

APPENDIX 1
EXTRACTS FROM BUDGET BOOK

RESOURCES PORTFOLIO

DEPARTMENT OF DEVELOPMENT SERVICES RECHARGEABLE ACCOUNTS Business Unit: Property Management

(1) **Building Management**

This account is used to pool all the 'running costs' of the Council's property stock. It provides the mechanism for targeting expenditure towards the priority needs of property. The account was introduced in 1988 following major problems with the run down in the condition of Council property and the need to establish landlord controls over the property.

The account is operated by the Property Management Division. The operational cost of buildings, related staff time and oncosts are recharged to other Business Units of the Council.

(2) **District Heating**

This is provided from boiler plant situated on the Royal Baths site. The plant delivers high pressure hot water to heat exchangers in the Council Offices, Royal Hall, Exhibition Halls, Conference Centre, Springfield House, International Hotel and the Royal Baths itself. The Council benefits by the sale of heat to the private sector users and also the sharing of officer salaries and other related costs.

(3) **District Refrigeration**

This is provided from major refrigeration plant situated at Levels 1 and 2 of the Conference Centre site. The plant delivers refrigerated water to Air Handling Units in the Conference Centre and the International Hotel to provide air conditioning. The Council benefits by the sale of refrigerant to the Hotel and the sharing of officer salaries and energy costs etc.

(4) **Employees**

The number of employees (full time equivalents) relating to Property Management are 36.62 for OE 07/08, 36.71 for RE 07/08 and 36.11 for OE 08/09. Most of the employee costs are direct costs but some are included within District Heating, District Refrigeration and Building Cleaning. As from Revised Estimate 05/06, employees costs from the Estates Division are recorded here.

RESOURCES PORTFOLIO

DEPARTMENT OF DEVELOPMENT SERVICES

Business Unit: Property Management

(1) **Estates Management**

The Corporate Estate comprises a wide range of land and buildings throughout the District, with the largest concentration being in the main centres of population.

The range of assets include town centre shops, neighbourhood shops, offices, industrial land and buildings, farms and sporting and recreational facilities.

(2) **Knaresborough & Ripon Markets**

The responsibility for managing the local markets at Knaresborough and Ripon transferred to Parks & Open Spaces with effect from 1 April 2007.

(3) **Ripon Town Hall**

From April 2003 operational management was transferred from Department of Leisure to the Construction and Building Management team in the Department of Technical Services - now the Property Management team in the Department of Development Services.

Used predominantly by Ripon City Council.

(4) **Knaresborough House**

From April 2004 operational management was transferred from Department of Leisure to the Construction and Building Management team in the Department of Technical Services - now the Property Management team in the Department of Development Services.

Used predominantly by the general public and clubs on a regular basis.

(5) **Public Conveniences**

The Portfolio Holder has the responsibility for the provision and maintenance of 33 public conveniences.

(6) **Employees**

From April 2005 the costs for employees in the Estates Division were included in the Property Management Salaries Holding Account. This figure represents the recharge from that account for the management of the Estates division.

RESOURCES PORTFOLIO

**DEPARTMENT OF DEVELOPMENT SERVICES
RECHARGEABLE ACCOUNTS**

Business Unit: Property Management

2006/07 Actual	2007/08 Original Estimate	2007/08 Revised Estimated	Cost Centre	2008/09 Original Estimate		
				Gross Expenditure	Gross Income	Net Expenditure
£	£	£		£	£	£
			Building Management			
903,800	933,070	1,014,370	Maintenance	989,540	0	989,540 (1)
777,086	811,690	816,130	Energy	860,440	0	860,440
145,841	197,300	196,800	District Heating	191,100	0	191,100 (2)
37,054	72,230	62,430	District Refrigeration	68,860	0	68,860 (3)
368,763	416,920	427,241	Cleaning and Premises	387,840	0	387,840
440,154	477,030	455,740	Rents, Rates and Insurances	499,970	0	499,970
1,269,426	1,296,020	1,356,670	Oncosts and Overheads	1,359,820	0	1,359,820
3,942,125	4,204,260	4,329,380		4,357,569	0	4,357,569
-3,942,125	-4,204,260	-4,329,380	Recharges to Services		4,357,569	-4,357,569
0	0	0	Net Expenditure	4,357,569	4,357,569	0
			Subjective Analysis			
844,578	875,340	870,720	Employees	856,190		(4)
2,672,698	2,908,240	2,972,710	Premises	2,997,749		
15,611	6,800	9,500	Supplies & Services	6,300		
34,619	36,550	37,250	Transport	37,300		
3,567,506	3,826,930	3,890,180	Total Controllable Expenditure	3,897,539		
0	0	37,260	Employees	37,380		
7,098	3,480	3,480	Premises	6,790		
47,887	46,940	49,430	Supplies & Services	62,580		
311,876	319,240	320,520	Support Services	324,770		
7,970	7,970	28,510	Capital Charges	28,510		
374,831	377,630	439,200	Total Additional Expenditure	460,030		
3,942,337	4,204,560	4,329,380	Total Expenditure	4,357,569		
			Less Income			
3,942,125	4,204,260	4,329,380	Internal Recharges	4,357,569		
213	300	0	Sales, Fees & Charges	0		
0	0	0	Net Expenditure	0		

