teachers who require one under the teacher induction scheme; and
- local authorities passing on their full share of funding to Police Boards.

The final condition in respect of Police funding was dropped in Finance Circular 5/2012 while the remaining conditions were formally endorsed by Council as part of the budget setting process.

Projected Spending Pressures

The table below is based on projections of the budget uplifts and cost pressures over the remainder of the settlement period. Service pressure growth bids were subject to challenge by the Senior Management Team and the bid proposals were outlined to Members at a seminar held on 17 December 2012.

2012/13		2013/14	2014/15
£m	Description	£m	£m
1.4	Inflation on base budget	0.5	0.5
1.1	Service Pressure Growth	0.2	0.2
0.0	Schools Programme	0.8	0.0
<u>0.0</u>	Strategic Reserve Fund	<u>0.8</u>	<u>0.0</u>
2.5	Total Spending Pressures	2.3	0.7

Conclusions

Although it is disappointing that the Council will receive a real-term reduction in external funding over the settlement period, this compares favourably with the reductions that were anticipated in 2011/12 where comparative reductions of £4m were expected over each of the final two years of the 3-year settlement period.

It will continue to be necessary to manage the above funding requirement through a combination of savings, use of reserves and balances and restricting the level of service pressure that is built into the budget.

Reserves and Balances

In calculating the Council Tax, Section 93 of the Local Government Finance Act 1992 requires Scottish authorities to take account of all funding options to meet the level of expenditure being considered. This includes General Fund reserves and earmarked portions of the General Fund balance but not other reserves the Council is specifically allowed to hold, such as the HRA and Harbour Accounts.

The Council currently holds various earmarked reserves within General Fund balances as part of the Council's longer-term financial management strategy. These earmarked reserves, amounting to £16.290m as at 1 April 2013, are held to meet specific commitments, specific purposes or for specific Council priorities. The Council also holds a General Fund balance which, at 1 April 2013, stood at £8.627m and gives the Council a degree of protection over the longer term from potential risk due to unforeseen significant expenditure calls where insufficient revenue or capital budget provision may exist.

The Council also has available, a source of funding from its Strategic Reserve Fund reserves, which stood at £197.546m as at 1 April 2013. In setting the revenue budget for 2012/13 a contribution of £5.093m of the interest that would be earned on the Strategic Reserve Fund reserves was taken into account as a means of cushioning savings targets/requirements and to maintain and protect spending and services which might otherwise have been reduced or removed when setting the budget.

The policy applied to the use of the interest earned on the Strategic Reserve Fund (SRF) has been to use half of the sums earned to support services and the other half to maintain, as far as possible, the “real” value of the reserves. A review of the strategy and investment performance of the SRF was carried out by Hymans Robertson during 2012 and reported to the Investments Sub-committee on 15 November 2012. The review confirmed that, with depressed investment returns and with an investment strategy that had a predicted risk volatility of +/- 7.0%, a return of 5% could be expected. The implication of this is that the Council will have to reduce the reliance placed on the SRF relative to recent years, if the fund is to be sustained in real terms.

The impact from 2013/14 onwards is a reduction of £1.000m in the draw on the SRF in setting the General Fund Budget from £5.093m to £4.093m. The previous commitment to fund the Community Development Fund at £1m over three years will also continue.

In light of the current financial climate the importance of sustaining a sufficient reserve position is pivotal to the financial framework of the Council given the very tight budgets which have had to be set for Council services and the inherent risk therein.

Efficiency Savings for 2013/14

From efficiency savings proposals totalling £1.512M it was recommended that an efficiency savings target of £1.135m incorporating all the proposed savings risk assessed at level 1 or 2 should be accepted and allocated across the Council’s General Fund services.

The full range of efficiency savings options for 2013/14 were estimated to involve a reduction in staffing numbers of approximately 7.16 Full Time Equivalent (FTE) posts. The approved savings applied were restricted to risk levels 1 and 2 and resulted in a reduction of 6.16 FTE posts, of which 2.85 FTE are vacant and the remaining 3.31 FTE occupied by 5 members of staff.

In addition to continuing dialogue with the Trade Unions and staff consultative groups, redeployment or voluntary severance options are pursued with the staff involved in an attempt to avoid compulsory redundancy where possible which is only considered as a last resort.

Implementation of the savings proposed for 2013/14 has been challenging, however, by keeping budget growth to a minimum the savings total required has been managed to a lower level than might otherwise have been possible.

Charging For Services

It has been recognised within the present Medium Term Financial Strategy (MTFS) that there is a need for the Council to review how, when and at what level it should charge for services.

The imperative to do this has been increased with the reductions in grant funding and the acknowledgment, confirmed in the public engagement exercises, that increasing present charges or introducing new charges will be required to maintain services or prevent certain services being removed altogether.

In the present difficult financial circumstances it was recommended that Executive Directors should look to review and increase present charging income by at least 3% from 1 April 2013 if it was possible to do so, or as early as possible thereafter.

There were however exceptions required to this policy where for commercial or other reasons the application of increased charges would result in a reduction in income or where the charges collected by the Council are set by statute or a national body. Nationally determined charges will continue to be adjusted according to the national changes.

The fragile nature of some of the island communities served by the internal ferry service and the impact of transport costs on these communities was specifically highlighted during the budget setting engagement exercise. Internal ferry fare increases have in recent years been applied in line with the general budget strategy on fees and charges, however for 2013/14 a freeze on fares was recommended.

The knock-on effect of a freeze on fares was to transfer an additional service pressure to the General Fund. The level of subsidy required by Orkney Ferries increases as the anticipated 3% fares increase was removed from their operational budget. The original service pressure identified for Orkney Ferries in relation to fuel price fluctuation was £50K, with the proposal to set aside this amount as a potential call on contingency. Given the additional service pressure in relation to the freeze on fares, it was considered sensible to increase the potential call on contingency by a further £50K to £100K to ensure that a realistic operational budget could be set for the service in 2013/14.

Revenue Budget 2013/14 Onwards

In setting the revenue budget for 2013/14 onwards the Council required to give particular attention to the following key variables:-

- the budget strategy;
- the grant settlement;
- inflation pressures;
- growth pressures;
- use of reserves and balances;
- the Council Tax; and
- efficiency savings to be made.

The Council established a good foundation for the budget in 2011/12 with the implementation of savings measures that have in part flowed into 2012/13 and will continue to contribute to meeting the savings target required in 2013/14 and beyond.

Over the 2-year period 2011/12 to 2012/13, the Council has seen a reduction in grant funding of £3.245m. In 2013/14, additional funding of £0.930m was provided for new projects and initiatives, however, the requirement to provide for the ongoing lifecycle maintenance costs for the SIP, resulted in a marginal increase of only £0.105m in real terms as illustrated in the following table:-

	£m	£m	£m
2010/11 to 2011/12 Reduction		-2.473	
2011/12 to 2012/13 Reduction		<u>-0.772</u>	
			-3.245
2012/13 to 2013/14 Reduction	-3.553		
Add back: Police and Fire removal	<u>4.483</u>		
		0.930	
Less SIP Increase 2012/13 to 2013/14		<u>-0.825</u>	
			<u>0.105</u>
Real-term reduction over 3 - years			<u>-3.140</u>

In keeping with the notion of an overall freeze on central government funding, the uprating assumptions applied to the existing service budgets have been kept low with the cost of budgetary inflation totalling £0.600m for 2013/14.

All the proposed new growth bids were subject to debate, review and challenge by the Senior Management Team. That process had due regard to how each bid related to the Council's priorities and Single Outcome Agreement commitments; meeting the Council's statutory requirements; the risk assessment and the basis of calculation. Detailed information was shared with members at the December 2012 budget seminar.

Following that challenge process, service growth bids were approved at the 14 February 2013 Council Tax and Budget Setting meeting, with £0.140m of growth allocated to services and £0.785m provided for within the corporate contingency as potential growth items. Prior to the approved budgets being issued to services, an urgent bid was made from Orkney Health and Care for the early release of £0.170m of potential growth which was subsequently approved and transferred to Social Care services from 1 April 2013. A summary of the service pressure growth position is shown in the table below:-

	14/02/13		01/04/13	
	£000	£000	£000	£000
Permanent Growth	117.5		117.5	
One-off Growth	<u>22.7</u>		<u>192.8</u>	
		140.2		310.3
Contingency – potential growth		<u>784.7</u>		<u>614.6</u>
		<u>924.9</u>		<u>924.9</u>

The Council has been advised that it will be required to report on the outcomes associated with the Change Fund preventative spending. The Government has indicated that they have provided funding within the overall local government finance settlement to cover the total local government commitments, however at a local level these funds are a blend of currently allocated and redeployed resources. The indicated Orkney budgets are £110k for Early Years and £72k for Older Persons Change Funds. In recognition of the issues that there may be in identifying relevant spend within existing resources it is proposed to provide £91k or 50% of the notional Orkney Change Fund budgets as an potential call on the contingency provision.

Finally, the Third Sector in Orkney is a key and valued resource as evidenced by the Council's action in previously approving and implementing a three year funding arrangement with the Third Sector involving year on year increases of 2.25% covering the period 2008/09 to 2010/11. When setting the budget in February 2011 the Council agreed that the Third Sector should receive a 1% increase for 2011/12, 2012/13 and 2013/14, compared with the reductions being applied to Council services, the 1% uplift agreement represents a significant concession and provides an element of protection for the sector.

Cost Pressure and Funding Summary

In cash terms the financial settlement provided only £0.1m of additional real-term funding. The baseline contingency from 2012/13 onwards was £2.1m. The budget process established that the required contingency level for 2013/14 could be reduced to 0.8M and therefore £1.3m was available to contribute towards meeting the identified cost pressures.

The overall cost pressure in 2013/14 was estimated at £2.5m. The balance of funding was provided by efficiency savings as of £1.1m, with the overall position summarised in the table below:-

	2013/14
Cost Pressures	£m
Inflation Assumptions	0.6
Growth Pressure	0.1
SIP	0.8
Strategic Reserve Fund	<u>1.0</u>
	<u>2.5</u>
<i>Funded by:</i>	
Additional Grant	0.1
Use of Contingency	1.3
Efficiency Savings	<u>1.1</u>
	<u>2.5</u>

Approved Budget Calculation 2013/14

		£000
Approved Budget 2012/13		83,155
Less:	Baseline Movement	-3,044
Add:	Inflation	622
Add:	One-Off Adjustment	193
Add:	Growth	117
Less:	Savings	-1,135
Add:	Final Adjustment	249
Approved Budget 2013/14		80,157

Council Tax Calculation 2013/14

		£000
Approved Budget 2013/14		80,157
Less:	Movement in Reserves	<u>-4,093</u>
		76,064
Less:	Finance Settlement	<u>-67,987</u>
Expenditure to be met by Council Tax		<u>8,077</u>
Band D Properties Forecast		7,924
Assumed Collection rate		98.3%
No. of Band D Equivalent Tax Payers		7,789
Band D Council Tax 2013/14		<u>1,037</u>

Band	Property Value (£)	Proportion	Tax (£)
A	up to 27,000	6/9	691
B	over 27,000-35,000	7/9	807
C	over 35,000-45,000	8/9	922
D	over 45,000-58,000	9/9	1,037
E	over 58,000-80,000	11/9	1,267
F	over 80,000-106,000	13/9	1,498
G	over 106,000-212,000	15/9	1,728
H	above 212,000	18/9	2,074

Council Tax Comparison 2013/14

Council Tax Level in Scotland 2013/14	Band D
Comhairle Nan Eilean Siar	1,024
Orkney	1,037
Dumfries & Galloway	1,049
Shetland	1,053
Falkirk	1,070
Angus	1,072
Scottish Borders	1,084
North Lanarkshire	1,098
South Lanarkshire	1,101
East Lothian	1,118
Fife	1,118
East Renfrewshire	1,126
West Lothian	1,128
Moray	1,135
Aberdeenshire	1,141
East Dunbartonshire	1,142
Clackmannanshire	1,148
North Ayrshire	1,152
South Ayrshire	1,154
Perth & Kinross	1,158
Highland	1,163
West Dunbartonshire	1,163
Renfrewshire	1,164
Edinburgh	1,169
Argyll & Bute	1,178
East Ayrshire	1,189
Inverclyde	1,198
Stirling	1,209
Midlothian	1,210
Dundee	1,211
Glasgow	1,213
Aberdeen	1,230
Scotland Average	1,149