RESOURCES PORTFOLIO
DEPARTMENT OF DEVELOPMENT SERVICES
Business Unit:Property Management

Major Variances between 2007/08 Revised Estimate and 2007/08 Original Estimate

	Revised Estimate 2007/08	Original Estimate 2007/08	Increase in Net Expenditure
			£
		4,329,380	4,204,260
		<u>4,204,260</u>	<u>125,120</u>
Explained by:		£'000	£'000
<u>CONTROLLABLE EXPENDITURE</u>			
Decrease in Employee Costs			
TK01 - Head of Property Management vacancy		-73	
CE22 Temporary Post		8	
Honorarium		11	
Project Manager - Royal Hall		33	
Other including Vacancy Provision & Overtime		16	
Increase in Premises Costs			
Maintenance			
Planned Maintenance			
Increase due to essential works including Asbestos removal & new fire alarm installation - Ripon Spa Baths		45	
Increase - Fire prevention works due to Fire Reform Regulations		15	
Mechanical & Electrical Repairs			
Increase due to Legionella Monitoring under new regulations		5	
Other M & E variances		2	
Other variances		16	
Cleaning & Hygiene			
Increase due to additional attendance costs at Ripon Bus Station PC's		10	
District Refridgeration		-10	
District Heating		-1	
Energy			
Increase due to transfer of Hugh Ripley Hall from DCS to DDS		4	
Rents & Rates			
Decrease in rents due to updated Royal Baths rent agreement		-12	
Decrease in NNDR due to reflection of actual charges		-9	
Increase in Supplies & Services		3	
Increase in Transport		<u>1</u>	64
<u>ADDITIONAL EXPENDITURE</u>			
Increase in Employee Costs		37	
Increase in Supplies & Services		2	
Increase in Support Services		1	
Increase in Capital Charges - Depreciation		<u>21</u>	61
			<u><u>125</u></u>

DEPARTMENT OF DEVELOPMENT SERVICES

Business Unit: Property Management

Major Variances between 2008/09 Original Estimate and 2007/08 Original Estimate

	£	
Original Estimate 2008/09	4,357,570	
Original Estimate 2007/08	4,204,260	
	Increase in Net Expenditure	153,310
Explained by:	£'000	£'000
<u>CONTROLLABLE EXPENDITURE</u>		
Decrease in Employee Costs		
TK01 - Head of Property Management vacancy	-73	
Other salary increases due to Salary Scale Points/hours	13	
Honorarium	9	
Other staff changes	8	
Pay award 2.5%	19	
Project Manager - Royal Hall	5	
Increase in Premises Costs		
Maintenance		
Decrease in Planned Refurbishments due to budget reallocation across account	-65	
Increase in Planned Maintenance	28	
Increase in Security Costs	12	
Mechanical & Electrical Repairs		
Increase includes Legionella Monitoring under new regulations	39	
Increase in Fire Precautions	15	
Increase in Painting & Decorating	18	
Increase in L & H Maintenance	6	
Increase in Roof Servicing	4	
Other decreases	-1	
Cleaning & Hygiene		
Decrease due to closure of attended toilet service at Ripon Bus Station PC's	-37	
Increase due to additional cleaning duties to new offices Victoria MSCP	5	
Increase on other cleaning costs	3	
District Refridgeration		
District Heating		
Energy		
Increase in Utility costs	48	
Rents & Rates		
Increase in Rents, NNDR & Insurance	23	
		70
<u>ADDITIONAL EXPENDITURE</u>		
Increase in Employee Costs	37	
Increase in Premises Costs	3	
Increase in Supplies & Services	16	
Increase in Support Services	6	
Increase in Capital Charges - Depreciation	21	
		83
		153