Summary of Approved Growth 2013/14

Summary By Service Area	Service Area Code	Approved Growth £000	One-off Growth £000	Total Growth £000
Education	ED	30.0	0.0	30.0
Leisure Services	LS	0.0	0.0	0.0
Social Care	SC	150.0	170.1	320.1
Law & Order	LO	0.0	0.0	0.0
Roads	RD	28.0	0.0	28.0
Transportation	TR	0.0	0.0	0.0
Operational Environmental Services	OE	0.0	0.0	0.0
Environmental Health & Trading Standards	EH	0.0	0.0	0.0
Other Housing	OH	4.0	0.0	4.0
Economic Development	DV	102.1	0.0	102.1
Planning	PL	0.0	0.0	0.0
Other Services	OS	-196.6	22.7	-173.9
Totals		117.5	192.8	310.3

Summary by Item	Service Area Code	Approved Growth £000	One-off Growth £000	Total Growth £000
Budget Increase				
School Transport - additional Tingwall service	ED	20.0	0.0	20.0
Additional Support Teachers - KGS	ED	10.0	0.0	10.0
Access to the Countryside	RD	28.0	0.0	28.0
Marketing & Promotional Activities	DV	25.0	0.0	25.0
Discretionary Housing Payments	OH	4.0	0.0	4.0
Welfare Reform - Other	OS	6.0	22.7	28.7
Standby	OS	5.5	0.0	5.5
Volunteering Service	OS	12.5	0.0	12.5
Generic Advocacy	OS	6.5	0.0	6.5
		117.5	22.7	140.2
Self-Financing (Internal Budget Transfers)				
Disability - Individual Packages of Care	SC	150.0	0.0	150.0
Corporate Outwith Orkney Placements	OS	-150.0	0.0	-150.0
Regeneration Project Delivery	DV	77.1	0.0	77.1
Schools Investment Programme	OS	-77.1	0.0	-77.1
Software Licences	OS	8.0	0.0	8.0
Apportioned Income	OS	-8.0	0.0	-8.0
		0.0	0.0	0.0
Potential Contingency				
MH/LD Services - individual care packages	SC	0.0	170.1	170.1
		0.0	170.1	170.1
Totals		117.5	192.8	310.3

Summary of Efficiency Savings 2013/14

Summary by Service Area	Service Area Code	Service Savings £000	Cleaning/ Insurance £000	Total Savings £000
Education	ED	347.0	44.1	391.1
Leisure Services	LS	73.0	6.9	79.9
Social Care	SC	189.4	6.9	196.3
Law, Order and Protective Services	LO	1.6	0.0	1.6
Roads	RD	161.0	6.2	167.2
Transportation	TR	62.5	1.6	64.1
Operational Environmental Services	OE	26.6	2.1	28.7
Environmental Health	EH	15.0	0.2	15.2
Other Housing	OH	36.0	0.2	36.2
Economic Development	DV	11.3	0.1	11.4
Planning	PL	2.0	0.3	2.3
Other Services	OS	130.7	10.7	141.4
Total		1,056.1	79.3	1,135.4

Summary of Efficiency Savings 2013/14

Summary by Service Area	Service Area Code	Service Savings £000	Cleaning/ Insurance £000	Total Savings £000
Reduction in staffing in North Walls JHS	ED	25.0	0.0	25.0
Supply teaching through CoSLA changes	ED	50.0	0.0	50.0
Out of Orkney placements	ED	200.0	0.0	200.0
Political contingency for P1 and class sizes	ED	26.0	0.0	26.0
Reduction in FE bursaries	ED	30.0	0.0	30.0
Management savings in very small schools	ED	16.0	0.0	16.0
Corporate Cleaning (part of total £30K)	ED	0.0	24.3	24.3
Insurance - reduced premiums (part of total £49.3K)	ED	0.0	19.8	19.8
Rationalisation swimming pool management	LS	8.0	0.0	8.0
General 3% Reduction in cost centres	LS	30.0	0.0	30.0
Libraries and Archives	LS	15.0	0.0	15.0
Kirkwall Community Centre	LS	20.0	0.0	20.0
Insurance - reduced premiums (part of total £49.3K)	LS	0.0	6.9	6.9
Area Support Team/Children's Panel	SC	29.4	0.0	29.4
Targeted saving on all non-staff budgets	SC	30.0	0.0	30.0
Skill mix/staff model review/service redesign	SC	80.0	0.0	80.0
Smiddybrae House Income - 4 Rooms	SC	50.0	0.0	50.0
Insurance - reduced premiums (part of total £49.3K)	SC	0.0	6.9	6.9
General Savings reduction 2%	LO	1.6	0.0	1.6
Capitalisation street lighting maintenance	RD	70.0	0.0	70.0
Capitalising bridge maintenance	RD	40.0	0.0	40.0
Winter Maintenance	RD	25.0	0.0	25.0
Reduce roadside ditch cleaning	RD	26.0	0.0	26.0
Insurance - reduced premiums (part of total £49.3K)	RD	0.0	6.2	6.2
Travel Centre - Increased income/efficiency	TR	12.5	0.0	12.5
Orkney Ferries - efficiency savings	TR	20.0	0.0	20.0
Orkney Ferries - commercial/charter income	TR	30.0	0.0	30.0
Insurance - reduced premiums (part of total £49.3K)	TR	0.0	1.6	1.6
Burial charge increase to national average	OE	26.6	0.0	26.6
Insurance - reduced premiums (part of total £49.3K)	OE	0.0	2.1	2.1
Public toilets (maintenance)	EH	15.0	0.0	15.0
Insurance - reduced premiums (part of total £49.3K)	EH	0.0	0.2	0.2
Energy Advice - general admin	OH	2.0	0.0	2.0
Homelessness Strategy	OH	25.0	0.0	25.0
Garages	OH	4.0	0.0	4.0
Sheltered Housing	OH	5.0	0.0	5.0
Insurance - reduced premiums (part of total £49.3K)	OH	0.0	0.2	0.2
Visit Scotland	DV	11.3	0.0	11.3

Summary by Service Area	Service Area Code	Service Savings £000	Cleaning/ Insurance £000	Total Savings £000
Insurance - reduced premiums (part of total £49.3K)	DV	0.0	0.1	0.1
Archaeology	PL	2.0	0.0	2.0
Insurance - reduced premiums (part of total £49.3K)	PL	0.0	0.3	0.3
Democracy - Members Expenses	OS	8.5	0.0	8.5
Interest on Revenue Balances	OS	25.0	0.0	25.0
SIP - completion of new build projects	OS	93.1	0.0	93.1
Admin Buildings - general efficiency	OS	2.6	0.0	2.6
Chief Executive - general efficiency	OS	1.5	0.0	1.5
Insurance - reduced premiums (part of total £49.3K)	OS	0.0	5.0	5.0
Corporate Cleaning (part of total £30K)	OS	0.0	5.7	5.7
Total		1,056.1	79.3	1,135.4

Summary of Corporate Contingency 2013/14

SUMMARY BY SERVICE AREA	Service Area Code	Contingency Item £000
Education	ED	122.1
Leisure Services	LS	0.0
Social Care	SC	187.2
Law, Order and Protective Services	LO	0.0
Roads	RD	0.0
Transportation	TR	150.0
Operational Environmental Services	OE	0.0
Environmental Health	EH	0.0
Other Housing	OH	0.0
Economic Development	DV	0.0
Planning	PL	171.0
Other Services	OS	85.2
Total		715.5

Summary of Corporate Contingency 2013/14 (continued)

Summary by Item	Service Area Code	Contingency Item £000
Potential Contingency Funded Growth		
School Transport - inflationary rises	ED	80.0
School Transport - access to Orkney College - SA pupils	ED	10.0
Additional Teacher - St Andrews (part-year)	ED	18.5
GTCS Convenor	ED	13.6
All Age Learning Disability Service - transitional costs	SC	12.5
Braeburn Court - staffing & fees shortfall	SC	54.1
Mental Health and LD Services - complex care packages	SC	200.0
Less agreed transfer for complex packages of care	SC	-170.1
Orkney Ferries Fuel and Fares	TR	100.0
Air Service Contract	TR	50.0
Development Planning SG Examination	PL	100.0
Marine Planning	PL	21.0
Planning Database Management	PL	50.0
Webcasting	OS	25.0
Welfare Reform	OS	50.0
		614.6
Change Funds		
Older Persons	SC	36.0
Early Years	SC	54.7
		90.7
Unallocated balance	OS	10.2
Total		715.5

Service Committee Budgets

Service Committee Summary

	2012/13		2013/14				
	Budget £000	Change £000	Inflation £000	Growth £000	Savings £000	Change £000	Budget £000
By Committee							
Development and Infrastructure	19,786.8	(580.9)	126.2	187.3	(288.9)	1,178.0	20,408.5
Education, Leisure & Housing	33,461.5	(70.1)	149.1	34.0	(507.2)	157.3	33,224.6
Orkney Health and Care Partnership	16,363.3	(75.6)	59.0	150.0	(196.3)	371.8	16,672.2
Policy and Resources	13,618.3	(2,322.5)	40.1	(196.6)	(143.0)	(1.7)	10,994.6
Totals	83,229.9	(3,049.1)	374.4	174.7	(1,135.4)	1,705.4	81,299.9
By Committee (General Fund)							
Development and Infrastructure	19,711.9	(576.1)	288.6	130.1	(288.9)	(0.0)	19,265.6
Education, Leisure & Housing	33,461.5	(70.1)	234.1	34.0	(507.2)	72.3	33,224.6
Orkney Health and Care Partnership	16,363.3	(75.6)	59.0	150.0	(196.3)	371.8	16,672.2
Policy and Resources	13,618.3	(2,322.5)	40.1	(196.6)	(143.0)	(1.7)	10,994.6
Totals	83,155.0	(3,044.3)	621.8	117.5	(1,135.4)	442.4	80,157.0
By Committee (Non-General Fund)							
Development and Infrastructure	74.9	(4.8)	(162.4)	57.2	0.0	1,178.0	1,142.9
Education, Leisure & Housing	0.0	0.0	(85.0)	0.0	0.0	85.0	0.0
Totals	74.9	(4.8)	(247.4)	57.2	0.0	1,263.0	1,142.9

Notes:

For the purposes of the Service Committee Summary, the column headings have been simplified from the information shown within the detailed Service Area Summaries as follows:-

2012/13 Budget	Approved Budget 2012/13
2012/13 Budget	Permanent Virements + Baseline Adjustment 2012/13
2013/14 Inflation	Inflation 2013/14
2013/14 Growth	Growth 2013/14
2013/14 Savings	Savings 2013/14
2013/14 Change	One-Off + Final Adjustments 2013/14
2013/14 Budget	Approved Budget 2013/14

Development and Infrastructure

	2012/13		2013/14				
	Budget £000	Change £000	Inflation £000	Growth £000	Savings £000	Change £000	Budget £000
General Fund Services							
Roads	4,637.8	(495.0)	35.2	28.0	(167.2)	45.8	4,084.6
Transportation	9,135.3	(75.0)	239.2	0.0	(64.1)	0.0	9,235.4
Operational Environmental Services	2,337.6	0.0	(9.5)	0.0	(28.7)	(7.3)	2,292.1
E/Health and Trading Standards	788.8	0.0	5.9	0.0	(15.2)	0.0	779.5
Economic Development	2,028.6	(6.1)	5.4	102.1	(11.4)	(3.0)	2,115.6
Planning	783.8	0.0	12.4	0.0	(2.3)	(35.5)	758.4
	19,711.9	(576.1)	288.6	130.1	(288.9)	(0.0)	19,265.6
Non-General Fund Services							
Scapa Flow Oil Port	678.3	(2.4)	(63.5)	28.6	0.0	1,531.2	2,172.2
Miscellaneous Piers and Harbours	(603.4)	(2.4)	(98.9)	28.6	0.0	(353.2)	(1,029.3)
	74.9	(4.8)	(162.4)	57.2	0.0	1,178.0	1,142.9
Roads							
Winter Maintenance and Response	836.3	0.0	8.4	0.0	(25.0)	0.0	819.7
Street Lighting	313.5	0.0	2.3	0.0	(70.0)	0.0	245.8
Car Parks	(1.4)	0.0	(3.6)	0.0	0.0	0.0	(5.0)
Other Works	40.5	0.0	0.4	28.0	0.0	38.5	107.4
Traffic Management	195.0	0.0	1.2	16.7	0.0	70.0	282.9
Structural Maintenance	2,171.5	(545.0)	16.0	0.0	(46.2)	497.1	2,093.4
Routine Maintenance	879.4	0.0	8.3	(16.7)	(26.0)	(47.7)	797.3
Quarries Holding Account	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Roads Holding Account	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Garage Holding Account	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	203.0	50.0	2.2	0.0	0.0	0.0	255.2
Movement In Reserves	0.0	0.0	0.0	0.0	0.0	(512.1)	(512.1)
Net Expenditure	4,637.8	(495.0)	35.2	28.0	(167.2)	45.8	4,084.6

Development and Infrastructure (continued)

	2012/13		2013/14				Budget £000
	Budget £000	Change £000	Inflation £000	Growth £000	Savings £000	Change £000	
Transportation							
Administration	183.9	0.0	1.8	0.0	(0.1)	0.0	185.6
Co-ordination	89.8	0.0	(0.7)	0.0	(12.5)	0.0	76.6
Concessionary Fares	122.5	0.0	0.0	0.0	0.0	10.0	132.5
Support for Operators - Bus	502.9	0.0	15.1	0.0	0.0	0.0	518.0
Support for Operators - Air	951.5	0.0	28.5	0.0	0.0	0.0	980.0
Support for Operators - Ferries	15.8	0.0	0.0	0.0	0.0	(10.0)	5.8
Airfields	392.5	0.0	1.3	0.0	(1.3)	0.0	392.5
Orkney Ferries	6,876.4	(75.0)	193.2	0.0	(50.2)	0.0	6,944.4
Net Expenditure	9,135.3	(75.0)	239.2	0.0	(64.1)	0.0	9,235.4
Operational Environmental Services							
Burial Grounds	135.0	0.0	(1.7)	0.0	(26.8)	0.0	106.5
Refuse Collection	506.1	0.0	(6.6)	0.0	(0.8)	35.8	534.5
Waste Disposal	818.9	0.0	(5.0)	0.0	(0.4)	0.0	813.5
Recycling	499.1	0.0	1.5	0.0	(0.3)	(7.3)	493.0
Environmental Cleansing	378.5	0.0	2.3	0.0	(0.4)	0.0	380.4
Environmental Holding Account	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Movement In Reserves	0.0	0.0	0.0	0.0	0.0	(35.8)	(35.8)
Net Expenditure	2,337.6	0.0	(9.5)	0.0	(28.7)	(7.3)	2,292.1
E/Health and Trading Standards							
Administration	484.2	0.0	4.1	0.0	(0.1)	2.2	490.4
Trading Standards	201.0	0.0	1.7	0.0	(0.1)	(2.2)	200.4
Public Toilets	103.6	0.0	0.1	0.0	(15.0)	0.0	88.7
Net Expenditure	788.8	0.0	5.9	0.0	(15.2)	0.0	779.5

Development and Infrastructure (continued)

	2012/13		2013/14				
	Budget £000	Change £000	Inflation £000	Growth £000	Savings £000	Change £000	Budget £000
Economic Development							
Administration	577.9	(6.9)	5.3	62.1	(0.1)	0.0	638.3
Business Gateway	120.9	0.0	0.4	0.0	0.0	0.0	121.3
EEC Expenditure	12.4	0.0	0.0	0.0	0.0	0.0	12.4
LEADER Programme	26.9	0.8	(0.3)	0.0	0.0	0.0	27.4
Regeneration	47.9	0.0	0.0	40.0	0.0	(3.0)	84.9
Tourism	152.0	0.0	0.0	0.0	(11.3)	0.0	140.7
Strategic Reserve Fund Grants	1,090.6	0.0	0.0	0.0	0.0	33.0	1,123.6
Movement In Reserves	0.0	0.0	0.0	0.0	0.0	(33.0)	(33.0)
Net Expenditure	2,028.6	(6.1)	5.4	102.1	(11.4)	(3.0)	2,115.6
Planning							
Administration	325.6	0.0	2.9	0.0	0.0	0.0	328.5
Development Management	135.1	0.0	3.3	0.0	(0.1)	(25.0)	113.3
Development Planning	377.4	0.0	3.5	0.0	(0.1)	10.1	390.9
Conservation	0.0	0.0	0.0	0.0	0.0	11.0	11.0
Building Standards	(145.0)	0.0	2.2	0.0	(0.1)	25.0	(117.9)
Archaeology	40.2	0.0	0.4	0.0	(2.0)	2.0	40.6
Town and Country Improvements	50.5	0.0	0.1	0.0	0.0	(50.6)	0.0
Scapa Flow Developments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Movement In Reserves	0.0	0.0	0.0	0.0	0.0	(8.0)	(8.0)
Net Expenditure	783.8	0.0	12.4	0.0	(2.3)	(35.5)	758.4

Development and Infrastructure (continued)

	2012/13		2013/14				
	Budget £000	Change £000	Inflation £000	Growth £000	Savings £000	Change £000	Budget £000
Scapa Flow Oil Port							
Administration	310.0	(2.4)	(1.3)	28.6	0.0	(2.3)	332.6
Scapa Flow Development	166.1	0.0	0.1	0.0	0.0	(0.9)	165.3
Oil Pollution	75.0	0.0	0.1	0.0	0.0	0.0	75.1
Environmental Unit	86.8	0.0	0.5	0.0	0.0	2.9	90.2
Marine Officers & Pilots	552.0	0.0	5.3	0.0	0.0	(0.5)	556.8
Navigational Aids	53.1	0.0	0.0	0.0	0.0	0.0	53.1
Weather Forecasts	7.5	0.0	0.0	0.0	0.0	0.0	7.5
Harbour Launches	589.9	0.0	3.4	0.0	0.0	35.9	629.2
Towage Services	1,087.6	0.0	0.2	0.0	0.0	609.6	1,697.4
Harbour Dues	(2,241.7)	0.0	(68.2)	0.0	0.0	853.9	(1,456.0)
Pilotage Income	(120.0)	0.0	(3.6)	0.0	0.0	32.6	(91.0)
Finance Charges	112.0	0.0	0.0	0.0	0.0	0.0	112.0
Net Expenditure	678.3	(2.4)	(63.5)	28.6	0.0	1,531.2	2,172.2
Miscellaneous Piers and Harbours							
Miscellaneous Piers	(1,572.1)	0.0	(100.5)	0.0	0.0	(310.0)	(1,982.6)
Administration	262.6	(2.4)	1.2	28.6	0.0	(27.5)	262.5
Miscellaneous Piers Development	30.1	0.0	0.1	0.0	0.0	60.2	90.4
Environmental Unit	13.8	0.0	0.1	0.0	0.0	0.4	14.3
Marine Officers & Pilots	232.9	0.0	2.3	0.0	0.0	(1.4)	233.8
Navigational Aids	34.5	0.0	0.0	0.0	0.0	0.0	34.5
Weather Forecasts	7.4	0.0	0.0	0.0	0.0	0.0	7.4
Harbour Launches	267.3	0.0	2.7	0.0	0.0	19.5	289.5
Oil Pollution	39.6	0.0	0.4	0.0	0.0	0.0	40.0
Pilotage Income	(169.5)	0.0	(5.2)	0.0	0.0	(94.4)	(269.1)
Finance Charges	250.0	0.0	0.0	0.0	0.0	0.0	250.0
Net Expenditure	(603.4)	(2.4)	(98.9)	28.6	0.0	(353.2)	(1,029.3)

Education, Leisure and Housing

	2012/13		2013/14				
	Budget £000	Change £000	Inflation £000	Growth £000	Savings £000	Change £000	Budget £000
General Fund Services							
Education	27,896.4	(70.1)	238.5	30.0	(391.1)	27.7	27,731.4
Leisure Services	4,152.9	0.0	(0.6)	0.0	(79.9)	37.8	4,110.2
Other Housing	1,412.2	0.0	(3.8)	4.0	(36.2)	6.8	1,383.0
	33,461.5	(70.1)	234.1	34.0	(507.2)	72.3	33,224.6
Non-General Fund Services							
Housing Revenue Account	0.0	0.0	(67.3)	0.0	0.0	67.3	(0.0)
Orkney College	0.0	0.0	(17.7)	0.0	0.0	17.7	(0.0)
	0.0	0.0	(85.0)	0.0	0.0	85.0	(0.0)
Education							
Senior Secondary Schools	8,752.9	(32.7)	68.4	10.0	(68.7)	100.9	8,830.8
Junior Secondary Schools	2,496.3	(12.9)	17.3	0.0	(27.7)	(28.6)	2,444.4
Primary Schools	8,538.2	(4.4)	64.7	0.0	(61.6)	89.7	8,626.6
Pre-School Education	924.8	0.0	8.7	0.0	(0.3)	(0.6)	932.6
Additional Support Needs	1,264.8	0.0	4.7	0.0	(200.2)	(202.6)	866.7
Papdale Halls of Residence	633.0	0.0	4.3	0.0	(1.1)	18.1	654.3
Quality Development	293.1	(20.1)	2.0	0.0	(0.1)	(117.1)	157.8
Administration	1,412.9	(1.2)	11.6	0.0	(0.9)	172.9	1,595.3
Assistance For Students	181.6	0.0	0.0	0.0	(30.0)	0.0	151.6
Community Learning and Development	395.1	0.0	3.2	0.0	(0.1)	18.6	416.8
School Meals	847.3	1.2	(8.3)	0.0	(0.3)	0.0	839.9
School Transport	2,044.5	0.0	61.3	20.0	(0.1)	0.0	2,125.7
School Crossing Patrol	69.3	0.0	0.6	0.0	0.0	(23.6)	46.3
Miscellaneous Grants	31.1	0.0	0.0	0.0	0.0	0.0	31.1
Parent Councils	11.5	0.0	0.0	0.0	0.0	0.0	11.5
Net Expenditure	27,896.4	(70.1)	238.5	30.0	(391.1)	27.7	27,731.4

Education, Leisure and Housing (Continued)

	2012/13		2013/14				Budget £000
	Budget £000	Change £000	Inflation £000	Growth £000	Savings £000	Change £000	
Leisure Services							
Administration	373.0	0.0	3.1	0.0	(6.1)	16.3	386.3
Parks and Play Areas	334.1	0.0	(0.3)	0.0	(3.7)	0.0	330.1
Healthy Living Centres	47.7	0.0	0.1	0.0	(1.0)	(7.8)	39.0
Tourism - Caravan Sites	(9.2)	0.0	(1.0)	0.0	(0.7)	0.0	(10.9)
Tourism - Hostels	7.4	0.0	(1.2)	0.0	(2.0)	0.0	4.2
Sports Development	86.1	0.0	0.4	0.0	(5.0)	(10.8)	70.7
Sports Facilities	677.5	0.0	(0.2)	0.0	(5.0)	79.7	752.0
Swimming Pools	401.2	0.0	(3.5)	0.0	(12.0)	(39.6)	346.1
Theatres	32.5	0.0	(0.2)	0.0	(0.9)	0.0	31.4
Active Schools	54.4	0.0	1.7	0.0	(0.1)	0.0	56.0
Community Facilities	372.1	0.0	(6.8)	0.0	(24.0)	0.0	341.3
Heritage	305.7	0.0	1.2	0.0	0.0	0.0	306.9
Museums	339.5	0.0	0.4	0.0	(0.5)	0.0	339.4
St Magnus Cathedral	218.8	0.0	0.7	0.0	(3.2)	0.0	216.3
Libraries	912.1	0.0	5.0	0.0	(15.7)	0.0	901.4
Net Expenditure	4,152.9	0.0	(0.6)	0.0	(79.9)	37.8	4,110.2

Education, Leisure and Housing (Continued)

	2012/13		2013/14				
	Budget £000	Change £000	Inflation £000	Growth £000	Savings £000	Change £000	Budget £000
Other Housing							
Housing support	55.8	0.0	0.5	0.0	0.0	0.1	56.4
Homelessness	745.2	0.0	(4.1)	0.0	(25.0)	1.7	717.8
Housing Loans	4.7	0.0	0.1	0.0	0.0	0.0	4.8
Housing Grants	58.9	0.0	0.0	0.0	0.0	0.0	58.9
Orkney Energy Centre	21.8	0.0	(0.4)	0.0	(2.1)	0.0	19.3
Garages	(58.0)	0.0	(2.4)	0.0	(4.1)	0.0	(64.5)
Miscellaneous	75.7	0.0	0.5	0.0	0.0	0.0	76.2
Housing Benefit	93.8	0.0	1.4	4.0	0.0	6.8	106.0
Mobile Home Sites	(6.9)	0.0	(0.3)	0.0	0.0	0.0	(7.2)
Landlord Registration	(12.5)	0.0	(0.4)	0.0	0.0	0.0	(12.9)
Care & Repair	292.5	0.0	0.0	0.0	0.0	0.0	292.5
Sheltered Housing	141.2	0.0	1.3	0.0	(5.0)	(1.8)	135.7
Net Expenditure	1,412.2	0.0	(3.8)	4.0	(36.2)	6.8	1,383.0
Housing Revenue Account							
Administration	657.7	0.0	5.3	0.0	0.0	0.0	663.0
Tenant Participation	22.5	0.0	0.0	0.0	0.0	0.0	22.5
Property Costs	1,269.8	0.0	1.6	0.0	0.0	0.0	1,271.4
Finance Charges	540.0	0.0	0.0	0.0	0.0	444.4	984.4
Rent Income	(2,463.1)	0.0	(74.0)	0.0	0.0	(377.1)	(2,914.2)
Other Income	(26.9)	0.0	(0.2)	0.0	0.0	0.0	(27.1)
Net Expenditure	0.0	0.0	(67.3)	0.0	0.0	67.3	(0.0)

Education, Leisure and Housing (continued)

	2012/13		2013/14				
	Budget £000	Change £000	Inflation £000	Growth £000	Savings £000	Change £000	Budget £000
Orkney College							
Business Support	0.0	0.0	3.2	0.0	0.0	(3.2)	(0.0)
Further and Higher Education	0.0	0.0	(3.6)	0.0	0.0	3.6	(0.0)
Agronomy Institute	0.0	0.0	(2.3)	0.0	0.0	2.3	0.0
Marine Environmental	0.0	0.0	(0.1)	0.0	0.0	0.1	(0.0)
Orkney Research Centre	0.0	0.0	(12.3)	0.0	0.0	12.3	0.0
Centre for Nordic Studies	0.0	0.0	(2.6)	0.0	0.0	2.6	(0.0)
Finance Charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Expenditure	0.0	0.0	(17.7)	0.0	0.0	17.7	(0.0)

Orkney Health and Care

	2012/13		2013/14				
	Budget £000	Change £000	Inflation £000	Growth £000	Savings £000	Change £000	Budget £000
General Fund Services							
Social Care	16,363.3	(75.6)	59.0	150.0	(196.3)	371.8	16,672.2
	16,363.3	(75.6)	59.0	150.0	(196.3)	371.8	16,672.2
Social Care							
Administration	1,890.8	6.8	18.1	0.0	(2.5)	(78.6)	1,834.6
Childcare	2,569.4	(7.8)	17.8	0.0	(6.9)	122.0	2,694.5
Elderly - Residential	4,408.5	1.0	1.8	0.0	(72.6)	(46.9)	4,291.8
Elderly - Independent Sector	685.6	0.0	(0.8)	0.0	0.0	(447.1)	237.7
Elderly - Day Centres	280.1	0.0	1.9	0.0	(0.2)	(2.7)	279.1
Disability	2,175.4	0.0	13.1	150.0	(65.4)	726.3	2,999.4
Mental Health	258.9	0.0	1.8	0.0	(7.2)	(3.7)	249.8
Other Community Care	826.4	(25.6)	7.1	0.0	(7.3)	115.4	916.0
Occupational Therapy	355.1	0.0	2.6	0.0	(0.2)	1.3	358.8
Home Care	2,876.4	(50.0)	21.1	0.0	(3.8)	(6.3)	2,837.4
Criminal Justice	(22.0)	0.0	2.1	0.0	(0.1)	0.0	(20.0)
Children's Panel	58.7	0.0	0.1	0.0	(29.4)	0.0	29.4
Movement In Reserves	0.0	0.0	0.0	0.0	0.0	(36.3)	(36.3)
Resource Transfer	0.0	0.0	(27.7)	0.0	(0.7)	28.4	0.0
Net Expenditure	16,363.3	(75.6)	59.0	150.0	(196.3)	371.8	16,672.2

Policy and Resources

	2012/13		2013/14				
	Budget £000	Change £000	Inflation £000	Growth £000	Savings £000	Change £000	Budget £000
General Fund Services							
Central Administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Law, Order & Protective Services	3,168.7	(3,044.3)	1.1	0.0	(1.6)	0.0	123.9
Other Services	10,449.6	721.8	39.0	(196.6)	(141.4)	(1.7)	10,870.7
	13,618.3	(2,322.5)	40.1	(196.6)	(143.0)	(1.7)	10,994.6
Sources of Funding	(83,155.0)	3,044.3	0.0	0.0	0.0	(46.3)	(80,157.0)
Central Administration							
Chief Executive	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Administration	0.0	0.0	0.0	0.0	0.0	14.3	14.3
Finance	0.0	0.0	0.0	0.0	0.0	0.0	0.0
D&I Support	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Energy Efficiency Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Buildings and Facilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Holding Accounts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Legal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cleaning Holding Account	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Movement In Reserves	0.0	0.0	0.0	0.0	0.0	(14.3)	(14.3)
Net Expenditure	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Policy and Resources (Continued)

	2012/13		2013/14				
	Budget £000	Change £000	Inflation £000	Growth £000	Savings £000	Change £000	Budget £000
Law, Order and Protective Services							
Police Requisition	1,366.1	(1,366.1)	0.0	0.0	0.0	0.0	0.0
Fire Requisition	1,678.2	(1,678.2)	0.0	0.0	0.0	0.0	0.0
Civil Contingencies	124.4	0.0	1.1	0.0	(1.6)	0.0	123.9
Net Expenditure	3,168.7	(3,044.3)	1.1	0.0	(1.6)	0.0	123.9
Other Services							
Corporate Management	2,477.0	(104.5)	20.0	5.5	(22.2)	37.0	2,412.8
Corporate Priorities	2,464.1	838.3	15.8	(227.1)	(93.2)	(693.5)	2,304.4
Registration	37.8	0.0	0.0	0.0	(0.7)	12.4	49.5
Miscellaneous Property	124.5	0.0	(0.5)	0.0	(0.3)	0.0	123.7
Payments to Joint Boards	279.4	0.0	0.0	0.0	0.0	0.0	279.4
Elections	22.5	(12.0)	0.0	0.0	0.0	0.0	10.5
Licensing	10.6	0.0	(1.7)	0.0	0.0	0.0	8.9
Payments to Third Sector	137.1	0.0	0.6	25.0	0.0	61.0	223.7
Publicity	6.4	0.0	0.0	0.0	0.0	0.0	6.4
Twinning	6.8	0.0	0.0	0.0	0.0	0.0	6.8
Community Councils	298.6	0.0	2.9	0.0	0.0	64.5	366.0
Interest on Loans and Balances	(450.0)	0.0	0.0	0.0	(25.0)	0.0	(475.0)
Miscellaneous	57.1	0.0	0.0	0.0	0.0	0.0	57.1
Council Tax Benefits	28.4	0.0	0.9	0.0	0.0	596.4	625.7
Cost of Collection	405.3	0.0	1.0	0.0	0.0	0.0	406.3
Finance Charges	4,544.0	0.0	0.0	0.0	0.0	0.0	4,544.0
Movement In Reserves	0.0	0.0	0.0	0.0	0.0	(79.5)	(79.5)
	10,449.6	721.8	39.0	(196.6)	(141.4)	(1.7)	10,870.7

Policy and Resources (Continued)

	2012/13		2013/14				
	Budget £000	Change £000	Inflation £000	Growth £000	Savings £000	Change £000	Budget £000
Sources of Funding							
Non Domestic Rates	(8,203.0)	(224.6)	0.0	0.0	0.0	(399.4)	(8,827.0)
Council Tax	(7,950.0)	0.0	0.0	0.0	0.0	(127.0)	(8,077.0)
Revenue Support Grant	(61,909.0)	3,268.9	0.0	0.0	0.0	(519.9)	(59,160.0)
Movement in Reserves	(5,093.0)	0.0	0.0	0.0	0.0	1,000.0	(4,093.0)
Total Income	(83,155.0)	3,044.3	0.0	0.0	0.0	(46.3)	(80,157.0)

Glossary of Terms

Approved Growth	Additional funding allocated to a service.
Band D Properties	No. of properties within Orkney which are charged Council Tax at the Band D level. Used as the basis for calculating all other Council Tax bands.
Budget	Statement of planned financial resources available to meet organisational objectives.
Council Tax	Established basis of local taxation. Eight separate charging bands, from A to H. All Councils determine their Council Tax level based on the number of Band D Properties.
Discretionary Service	A service which the Council is not legally obliged to carry out.
Efficiency Savings	Cut in spending, usually linked to service reduction.
Financial Ledger	Financial System for recording financial information.
Finance Settlement	The level of revenue and capital funding received from the Scottish Government to deliver local services.
General Fund	Collective terms given to the service activities for which all local authorities are responsible for.
Grant Aided Expenditure (GAE)	A systematic means of allocating grant funding totals amongst local authorities.
Grant Settlement	See Finance Settlement above.
Harbour Accounts	Collective term given to the financial statements of Scapa Flow Oil Port and Miscellaneous Piers and Harbours.
Housing Revenue Account	Ring-fenced financial statement relating to the management and maintenance of the Council housing stock.
Inflation	Term given to the general increase in prices.

Glossary of Terms

Miscellaneous Piers and Harbours	Financial statement which provides details of services which relate to the Council's piers and harbours.
Movement in Reserves	Term given to the Strategic Reserve Fund contribution.
Non-Domestic Rates	Established basis of local taxation for businesses.
Non-General Fund	Collective term given to Council activities which do not fall within the General Fund and not funded by the government's financial settlement.
Orkney College	Financial statement which provides details of services which relate to the activities of Orkney College.
Revenue Expenditure	Day to day recurring costs of providing services.
Revenue Support Grant	The largest element of the Total Revenue Support and consists of a block grant paid weekly to finance the cost of all General Fund activities.
Ring-Fenced Grant	Grant awarded for a particular purpose. Within the context of this document, refers to the replacement term for <i>Specific Grants</i> .
Scapa Flow Oil Port	Financial statements which provide details of the activities surrounding the Scapa Flow Port operation.
Senior Management Team	Executive Management team consisting of Chief Executive, Executive Directors and Head of Finance.
Single Outcome Agreement	Provides the framework through which the Scottish Government and Orkney Islands Council can achieve a set of mutually agreed high level national and local outcomes.
Spending Pressures	Term given to additional costs being incurred within a particular service area which were not budgeted for.

Glossary of Terms

Spend to Save	Investment in service or project which will deliver permanent revenue savings year on year.
Statutory Service	A service which the Council is legally obliged to carry out.
Strategic Reserve Fund	Fund established through the income generated from the activities of the Scapa Flow Oil Port.
Total Government Funding	Term given to total revenue funding received from the Scottish Government through the finance settlement. Consists of 3 elements:- Ring-fenced grants, Revenue Support Grant and Non Domestic Rates.
Uprating Assumptions	Alternative term for inflationary assumptions.