**RESOURCES PORTFOLIO
REVENUE BUDGET 2008/09**

DEPARTMENT OF DEVELOPMENT SERVICES

Business Unit: Property Management

2006/07 Actual	2007/08 Original Estimate	2007/08 Revised Estimated	Cost Centre	2008/09 Original Estimated	2009/10 Projection	2010/11 Projection
£	£	£		£	£	£
-64,481	-35,100	33,820	Estates <i>Central Services:</i> Estates Management	309,480	-58,810	-68,370
28,905	0	0	<i>Cultural, Environmental & Planning Services:</i> <i>Planning & Development Services:</i> <i>Economic Development</i> Markets	0	0	0
0	0	0	Property Management <i>Cultural, Environmental & Planning Services:</i> <i>Cultural & Related Services:</i> Feasibility	0	0	0
6,719	8,590	7,720	<i>Recreation & Sport</i> Ripon Town Hall	8,970	9,090	9,220
17,954	1,250	1,180	Knarborough House	-600	-890	-1,200
0	22,510	21,550	Hugh Ripley Hall	23,700	24,500	25,050
362,716	365,940	388,450	<i>Environmental Services:</i> <i>Environmental Health</i> Public Conveniences	381,130	391,530	402,230
97,708	38,040	41,850	<i>Cultural, Environmental & Planning Services:</i> Appropriation to/from(-) Reserves	48,490	39,740	39,740
449,523	401,230	494,570	GF Net Expenditure	771,170	405,160	406,670
160,124	177,560	14,590	Subjective Analysis Employees	14,970	15,380	15,600
200,712	51,680	44,290	Premises	34,040	34,160	34,290
35,084	16,680	48,340	Supplies & Services	29,810	15,570	15,570
3,777	0	40	Transport	0	0	0
97,708	38,040	41,850	Appropriation to/from (-) Reserves	48,490	39,740	39,740
497,406	283,960	149,110	Total Controllable Expenditure	127,310	104,850	105,200
29,806	19,100	185,340	Employees	191,650	196,450	201,370
445,132	504,040	520,210	Premises	487,230	501,450	516,000
15,411	16,890	15,200	Supplies & Services	18,990	19,460	19,950
110,154	90,060	83,600	Support Services	86,470	88,670	90,910
0	90	0	Service Management	0	0	0
38,806	45,510	147,010	Capital Charges	347,010	47,010	47,010
639,309	675,690	951,360	Total Additional Expenditure	1,131,350	853,040	875,240
1,136,715	959,650	1,100,470	Total Expenditure	1,258,660	957,890	980,440
677,692	548,920	597,950	Less Income Sales, Fees & Charges	477,490	542,730	563,770
9,500	9,500	7,950	Other Income	10,000	10,000	10,000
0	0	0	Internal Recharges	0	0	0
449,523	401,230	494,570	Net Expenditure	771,170	405,160	406,670

RESOURCES PORTFOLIO
DEPARTMENT OF DEVELOPMENT SERVICES
Business Unit: Property Management

Major Variances between 2007/08 Revised Estimate and 2007/08 Original Estimate

	Revised Estimate 2007/08	Original Estimate 2007/08	£
			494,570
			401,230
		Decrease in Net Expenditure	<u>93,340</u>
Explained by:	£'000		£'000
<u>CONTROLLABLE EXPENDITURE</u>			
Decrease in Employee Costs			
Transfer of Controllable Employee Costs to Additional Employee Costs	-163		(1)
Decrease in Premises Costs			
Hugh Ripley Hall-Decrease in Premises Costs	-7		
Estates-Repairs to Buildings (Wakemans)	1		
Estates-Service Charge Bridgelink	-1		
Increase in Supplies & Services			
Other consultants fees - Spacey Houses	30		(2)
Agency fees	4		(3)
Appropriations to/from Reserves			
Other Consultants fees - Spacey Houses	-30		(2)
Agency Fees	-4		(3)
Horseshoe Fields	<u>35</u>		
			-135
<u>INCOME</u>			
Increase in Income			
Wakemans House	2		
Increase in Ground Rent	-36		
Increase in Other Property & Land Rent	-27		
Increase in Miscellaneous Income	-2		
Increase in Commercial Lettings-Ripon Town Hall	-1		
Decrease in External Income-Public Conveniences	<u>17</u>		
			-47
<u>ADDITIONAL EXPENDITURE</u>			
Increase in Employee Costs			
Transfer of Additional Employee Costs from Controllable Employee Costs	163		(1)
Estates-Other salary increases	3		
Increase in Premises Costs			
Increase in Building Management Charge-Estates	4		
Increase in Building Management Charge-Public Conveniences	6		
Increase in Building Management Charge-Hugh Ripley Hall	7		
Decrease in Supplies & Services	-2		
Decrease in Support Costs	-7		
Increase in Capital Charges			
Depreciation-Hugh Ripley Hall	3		
Depreciation-Estates	-2		
Capital Expenditure Write Downs	<u>100</u>		
			275
Total			<u><u>93</u></u>

RESOURCES PORTFOLIO
DEPARTMENT OF DEVELOPMENT SERVICES
Business Unit: Property Management

Major Variances between 2007/08 Original Estimate and 2007/08 Original Estimate

	Original Estimate 2008/09	Original Estimate 2007/08	Increase/Decrease(-)
	£	771,170	
		401,230	
		<u>369,940</u>	
Explained by:	£'000	£'000	
<u>CONTROLLABLE EXPENDITURE</u>			
Decrease in Employee Costs			
Transfer of Controllable Employee Costs to Additional Employee Costs	-163		(1)
Increase in Premises Costs			
Hugh Ripley Hall-Decrease in Premises Costs	-7		
Estates-Repairs to Buildings (Wakemans)	4		
Rents & Wayleaves-decrease in payments to NYCC due to sale of land off Wetherby Road	-18		
Rents & Wayleaves-increase due to short term lease of land (unavoidable growth)	4		
NDR/Council Tax	2		
Estates-Service Charge Bridgelink	-2		
Increase in Supplies & Services			
Other consultants fees - Spacey Houses	-1		
Provision for bad debts/voids	14		
Appropriations to/from Reserves			
Wakemans House-net income to transfer to 'sinking fund'	9		
		-158	
<u>INCOME</u>			
Decrease in Income			
Decrease in Ground Rent	17		
Decrease in Property & Land Rent	22		
Increase in Misc Income	-3		
Increase in Commercial lettings - Ripon Town Hall	-1		
Decrease in Commercial lettings - Knaresborough House	-1		
Decrease in External Income-Public Conveniences	<u>37</u>		
		71	
<u>ADDITIONAL EXPENDITURE</u>			
Increase in Employee Costs			
Transfer of Additional Employee Costs from Controllable Employee Costs	163		(1)
Other Salary increases	10		
Increase in Premises Costs			
Decrease in Building Management Charge-Estates	-4		
Decrease in Building Management Charge-Public Conveniences	-22		
Increase in Building Management Charge-Hugh Ripley Hall	9		
Increase in Supplies & Services	2		
Decrease in Support Costs	-3		
Increase in Capital Charges			
Depreciation-Hugh Ripley Hall	3		
Depreciation-Estates	-1		
Capital Expenditure Write Downs	<u>300</u>		
		457	
Total		<u>370</u>	

APPENDIX 2
USE OF RESERVES



FINAL ACCOUNTS 2006/07 RESERVE REVIEW FORM

RESERVE NAME:	District Heating & Refrigeration Replacement	Ledge Code E94 9R40
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RESERVE TYPE:	Earmarked
<small>(eg Business Unit/DSO/Earmarked/AMRA)</small>	

BALANCE 31/3/07:	118,133.37
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REVIEWED BY:

DATE:

PURPOSE OF RESERVE:

To hold year end surplus made by the District Heating & Refrigeration controllable budget to create a replacement fund for the heating and refrigeration plant located at the Royal Baths.

HOW/WHEN RESERVE CAN BE USED:

When substantial expenditure is required to repair or replace the plant, subject to the following general rules on expenditure limits and authorisation being applied:

- Expenditure over £5k - Chief Officer
- Expenditure over £10k - CMT
- Expenditure over £25k - Portfolio Holder

PROCEDURE FOR RESERVE'S MANAGEMENT & CONTROL:

Accountancy ensures that all expected transfers to/from the reserve are made each year

REVIEW PROCEDURE/TIMING:

Annually by relevant departmental officer at Final Accounts

Annually by Accountancy Manager at Final Accounts

Annually at Estimates time by Head of Financial Management (Revenue Reserves) or Accountancy Manager (AMRA)

Other information:(if any)

ACCOUNTANCY MANAGER:

DATE:
