

2001/2002
ANNUAL REPORT

FOR THE PERIOD
1 APRIL 2001 TO 31 MARCH 2002

CONVENER'S FOREWORD TO 2001/02 ANNUAL REPORT

The introduction to Aberdeenshire Council's Statement of Accounts has had a familiar theme to it since the authority came into being. Each year, the word 'cuts' has dominated and 2001/02 has been little different.

However, while more savings will have to be made over the next three years, there is some prospect of the situation easing a little in the near future and that is very welcome.

Savings have characterised Aberdeenshire's first six years as funding has failed consistently to keep pace with wage and general cost inflation and has been inadequate to cope with rises in demand for the wide range of statutory and other services that we offer.

Since 1996, Aberdeenshire has introduced cuts of £63million from its revenue budget. Per head of population, our grant share is 12% below the Scottish average and spending is 11% below. Staff numbers are 20% below the Scottish average.

The Government grant for 2001/02 saw an increase of 7%, but while this seemed acceptable at first, the true position was much less positive. New responsibilities such as the McCrone pay and conditions package for teachers and increased police costs had a major impact and when these and similar costs were stripped out, the real rise was 1.4%.

Despite the considerable financial pressures, we have one of the lowest council tax levels in Scotland and it was pleasing to note that figures from Accounts Commission showed Aberdeenshire to be in the top half of the league table of collection rates in Scotland.

Every effort has been made to avoid damaging cuts, but some reductions in expenditure have been essential.

For example, in August, a number of Council supported bus services were withdrawn or rationalised in order to contain costs of subsidising socially necessary bus services within budget limits.

That said, independent financial consultants concluded that Aberdeenshire Council in general provided a "a level of service which signifies well organised/managed service arrangements".

The redeveloped Old Royal Station, at Ballater, was opened by HRH The Prince of Wales. Work costing more than £1million was carried out on the building by the Council, in partnership with Scottish Enterprise Grampian and the Aberdeen and Grampian Tourist Board, to create a new facility of which the area can be proud.

The Scottish Executive praised Aberdeenshire Council for our efforts with other organisations to develop a variety of responses to the needs of children and young people to reduce the reliance on residential care. It recognised that the Council is also a leader in foster care.

We also submitted a bid for funds from the Public Private Partnership totalling £35million, which will provide six new primary schools and a major extension to one Academy. Formal consultation will be held on the proposals in the coming year.

While 2002 was intended to be one of celebration for the Queen's Golden Jubilee, we were greatly saddened by the loss both of Princess Margaret and the Queen Mother. Both were regular and popular visitors to Royal Deeside and took an active interest in the life of the community. They will be missed greatly.

As the demands on Aberdeenshire Council become every more complex and wide-ranging, elected members, officials and staff have worked hard to meet the challenges we have faced. That high level of commitment to the people of this area will continue to ensure we are well placed to tackle the considerable challenges that lie ahead.

Councillor Raymond G. Bisset O.B.E.
Convener, Aberdeenshire Council

STATEMENT OF ACCOUNTS 2001/2002

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EXPLANATORY FOREWORD BY THE DIRECTOR OF FINANCE

INTRODUCTION

The purpose of the annual Statement of Accounts is to demonstrate proper stewardship of the Council's financial affairs. The Statement has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Local Authority (Scotland) Accounts Advisory Committee (LASAAC).

This foreword provides an explanation of the Statement of Accounts and of the most significant matters reported in the Accounts, together with a summary of the financial outturn for the year ended 31 March 2002.

FINANCIAL STATEMENTS

1. Consolidated Revenue Account

The Consolidated Revenue Account provides a summary of expenditure and income for the year ended 31 March 2002 on the services which the Council provides and demonstrates how the net cost has been financed from central government grants and from local taxpayers. The Consolidated Revenue Account excludes Trust Funds and Common Good Funds which are disclosed elsewhere in the Statement of Accounts.

2. Housing Revenue Account (HRA)

The HRA reflects the statutory requirement to account separately for Local Authority direct housing provision. The account shows the major elements of housing revenue expenditure and how these are met by rents and other income.

3. Direct Labour & Direct Service Organisation Summary Revenue & Appropriation Accounts

This account summarises the expenditure and income of Aberdeenshire Council's Commercial Services, along with details of the surplus or deficit made. The Commercial Services fall into eight sections: two under direct labour – Highways and Building Maintenance; and six under direct services - Vehicle Maintenance, Grounds Maintenance, Building Cleaning, Refuse Collection, Street Cleansing and Catering.

4. Council Tax & Non Domestic Rate Income Accounts

These statements provide details of net income raised from Council Tax and Non-Domestic Rates.

5. Consolidated Balance Sheet

This statement brings together all the assets and liabilities in the Council's accounts at 31 March 2002 with the exception of Trust Funds and Common Good Funds, which are disclosed separately and the Pension Fund which is administered by Aberdeen City Council.

6. Statement of Total Movements on Reserves

This Statement brings together all the recognised gains and losses of the Authority during the period and defines those which have and have not been recognised in the Consolidated Revenue Account.

7. Cash Flow Statement

The Cash Flow Statement provides the details of cash movements arising from both capital and revenue transactions for the financial year.

8. Notes to the Accounts

These notes provide supplementary information on various financial transactions which are not separately detailed in the statements.

9. Trust Funds and Common Good Funds

This statement provides a summary of the income and expenditure during the year together with a summary of the balances.

FINANCIAL OUT-TURN 2001/2002

1. Revenue Expenditure

In 2001/2002 Aberdeenshire Council approved a revenue budget of £287,298,000, which was financed by Revenue Support Grant of £144,887,000 and Council Tax and Non Domestic Rate income of £142,411,000. In order to meet this expenditure, the Council set a Council Tax of £855 at Band D.

For all services, expenditure was £573,000 less than budget. This was accompanied by an increase in income of £3,079,000 giving a net underspend of £3,652,000, which has been transferred to the general fund balance.

The underspend has arisen through a number of one-off savings and changes in the accounting treatment of leases and Council Tax provisions. In addition, borrowing at favourable rates has reduced the capital financing charges.

During the year a decision was taken to increase the balances on various funds, including the insurance fund, repairs and renewals funds and the devolved education management funds available to schools.

EXPLANATORY FOREWORD BY THE DIRECTOR OF FINANCE

2. Housing Revenue Account (HRA)

The revised HRA budget for 2001/2002 had approved expenditure of £28,630,000 and income of £31,290,000, giving a net operating surplus of £2,660,000. Actual operating expenditure totalled £28,394,000, with income of £31,571,000, giving a net operating surplus of £3,177,000. A contribution of £1,701,000 was made from the HRA to the Capital Financing Reserve to meet capital expenditure and the remaining £1,476,000 was transferred to the HRA balance.

The increased HRA balance is in line with the 30 Year "Retention Plus" business plan agreed by the Council for the HRA.

3. Direct Service and Direct Labour Organisations

Commercial Services activities returned a surplus of £363,000 in 2001/2002. All activities "defined" under the Local Government Planning & Land Act 1980 and the Local Government Act 1988 achieved their statutory requirement to break even, with the exception of Catering.

4. Capital Expenditure

Aberdeenshire Council's capital expenditure must be contained within the annual limits set down by the Scottish Executive. This is commonly known as capital consent. The Council can, however, enhance its consent by the amount of capital receipts generated from the sale or lease of capital assets and, in addition, is allowed to exceed enhanced consent by a margin of 10% subject to any over-spending being deducted from the following year's consent.

Total capital expenditure in 2001/2002 was £41,136,000, which was spent on Infrastructure improvements of £16,792,000, £6,139,000 on Education programmes and £12,653,000 on HRA Housing. The remaining balance of £5,552,000 was spent on various other capital projects and on services such as Social Work, Environmental Health, Planning and Development and General Fund Housing.

The majority of costs were financed through borrowing (£21,953,000) with the remainder being funded from a combination of the proceeds from the sale of assets, grants and a contribution from the revenue account. To meet capital expenditure, the Council at 31 March 2002 has total borrowings of £386,000,000, the majority of which is borrowed from the Public Works Loan Board (PWLB).

ACKNOWLEDGEMENTS

The production of the Statement of Accounts is very much a team effort involving many staff from both my own and other services of the Council. I would like to take this opportunity to thank all those involved for their help and co-operation.

Charles Armstrong BA, CPFA, FCCA
Director of Finance
26 June 2002

STATEMENT OF ACCOUNTING POLICIES

The general policies adopted in compiling and presenting the Accounts are those recommended by the Code of Practice on Local Authority Accounting in the United Kingdom issued jointly by the Chartered Institute of Public Finance & Accountancy (CIPFA) and the Local Authority (Scotland) Accounts Advisory Committee (LASAAC). There are no significant departures from those recommendations.

1. Reserves and Provisions

These are used for smoothing expenditure over years with transfers being made from Revenue Accounts to the Funds, and expenditure being charged to the Funds.

The capital accounting guidelines require the establishment of new capital reserve accounts in the Consolidated Balance Sheet, the Fixed Asset Restatement Reserve and the Capital Financing Reserve. The Fixed Asset Restatement Reserve relates to the valuation of assets. The Capital Financing Reserve reflects the amounts set aside from revenue and capital receipts applied to finance capital expenditure together with amounts repaid to the loans fund. Both reserves do not, therefore, represent funds available for use.

Provision is also made for known liabilities which can only be estimated. These liabilities relate to losses on debts and loans due to the Council at 31 March 2002.

Council Tax income is a property based tax which relates to the capital value of domestic properties, as determined by the Assessor. All domestic properties appearing on the valuation list are liable for the tax with the exception of exempt properties. In 2001/2002 the provision for non-collection of Council Tax has been reduced from 2% to 1.5% to reflect the historical pattern of collection.

The predecessor to the Council Tax was the Community Charge which was in operation between 1989 and 1993. For 1992/93 and all prior years it has been assumed that the loss on collection is the amount of cash to be collected.

2. Fixed Assets

The principles of capital accounting are that capital expenditure is held as a fixed asset, provided that it yields benefits to the Authority for more than one year. Service Revenue accounts are charged for the use of the asset based on its value and expected life.

Fixed assets are valued on the basis recommended by CIPFA and in accordance with the Statements of Asset Valuation Principles and Guidance Notes issued by the Royal Institution of Chartered Surveyors (RICS). Fixed assets are classified into groupings required by the 1996 Code of Practice on Local Authority Accounting. Assets have been valued on the following basis:

- Operational properties and other operational assets are included in the balance sheet at the lower of net current replacement cost and net realisable value;

- Non-operational assets, including investment properties and assets which are surplus to requirements, are included in the balance sheet at the lower of net current replacement cost and net realisable value. In the case of investment properties, this is normally open market value;

- Infrastructure assets and community assets are included in the balance sheet at historical cost, net of depreciation.

The Revenue Accounts are charged with an amount equal to the depreciation charge plus a notional interest charge of 6% on the asset value.

Depreciation is provided for on all fixed assets with a finite useful life (which can be determined at the time of acquisition or revaluation) according to the following policy:

- newly acquired assets are depreciated from the mid-point of the year, although assets under construction are not depreciated until they are brought into use;

- depreciation is calculated using the straight line method.

3. Deferred Charges

Deferred charges are payments which are capital expenditure but do not result in the creation of fixed assets. These include housing improvement and repairs grants and capital grants to outside bodies. Expenditure on deferred charges is written off in the year in which it is incurred, with the exception of deferred charges relating to PFI contracts.

4. Receipts from Sale of Fixed Assets

Receipts from the sale of fixed assets, and capital grants received/receivable during the year are shown in the Capital Account. Grants and contributions received towards the creation of fixed assets are credited to the Government Grants Deferred Account and released to the Consolidated Revenue Account over the life of the asset.

5. Grants

Grants and subsidies received have been credited to the appropriate accounts and accruals have been made for balances known to be receivable for the period to 31 March 2002. Grants payable have been accrued where Committee approval for payment has been obtained but the grants have not been paid over to applicants at 31 March 2002.

6. Interest Charges

Interest payable on external borrowings and interest income has been reflected on the appropriate account on an accruals basis.

STATEMENT OF ACCOUNTING POLICIES

7. Redemption of Debt

A Loans Fund is maintained under powers contained in the Local Government (Scotland) Act 1975. All loans raised by the Council are paid into the Fund and all advances to finance capital expenditure are made from the Fund except for capital projects financed directly from Revenue Accounts.

8. Leases, Covenants and Similar Schemes

All material current leases are classified as operating leases as defined by the Scottish Executive interpretation of the Statement of Standard Accounting Practice no. 21 (hereafter SSAP) and the annual rentals are charged to the appropriate service revenue account. The risks and rewards of ownership remain with the lessors along with the title of the goods.

In previous years, a number of leases had been accounted for on a cash basis. From 2001/2002 all leases have now been accounted for on an accruals basis.

9. Debtors and Creditors

The Accounts are prepared on an accruals basis in accordance with the Code of Practice and SSAP no. 2. Accordingly, best estimates of amounts due or payable which relate to activities during the year are included whether or not cash has actually been received or paid in the year.

10. Stock and Work in Progress

Stocks are included in the balance sheet at the total of the lower of average cost or net realisable value.

11. Overheads

With the exception of costs which have been classified as Corporate and Democratic Core all other central administration expenses are allocated fully over user services.

12. Pension Costs

The Superannuation Fund, administered by Aberdeen City Council, provides pension benefits for employees of Aberdeenshire Council (principally excluding teachers). The Council participates in two different schemes which meet the needs of employees in particular services. Both schemes provide members with defined benefits related to pay and service. These schemes are as follows:

Teachers:

This is an unfunded scheme administered by the Scottish Executive. The pension cost charged to the accounts is the contribution rate set by the Scottish Executive on the basis of a national fund.

Other Employees:

Other employees, subject to certain qualifying criteria, are eligible to join the Local Government Superannuation Scheme. The pension costs which are charged to the Council's accounts in respect of these employees are equal to the contributions paid to the funded pension scheme for these employees. Further costs arise in respect of certain pensions paid to retired employees on an unfunded basis.

The pension costs included in the accounts in respect of these schemes have been determined in accordance with relevant Government regulations. As a result, the Council does not comply with the accounting requirements of SSAP 24 "Accounting for Pension Costs" and the liabilities included in the balance sheet are understated in respect of pension costs.

However, in accordance with standard accounting practice for local authorities, the pension costs which it would have been necessary to provide for in the accounts for the period under SSAP 24 are disclosed, where appropriate, by way of a note to the accounts.

A new Financial Reporting Standard (FRS 17) has now replaced SSAP 24 with effect from 22 June 2001. Under the transitional disclosure arrangements covering the introduction of the new standard, additional information regarding Aberdeenshire Council's share of the assets and liabilities of the pension fund, and the assumptions used in this calculation, are disclosed as a note to the accounts.

13. Investments

Quoted investments of the Central Investment Fund operated for the charitable trusts are recorded at market values as at the year end.

14. PFI and Other Long Term Contracts

Assets created under PFI arrangements are not included within the Consolidated Balance Sheet as the Council has transferred the economic benefits and risk associated with such assets to the operator. The contract costs for the use of these assets are recognised in the Consolidated Revenue Account as they are incurred.

CONSOLIDATED REVENUE ACCOUNT

The Consolidated Revenue Account reports the net cost for the year of the Council's services and demonstrates how the cost has been financed from government grants and income from local taxpayers.

It can be seen that the Revenue Support Grant, payable by the Scottish Executive, is the main source of income. This grant covers all services other than those which receive specific grants. Such specific grants are included within the services' net revenue expenditure figures.

2000/2001 Net Expenditure £'000	Aberdeenshire Services	Gross Expenditure 2001/2002 £'000	Income 2001/2002 £'000	Net Expenditure 2001/2002 £'000	Notes Ref
153,530	Education & Recreation	183,917	(20,187)	163,730	1.1
49,791	Transportation & Infrastructure	78,575	(28,491)	50,084	
4,997	Policy & Resources	40,809	(34,795)	6,014	
45,632	Social Work & Non-HRA Housing	67,932	(16,568)	51,364	
19,330	Joint Board Requisitions	21,116	-	21,116	1.2
(3,634)	Housing Revenue Account	28,394	(31,571)	(3,177)	
231	Exceptional Costs	-	-	-	
5,631	Corporate & Democratic Core	6,192	-	6,192	
275,508	NET COST OF SERVICES	426,935	(131,612)	295,323	
(239)	Surplus from Trading Operations:	9,077	(10,683)	(1,606)	1.3
(1,091)	Net Surplus from DSOs/DLOs	43,048	(43,411)	(363)	1.4
(1,126)	Interest on Revenue Balances	-	(1,132)	(1,132)	
(12,945)	Transfer from Asset Management Revenue Account	37,238	(52,209)	(14,971)	1.5
260,107	NET OPERATING EXPENDITURE	516,298	(239,047)	277,251	
	Appropriation Account				
5,497	Contribution to/(from) Capital Financing Reserve			643	
(981)	Contribution to/(from) other Reserves			7,355	
(914)	Contribution to/(from) HRA Balances			1,476	
	AMOUNT TO BE MET FROM GOVERNMENT				
263,709	GRANTS & LOCAL TAXPAYERS			286,725	
	Sources of Finance				
(125,397)	Revenue Support Grant			(144,914)	
(65,824)	Council Tax (including Community Charges)			(76,543)	1.6
(73,325)	Non Domestic Rates			(68,920)	1.7
(264,546)	TOTAL INCOME			(290,377)	
(837)	SURPLUS FOR THE YEAR			(3,652)	
(4,368)	General Fund balance brought forward			(5,205)	
(837)	Surplus for year			(3,652)	
(5,205)	General Fund balance carried forward			(8,857)	

Other Consolidated Revenue Account notes

1.8 – 1.17

HOUSING REVENUE ACCOUNT

The Housing Revenue Account (HRA) reflects the statutory obligation to account separately for Local Authority housing provision as defined in the Housing (Scotland) Act of 1987. This statement includes the major elements of housing revenue expenditure and how this is financed.

2000/2001 Actual £'000	Expenditure	2001/2002 Actual £'000	Notes Ref
4,183	Supervision & Management	4,424	
6,312	Repairs & Maintenance	7,781	
4,070	Other Expenditure	4,310	
12,187	Capital Financing Costs	11,240	
229	Deferred Charges	532	
274	Increase in Bad Debt Provision	107	
<u>27,255</u>	Gross Expenditure	<u>28,394</u>	
	Less: Income		
(27,091)	Council House Rents	(27,636)	
(1,474)	Sheltered Housing	(1,558)	
(769)	Other Rents	(975)	
(433)	Recharges	(497)	
(811)	Interest on Revenue Balances	(584)	
(311)	Other	(321)	
<u>(30,889)</u>	Total Income	<u>(31,571)</u>	
<u>(3,634)</u>	Operating Surplus for the Year	<u>(3,177)</u>	
	Appropriations		
4,548	- Capital Financing Reserve	1,701	
(914)	- HRA Balance	1,476	
<u>(3,634)</u>		<u>3,177</u>	
(10,090)	Opening HRA Balance	(9,176)	
914	Appropriation	(1,476)	
<u>(9,176)</u>	Closing HRA Balance	<u>(10,652)</u>	

Housing Revenue Account notes

2.1

DIRECT LABOUR & DIRECT SERVICE ORGANISATION SUMMARY REVENUE AND APPROPRIATION ACCOUNTS

The operation of the Local Authority's Direct Labour Organisation (DLO) and Direct Services Organisation (DSO) is controlled by two separate pieces of legislation: the Local Government Planning & Land Act 1980 and the Local Government Act 1988.

This legislation requires that separate accounts be maintained for certain defined activities such that their performance can be demonstrated and it also sets out a variety of measures by which this should be done. The statutory requirement is that each service achieves a break-even position at the end of the year after the application of capital charges.

The accounts below provide summarised information for all activities covered by the above legislation.

DIRECT LABOUR ORGANISATION REVENUE ACCOUNT 2001/2002

2000/2001 £'000		Expenditure £'000	Income £'000	(Surplus)/ Deficit £'000	Notes Ref
(292)	Highways	14,978	(15,051)	(73)	
	Prior Year Adjustment		(266)	(266)	3.3
(397)	Trunk Roads	-	-	-	
(56)	Building Maintenance	5,523	(5,533)	(10)	
(745)		20,501	(20,850)	(349)	

DIRECT SERVICES ORGANISATION REVENUE ACCOUNT 2001/2002

2000/2001 £'000		Expenditure £'000	Income £'000	(Surplus)/ Deficit £'000
103	Building Cleaning	3,635	(3,684)	(49)
(49)	Catering	6,208	(5,754)	454
(172)	Grounds Maintenance	4,541	(4,815)	(274)
(128)	Street Cleansing	1,704	(1,709)	(5)
(25)	Refuse Collection	3,180	(3,232)	(52)
(75)	Vehicle Maintenance Services	3,279	(3,367)	(88)
(346)		22,547	(22,561)	(14)
(1,091)	TOTAL DLO/DSO	43,048	(43,411)	(363)

	Appropriation		
1,091	- To General Fund Balance		363

DLO/DSO notes

3.1 – 3.4

COUNCIL TAX INCOME ACCOUNT

Council Tax is a property based tax which relates to the capital value of domestic properties, as determined by the Assessor who prepares a valuation list which places each dwelling within one of eight broad valuation bands. Basically, all domestic dwellings which appear on the valuation list are liable for the tax, but some dwellings, for instance student residences and certain unoccupied dwellings, are exempt.

The full Council Tax bill is based on the assumption that there are two adults living in the dwelling. If only one adult lives in a dwelling the Council Tax bill is reduced by 25%.

In 2001/2002, for Band D properties, the Council Tax was £855.00. The Scottish average for 2001/2002 was £900.69. This statement also includes any residual Community Charges collected.

2000/2001		2001/2002	2001/2002	Notes
£'000		£'000	£'000	Ref
(75,580)	Gross Council Tax Due		(85,176)	
	Less:			
261	Council Tax Benefits (Net of Government Grant)	279		
8,041	Other Discounts and Reductions	9,167		
1,247	Provision for bad and doubtful debts	1,043	10,489	
	Adjustments to Previous Years:			
207	Council Tax & Community Charge		(1,856)	
(65,824)	Transfer to the Consolidated Revenue Account		(76,543)	

Council Tax Income Account notes

4.1 – 4.2

NON DOMESTIC RATE INCOME ACCOUNT

Non-Domestic rates are levied in respect of all commercial properties within the area. The Regional Assessor determines a rateable value for each property, this figure broadly representing the rent which the property could expect to fetch on the open market.

The Assessor maintains the listing of all rateable values in the Valuation Roll. All properties listed in the Roll are liable for rating purposes. The actual rates charge is calculated by multiplying the rateable value by the poundage i.e. pence in the pound, set each year by the Scottish Executive. The poundage set for the year 2001/2002 was 47 pence, with a slightly lower figure being applied for properties with a rateable value of less than £10,000.

Properties which are empty may be exempt from the charge for up to 3 months, and thereafter may enjoy, in certain circumstances, some further relief against the charge. Similarly certain properties, such as Post Offices in rural areas, can also qualify for relief from the full charge. Charities can also receive reductions against the rates bill for any property.

2000/2001		2001/2002	2001/2002	Notes
£'000		£'000	£'000	Ref
(57,253)	Gross Rates Levied and Contributions in Lieu		(58,688)	
6,806	Reliefs and Other Deductions	5,713		
236	Payment of Interest	370		
6	Provisions for Bad and Doubtful Debt	6	6,089	
<u>(50,205)</u>	Net Non-domestic Rate Income		<u>(52,599)</u>	
(23,120)	Contribution from National Non-domestic Rate Pool		(16,321)	
<u>(73,325)</u>	Transfer to Consolidated Revenue Account		<u>(68,920)</u>	

Non-Domestic Rate Income Account notes

5.1 – 5.2

CONSOLIDATED BALANCE SHEET

The Consolidated Balance Sheet summarises the financial position of Aberdeenshire Council as at 31 March 2002. It brings together all of the balances in the Council accounts and eliminates items which reflect internal transactions, such as outstanding amounts borrowed by service committees from the Loans Fund. The balances on Charitable Trust Funds and Common Good Funds are excluded from the Consolidated Balance Sheet and are accounted for separately.

2001	As at 31 March 2002	£'000	£'000	£'000	Notes Ref
	FIXED ASSETS				
	Operational Assets:				
340,857	Council Dwellings	324,790			6.1
327,210	Land & Buildings	331,394			
8,247	Vehicles, Plant & Equipment	7,930			
86,479	Infrastructure	89,014			
4,558	Community Assets	4,550	757,678		
	Non-Operational Assets:				
201	Land & Buildings	3,322			
45,541	Investment Properties	41,401	44,723		
	Other Long-Term Assets:				
(19)	Debt Redemption Premium		16,189		6.2
4,004	Debtors		4,665		6.3
0	Deferred Charges		2,524		6.4
817,078	TOTAL FIXED ASSETS			825,779	
	CURRENT ASSETS				
2,534	- Stocks & Work in Progress	2,491			
29,752	- Debtors	43,567			
42	- Investments & Temporary Lending	1,792			6.5
51	- Petty Cash	52			
32,379			47,902		
	Less: CURRENT LIABILITIES				
(44,559)	- Short Term Borrowing	(63,954)			6.5
(36,583)	- Creditors	(41,114)			
(8,876)	- Bank Overdraft	(11,910)	(116,978)		
(90,018)	NET CURRENT LIABILITIES			(69,076)	
	Long-Term Liabilities				
(281,636)	Long Term Borrowing	(281,615)			6.5
(8,931)	Government Grants Deferred	(11,046)			6.6
(265)	Provisions	(393)	(293,054)	(293,054)	6.7
468,607	TOTAL ASSETS LESS LIABILITIES			463,649	
	FINANCED BY:				
(374,267)	Fixed Asset Restatement Reserve			(340,057)	6.8
(71,246)	Capital Finance Reserve			(90,906)	6.8
(3,033)	Usable Capital Receipts Reserve			0	6.8
0	Unapplied Capital Receipts Reserve			(202)	6.8
(5,201)	Funds & Reserves			(9,818)	7.2
	Revenue Balances				
(5,684)	- General Fund			(12,014)	6.9
(9,176)	- Housing Revenue Account			(10,652)	
(468,607)				(463,649)	

Other Consolidated Balance Sheet notes

6.10 – 6.14

Charles Armstrong, BA, CPFA, FCCA
Director of Finance
26 June 2002

STATEMENT OF TOTAL MOVEMENT ON RESERVES

CAPITAL RESERVES (Note 7.1)

The capital accounting guidelines requires the creation of the Fixed Asset Restatement Reserve and the Capital Financing Reserve. These reserves are not available for use by the Authority. The Usable Capital Receipts and Unapplied Capital Receipts Reserves represent capital receipts that have not been applied and thus are available to supplement capital expenditure in future years.

	Fixed Asset Restatement Reserve £'000	Capital Financing Reserve £'000	Usable Capital Receipts £'000	Unapplied Capital Receipts £'000	TOTAL £'000
Balance at 1 April 2001	(374,267)	(71,246)	(3,033)	-	(448,546)
Net Movement for year		1,716	3,033	(202)	4,547
Unrealised Gain from Revaluation of Fixed Assets	26,204				26,204
Effects of Disposals of Fixed Assets:					
- Cost or Value of Assets Disposed of	8,006				8,006
- Proceeds of Disposals			(7,585)		(7,585)
Financing of:					
- Fixed Assets		(16,479)	7,585		(8,894)
- Capital from Current Revenue		(4,897)			(4,897)
Balance as at 31 March 2002	<u><u>(340,057)</u></u>	<u><u>(90,906)</u></u>	<u><u>Nil</u></u>	<u><u>(202)</u></u>	<u><u>(431,165)</u></u>

REVENUE RESERVES (See Note 7.2 for further analysis of specific funds & reserves)

The Council has a number of revenue reserves which represent funds available for distribution.

	General Fund £'000	DEM £'000	HRA £'000	Specific Funds £'000	TOTAL £'000
Balance at 1 April 2001	(5,205)	(479)	(9,176)	(5,201)	(20,061)
Movement for Year	(3,652)	(2,678)	(1,476)	(4,617)	(12,423)
Balance as at 31 March 2002	<u><u>(8,857)</u></u>	<u><u>(3,157)</u></u>	<u><u>(10,652)</u></u>	<u><u>(9,818)</u></u>	<u><u>(32,484)</u></u>

CASH FLOW STATEMENT

This statement provides details of the movements of cash arising from transactions with third parties, for both revenue and capital payments.

2000/2001 £'000		2001/2002 £'000	2001/2002 £'000	Notes Ref
	REVENUE ACTIVITIES			
	Expenditure			
177,082	Staffing Costs	192,318		
136,524	Operating Costs	127,734		
<u>8,115</u>	Housing Benefit	<u>9,523</u>		
321,721			329,575	
	Income			
(58,745)	Council Tax	(67,424)		
(50,227)	Non Domestic Rates	(52,332)		
(21,924)	NDR Receipts from National Pool	(16,321)		
(125,397)	Revenue Support Grant	(144,914)		
(16,146)	Housing Rents	(15,356)		
(22,304)	Benefit Subsidies	(24,151)		
(18,789)	Government Grants	(16,680)		8.4
<u>(48,862)</u>	Cash Received for Goods & Services	<u>(31,687)</u>		
(362,394)			(368,865)	
(40,673)	Revenue Activities Net Cash Flow		(39,290)	8.2
	SERVICING OF FINANCE			
	Expenditure			
23,189	Interest Paid	24,064		
<u>(143)</u>	Interest Received	<u>(337)</u>		
23,046			23,727	
	CAPITAL ACTIVITIES			
	Expenditure			
33,355	Purchase of Fixed Assets	36,029		
-	Long Term Assets	20,596		
	Income			
(12,562)	Sale of Assets	(12,029)		
(3,215)	Capital Grants	(6,819)		
<u>(723)</u>	Other Capital Income	<u>(1,719)</u>		
16,855			36,058	
(772)	Net Cash Inflow/Outflow before Financing		20,495	
	FINANCING			
	Expenditure			
383,470	Repayments of Amounts Borrowed	615,680		
	Income			
<u>(380,594)</u>	New Loans Raised	<u>(633,142)</u>	<u>(17,462)</u>	
<u>2,876</u>			<u>3,033</u>	
<u>2,104</u>	(Increase)/Decrease in Cash		<u>3,033</u>	8.1
	Other Cash Flow note			8.3

NOTES TO THE ACCOUNTS

CONSOLIDATED REVENUE ACCOUNT

1.1 The Consolidated Revenue Account has been prepared using the guidance contained within the Best Value Accounting Code of Practice (BVACOP). The Council's committee structure has been used rather than the service divisions specified by BVACOP as this gives a better representation of the Council's service delivery.

The BVACOP classification of expenditure is as follows.

	£'000
Education Services	152,812
Housing Services	1,006
HRA	(3,177)
Cultural & Related Services	14,965
Environment Services	15,533
Roads & Transport Services	25,940
Planning & Development Services	4,395
Social Work Services	50,625
Central Services	5,916
Joint Boards	21,116
Corporate & Democratic Core	6,192
TOTAL	295,323

1.2 Joint Board Payments

Joint Board payments are comprised as follows:

	2000/2001 £'000	2001/2002 £'000
11,996 Grampian Police	11,996	13,085
6,151 Grampian Fire Brigade	6,151	6,781
1,183 Grampian Valuation Board	1,183	1,250
	19,330	21,116

1.3 Trading Services

The net operating costs of the undernoted trading services are included in the Consolidated Revenue Account.

	(Surplus)/ Deficit 2000/2001 £'000	(Surplus)/ Deficit 2001/2002 £'000
(161) (i) Internal Transport	(161)	(1,472)
(78) (ii) Quarries	(78)	(134)
	(239)	(1,606)

(i) Provides vehicles for all Council services.
Turnover = £7,469,000 (2000/2001 - £7,300,000)

(ii) Quarry operation from three sites within Aberdeenshire – sales both to Council Services (mainly Highways) and external customers.
Turnover = £3,215,000 (2000/2001 - £2,931,000)

1.4 DLO/DSO Accounts

The summary DLO/DSO Accounts are shown at Page 8.

1.5 Asset Management Revenue Account

	2000/2001 £'000		2001/2002 £'000
27,288 Loans Fund Interest	27,288		25,751
100 Loans Fund Expenses	100		108
11,206 Depreciation	11,206		11,379
(50,812) Capital Charges	(50,812)		(50,793)
(642) Government Grants Released	(642)		(1,328)
(85) DSO Stock Balance Interest	(85)		(88)
	(12,945)		(14,971)

1.6 Council Tax & Community Charge

An analysis of Council Tax and Community Charge income is shown at Page 9.

1.7 Non-Domestic Rates

An analysis of Non Domestic Rate income is shown at Page 10.

1.8 Finance & Operating Leases

The Council uses vehicles, plant and equipment which are financed by operating leases. The amount paid under this arrangement in 2001/2002 was £987,000 (2000/2001 = £2,303,000) The outstanding obligations under these arrangements are:

2002/03	£2,329,000
2003 onwards	£7,651,000

1.9 Section 83 (Amended) of the Local Government (Scotland) Act 1973

Section 83 (amended) of this Act provides a Local Authority with the power to incur expenditure which, in its opinion, is in the interests of all or part of their area or all or some of its inhabitants, and where the authority has no other specific legal power. Any expenditure incurred under this enactment may not exceed the equivalent of the product of £3.80 per head of population. In the year to 31 March 2002 Aberdeenshire Council incurred the following expenditure under this power:

	2000/2001 £'000		2001/2002 £'000
256 Grants to Businesses	256		269

This is within the value as defined by the Act of £860,000.

NOTES TO THE ACCOUNTS

1.10 Goods & Services Act 1970

Aberdeenshire Council is empowered to provide goods and services under this Act. The Council received £2,929,000 from these services (2000/2001 £3,247,000), which equates to the costs incurred.

1.11 Pension Costs

Teachers:

In 2001/2002 the Council paid £4,851,000 to the Scottish Executive in respect of teachers' pension costs, which represents 6.9% of teachers' pensionable pay. In addition, the Council is responsible for all pension payments relating to added years awarded, together with the related costs. In 2001/2002 these amounted to £643,000 representing 0.9% of pensionable pay.

Other Employees:

In 2001/2002 the Council paid employer's contributions of £9,517,000 into the Pension Fund, representing 12.9% of pensionable pay for employees (10.75% for manual workers who joined the scheme prior to 1st April 1998). The contribution rate is determined by the Pension Fund's Actuary based on triennial actuarial valuations, with the last review undertaken in March 1999. Under Superannuation Regulations, contribution rates are set to meet 100% of the overall liabilities of the fund.

In addition, the Council is responsible for all pension payments relating to added years' benefits it has awarded, together with related increases. In 2001/2002 these amounted to £836,000, representing 1.2% of pensionable pay.

The Fund's Actuary has advised that the pension cost that it would have been necessary to provide for in the year, in accordance with SSAP 24 "Accounting for Pension Costs", is £10,387,000, representing 14.1% of pensionable pay.

The capital cost of discretionary pension payments agreed by Aberdeenshire Council have been calculated in accordance with CIPFA/LAAP Bulletin 51 and are as follows: -

- (a) Capital cost of discretionary pensions agreed in 2001/2002 - £71,000 (2000/2001 = £2,219,000)
- (b) Capital cost of discretionary pensions agreed in earlier years - £14,546,000 (2001/2001 = £11,349,000)

This liability is not recognised in the balance sheet, as the costs are charged to the revenue account as they occur.

1.12 Payments to Members

The table below discloses the total Members Allowances paid during 2001/2002

2000/2001 £'000		2001/2002 £'000
444	Basic Allowance	443
196	Special Responsibility Allowance	197
16	Telephone Allowances	15
176	Travel & Subsistence	193
<u>832</u>		<u>848</u>

1.13 Payments to Officers

The table below details the numbers of officers whose emoluments fell within each bracket in multiples of £10,000 and starting with £40,000.

2000/2001	Salary Band	Number of Officers 2001/2002
65	£40,000 - £49,999	76
11	£50,000 - £59,999	40
7	£60,000 - £69,999	3
0	£70,000 - £79,999	6
0	£80,000 - £89,999	0
1	£90,000 - £99,999	1

In 2001/2002 the McCrone agreement was implemented resulting in a 10% pay increase for teachers. This increases significantly the number of officers falling within the above pay brackets.

1.14 Section 5 of the Local Government Act 1986

Under the terms of Section (5) 1 of the Local Government Act 1986 (Part II), Local Authorities are required to keep a separate account of expenditure on publicity.

2000/2001 £'000		2001/2002 £'000
490	Publicity Expenditure	507

NOTES TO THE ACCOUNTS

1.15 Agency Arrangements

Under various statutory powers, an Authority may agree with other Local Authority and government departments to do work on their behalf. Likewise, certain of the authority's service work may be undertaken on its behalf by other bodies. The main items of agency expenditure and income are included in the consolidated revenue account and are as follows:

2000/2001		2001/2002
£'000		£'000
2,518	Educating Aberdeenshire children in mainstream and special schools outwith Aberdeenshire	2,335
(11)	Income from educating pupils from other Authorities in Aberdeenshire	(14)
62	Local Authorities – Care Management	54
248	Maintenance of Community Alarm System	268
92	Social Work service in hospitals	65
166	Payment for share of Public Analyst Service	224
62	Payment for Library Archiving services	76
	Receipts from other bodies for Administrative Services	
(384)	North of Scotland Water Authority	(409)
(98)	Grampian Joint Fire Board	(105)
(36)	Grampian Joint Valuation Board	(16)
(402)	Provision of Transportation Services for other Authorities	(269)
(324)	Provision of Printing Services to other Authorities	(304)

1.16 Private Finance Initiative

On 7 March 2001 Aberdeenshire Council entered into an agreement with Robertson Education (Aberdeenshire) Limited, a consortium formed by the Robertson Group (Scotland) Limited, to provide Educational services to the Council under a Private Finance Initiative (PFI) contract.

The contract involves:

- (1) Design, construction and service provision of a new academy at Oldmeldrum
- (2) Design, refurbishment and service provision of the Banff Primary School
- (3) Design, extension and service provision of Meldrum Primary
- (4) Design and construct a Support for Learners Unit at Banff Academy

The effective date of service commencement for Banff Primary School and Meldrum Primary was 18 February 2002, and the contract will run for 25 years. The effective date of service commencement for the academy at Oldmeldrum will be 1 August 2002, and the contract will also terminate on 17 February 2027.

In respect of the PFI contract, the Council contributed the following assets during 2001/02:

<u>Asset:</u>	<u>NBV at 18 February 2002</u>
Banff Primary School	£1,690,748
Meldrum Primary School	£1,423,829

Banff Primary School and Meldrum Primary School have been leased to Robertson Education (Aberdeenshire) Limited from 18 February 2002 until 17 February 2027, at a nominal rent. The economic benefit to be derived from these leases over the period of the contract has been assessed as by a qualified valuer (See note 6.1(e) for details of valuers), and these values are shown below:

NOTES TO THE ACCOUNTS

<u>Asset:</u>	<u>Economic Benefit</u>
Banff Primary School	£1,003,236
Meldrum Primary School	£1,531,864

This benefit has been recognised in the accounts and is being written off over the period of the contract.

In addition, the Council will be contributing the following asset during 2002/03:

<u>Asset:</u>	<u>NBV at 31 March 2002</u>
Site for Academy at Oldmeldrum	£100,000

The site for the academy at Oldmeldrum will be leased to Robertson Education (Aberdeenshire) Limited from 1 August 2002 until 17 February 2027, at a nominal rent. This asset will be removed from the Council's balance sheet when the lease commences, and the economic benefit of the asset will be written down over the period of the PFI contract.

1.17 Related Party Transactions

During the year, the Council entered into a number of transactions with related parties. The most material of these transactions, not disclosed elsewhere, include: -

2000/2001	2001/2002	Income
	Expenditure	£'000
	£'000	£'000
Government Grants		
(18,825)	- Other Government Grants	(19,694)
(925)	Capital Grants	
	221	(2,904)
13,847	Pension Fund Contributions	
	14,368	
Subsidised Bus Fares		
2,376	- Subsidy for Bus routes in Aberdeenshire	2,282
Health Board Resource Transfer		
(5,242)	- Total Resource transfer from Grampian Health Board	(5,985)
Housing Partnerships		
(1,805)	- Grant received from Scottish Executive	(3,302)
4,046	- Paid to Aberdeenshire Housing partnership	4,524
135	- Paid to other Housing Associations	250

NOTES TO THE ACCOUNTS

HOUSING REVENUE ACCOUNT

2.1 Statistics

2000/2001		2001/2002
15,707	Housing Stock as at 31 March	15,151
	Types of dwellings:	
1,533	- Sheltered Housing	1,532
31	- 1 apartment	36
3,836	- 2 apartment	3,786
6,691	- 3 apartment	6,359
3,451	- 4 apartment	3,277
165	- 5 + apartment	161
<u>15,707</u>		<u>15,151</u>
£'000		£'000
	Rent Arrears	
688	- Current Tenants	683
558	- Former Tenants	619
892	Provision for Bad Debts (Housing Rents)	951
£32.72	Average Weekly Rent	£34.41

NOTES TO THE ACCOUNTS

DIRECT LABOUR & DIRECT SERVICE ORGANISATION SUMMARY REVENUE AND APPROPRIATION ACCOUNTS

3.1 Range of Work

Aberdeenshire Council's Direct Labour Organisation (DLO) is responsible for Highways work and Building Maintenance. Highways is principally involved in construction and maintenance work on roads and bridges, for which the Council has a statutory responsibility. In addition, work is undertaken in respect of the installation and maintenance of street lighting. From 1 April 2001 Trunk Road Maintenance has been carried out by a private contractor. Building Maintenance undertakes all types of property maintenance for and on behalf of all Council Services.

The Council's Direct Services Organisation (DSO) is made up of six independently operated sections:

- (i) **Building Cleaning** - Cleaning duties are performed at various Council buildings, offices and public conveniences.
- (ii) **Catering** – Provides the catering services primarily to Aberdeenshire's Education service.
- (iii) **Street Cleansing** – Cleansing undertake street sweeping activities throughout Aberdeenshire.
- (iv) **Refuse Collection** – Provide the Refuse Collection services to all Aberdeenshire domestic and commercial properties.
- (v) **Grounds Maintenance** - Responsible for the ground maintenance of schools, roadside areas, Social Work premises and industrial estates.
- (vi) **Vehicle Maintenance** - Responsible for the provision under contract of a comprehensive fleet repair and maintenance service.

3.2 Rates of Return

Under the legislation every DLO/DSO is required to achieve a break-even position after the application of capital charges.

3.3 Prior Year Adjustment

A prior year adjustment of £266,000 has been included in the accounts for the Highways DLO for income which has been recognised in 2001/2002 but relates to prior years.

3.4 Leisure Management DSO

With the moratorium on Compulsory Competitive Tendering and the introduction of Best Value, activities for Leisure Management were undertaken within the Education and Recreation Service to ensure the most cost effective means of delivering the service.

Accordingly the accounts for the defined activity were consolidated within the service and not separately identified. Information will be provided from 2002/2003 in order to comply fully with the extant CCT legislation. There will be no impact on the accounts arising from this change in presentation.

NOTES TO THE ACCOUNTS

COUNCIL TAX ACCOUNT

4.1 Analysis of Properties by Bandings (based on valuation list at September 2001)

Table 1 provides an analysis of properties across the valuation bandings and details the numbers of properties which are subject to discounts and those which are exempt. The total number of properties in each banding is then converted into Band D equivalent figures.

<u>BAND</u>	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	<u>H</u>	<u>TOTAL</u>
Properties	20,870	15,504	12,889	14,802	16,554	9,795	6,188	412	97,014
<i>Less:</i>									
Exemptions	1,076	494	403	346	236	105	56	15	2,731
Discount – 25%	2,466	1,354	902	844	673	306	139	8	6,692
Discount – 50%	470	304	264	245	193	120	82	14	1,692
Disabled Reduction Adjustment	76	(18)	6	30	(26)	(35)	(32)	(1)	0
Effective Properties	16,934	13,334	11,326	13,397	15,426	9,229	5,879	374	85,899
Ratio	6/9	7/9	8/9	1	11/9	13/9	15/9	18/9	
Band D Equivalents	11,287	10,371	10,068	13,397	18,854	13,331	9,798	748	87,854

Contributions in lieu of Council Tax by HM Government

177

COUNCIL TAX BASE

2001/2002

88,031

2000/2001

86,632

4.2 Valuation Banding Table

Band	Property Value	Proportion of Band D	2001/2002 Council Tax	2000/2001 Council Tax
A	Up to £27,000	6/9	£570.00	£518.00
B	£27,001 – £35,000	7/9	£665.00	£604.33
C	£35,001 – £45,000	8/9	£760.00	£690.67
D	£45,001 - £58,000	9/9	£855.00	£777.00
E	£58,001 - £80,000	11/9	£1,045.00	£949.67
F	£80,001 - £106,000	13/9	£1,235.00	£1,122.33
G	£106,001 - £212,000	15/9	£1,425.00	£1,295.00
H	Above £212,000	18/9	£1,710.00	£1,554.00

NOTES TO THE ACCOUNTS

NON DOMESTIC RATE INCOME ACCOUNT

5.1 Rateable Values and Numbers of Premises at 1 April 2001

2000/2001 Number of Subjects	2000/2001 Rateable Value £'000		2001/2002 Number of Subjects	2001/2002 Rateable Value £'000
265	19,406	Industrial & Freight	359	28,803
13	28,103	Public Utilities	10	29,276
		Commercial		
1,768	12,674	- Shops, including Restaurants	1,852	13,943
815	7,637	- Offices	724	7,669
369	6,529	- Hotels, Boarding Houses, Etc	553	7,161
5,259	39,245	- Other	4,694	39,674
1,477	19,293	Miscellaneous	1,826	10,137

- 5.2 Occupiers of non-domestic property continue to pay rates based on the valuation of the property as compiled by the Joint Valuation Board. The non-domestic rate poundage is set by the Scottish Executive. For 2001/2002, the Non-Domestic rate was 47 pence (2000/2001 = 45.8 pence) unless the property had a rateable value of less than £10,000 and was not in transition, when the rate was 45 pence (2000/2001 = 48.0 pence)

NOTES TO THE ACCOUNTS

CONSOLIDATED BALANCE SHEET

6.1 These notes indicate the level of capital expenditure incurred on acquisition, creation or maintenance of capital assets during the year. Details are also provided of the written down value of capital expenditure at 31 March 2002 together with a note of how expenditure in 2001/2002 was financed. Capital expenditure is not directly charged against the revenue account in the year in which it is incurred, but normally over the number of years in which the benefit would accrue to the Council.

The opening balances of the fixed assets have been re-stated to reflect the correct balance as at 1 April 2001.

6.1(a) Analysis of borrowings from the Council's Loan's Fund to meet capital expenditure is detailed below.

	£'000	£,000
Loan Fund outstanding 1 April 2001		361,259
Expenditure during year	41,136	
Less: Receipts, Grants & Accruals	(14,286)	
Revenue Financing	(4,897)	
Net New Borrowings		21,953
Debt Repayments		(14,972)
Loans Funding Outstanding 31 March 2002		368,240

6.1(b) Analysis of Capital Expenditure and Financing Arrangements are as follows:

2000/2001		2001/2002
£'000	Capital Expenditure During Year	£'000
559	Site & Building Acquisition	9,165
19,903	Building Works	21,019
3,764	Furniture & Equipment	2,134
5,344	Works – Roads	5,856
3,290	Fees	2,962
32,860		41,136
	Financed as follows:	
(13,319)	Capital Receipts, Grants & Contributions	(13,461)
(9,638)	Advances from Loans Fund & Capital Accruals	(22,778)
(9,903)	Revenue Financing	(4,897)
(32,860)		(41,136)

6.1(c) Comparison with Section 94 Capital Allowances

Under the existing legislation, the prior consent of the Scottish Executive is required before the Council can incur capital expenditure. The consent comprises two block allocations, within each of which the authority is free to decide its priorities for capital projects.

Authorities are allowed to increase these block allocations by the amount of a percentage of capital receipts arising from the sale of assets, receipts under insurance claims and contributions from outside bodies.

NOTES TO THE ACCOUNTS

6.1(c) continued

Only certain elements of expenditure are required to be counted against the Scottish Executive's consent limit. The appropriate adjustments are shown in order to reconcile with the total capital expenditure.

	Enhanced Allocation 2001/2002 £'000	Capital Expenditure 2001/2002 £'000	Over/(Under) Spend Carried Forward 2001/2002 £'000	% Spend
Composite Programme	25,125	25,124	(1)	100
Housing HRA	10,396	10,396	(0)	100
	35,521	35,520	(1)	100
Adjustments:				
- Capital from Current Revenue		4,897		
- Loans		(106)		
- Capital Accruals		825		
Capital Expenditure		41,136		

6.1(d) Movement of Fixed Assets

	Net Book Value as at 1 April 01 £'000	Revaluation & Restatement £'000	Additions £'000	Disposals £'000	Depreciation For Year £'000	Net Book Value as at 31 March 02 £'000
Council Dwellings	340,857	(19,328)	7,408	(3,581)	(566)	324,790
Land & Buildings	327,210	(9,350)	18,409	(11)	(4,864)	331,394
Vehicles, Plant and Equipment	8,247	1,536	1,174	(699)	(2,328)	7,930
Infrastructure Assets	86,479	2,141	3,951	0	(3,557)	89,014
Community Assets	4,558	56	0	0	(64)	4,550
Non-Operational Assets	45,742	(1,259)	3,955	(3,715)	0	44,723
TOTAL	813,093	(26,204)	34,897	(8,006)	(11,379)	802,401

6.1(e) Valuation of Assets

Aberdeenshire Council's assets are valued on a 5 year rolling programme by the Director of Transportation & Infrastructure in accordance with the Statements of Asset Valuation Practice and the Guidance Notes of the Royal Institute of Chartered Surveyors (RICS).

The portfolios were valued as follows:

- a) The Council's housing stock was valued as at 1 April 2001 on the basis of Existing Use Value (EUV) - £588,638,000. This value is adjusted for discounts given on Council House Sales.
- b) Operational Offices valued as at 1 April 1999, on the basis of EUV - £8,188,000.
- c) Education assets valued as at 1 April 1999, on the basis of EUV, Open Market Value (OMV), or Depreciated Replacement Cost (DRC) - £262,623,000.
- d) Non-Operational Industrial assets valued as at 1 April 1999, on the basis of OMV - £30,465,000.
- e) Non-Operational Commercial assets valued as at 1 April 1999, on the basis of OMV - £12,307,000.
- f) Social Work assets valued as at 1 April 2000, on the basis of OMV, EUV, and DRC - £26,365,000.
- g) Transportation and Infrastructure assets valued as at 1 April 2000, on the basis of OMV, EUV, and DRC - £12,575,000.
- h) Planning and Environmental Services' assets valued as at 1 April 2000, on the basis of OMV, EUV, and DRC - £6,804,000.
- i) Recreation assets valued as at 1 April 2000, on the basis of OMV, DRC - £28,959,000.

NOTES TO THE ACCOUNTS

Aberdeenshire Council are not aware of any material change in the underwriting of the above assets since the last valuation and therefore the valuations have not been updated.

The valuers concerned with the preparation of the valuations in 2001/2002 are as follows: George Morrison, MRICS; Alan Cormack, MRICS; Corri McHardy, MRICS; Ralph Strachan, MRICS; John Learmonth, MRICS; Sheena Paterson, BLE, MRICS.

6.1(f) Commitments on Capital Projects

The Council has entered into the following significant capital projects at 31 March 2002.

	£'000
Landfill Sites – Crow’s Nest	157
Strathburn Primary School	3,446
Museum Store – Mintlaw Station	1,034
Ballater Station – Environmental Improvements	230
Factory Extension – Westhill	310
Total	5,177

6.2 Debt Redemption Premium

During 2001/2002 an exercise was undertaken to reschedule PWLB loan debt totalling £51,100,000. Premiums of £16,189,000 were incurred as a consequence. These along with premiums and discounts already held are released to the Consolidated Revenue Account over the period of the replacement loans.

6.3 Long-Term Debtors

2000/2001	2001/2002
£'000	£'000
367 Portlethen Golf Club	365
103 Aberdeen & Grampian Tourist Board	93
1,961 Aberdeenshire Housing Partnership	2,878
1,573 House Loans	1,329
4,004	4,665

6.4 Deferred Charges

Deferred charges represent expenditure which may be properly capitalised but which is not matched with tangible assets. Deferred charges and associated grants which do not create an asset, are written off in the year of expenditure. The deferred consideration from leasing of schools under the PFI scheme has been recognised in the accounts and will be written off over the period of the PFI contract. Movements during the year were as follows:

	Balance at	Incurred	Written Off	Balance at
	01/04/2001	During Year	£'000	31/3/2002
	£'000	£'000	£'000	£'000
Education & Recreation	0	130	(130)	0
Housing Revenue Account	0	532	(532)	0
Infrastructure	0	1,140	(1,140)	0
Social Work and Housing	0	232	(232)	0
PFI – Deferred consideration	0	2,535	(11)	2,524
Less: Government Grants	0	(454)	454	0
Total	0	4,115	(1,591)	2,524

NOTES TO THE ACCOUNTS

6.5(a) Loans Fund

The Loans Fund is the central financing account of the Council. It is an accounting arrangement which simplifies on the one hand, expenditure on various capital projects and on the other, the borrowing of money to finance such projects. Effectively, the service departments borrow from the Loans Fund to finance their capital expenditure and the Loans Fund in turn borrows from the Government through the Public Works Loans Board (PWLB) or direct from money markets. At the end of each financial year the capital expenditure incurred by each service is added to their prior year's expenditure to reflect the total debt owed by each service department to the Loans Fund. Net discount on debt rescheduling is credited to revenue over the period of replacement loans.

All interest and management expenses incurred through external borrowing are initially paid by the Loans Fund and then recharged to the Asset Management Revenue Account, with the exception of bank charges which have been charged direct to Corporate & Democratic Core in 2001/2002 to comply with new accounting guidance. For 2001/2002 the average interest rate for capital advances was 7.07% (2000/2001 = 7.42%); and expenses on raising loans 0.03% (2000/2001 = 0.03%).

REVENUE ACCOUNT

2000/2001		2001/2002
£'000		£'000
	EXPENDITURE	
27,478	Interest paid to Lenders	26,114
100	Expenses and Commission of Raising Loans	108
<u>27,578</u>		<u>26,222</u>
	INCOME	
(27,388)	- Aberdeenshire Council	(25,860)
(154)	- Other Authorities and Bodies	(24)
(36)	- Temporary Investments	(338)
<u>(27,578)</u>		<u>(26,222)</u>

BALANCE SHEET AS AT 31 MARCH

2001		2002
£'000		£'000
	ASSETS	
	<i>Advances to</i>	
361,259	- Aberdeenshire Council for Capital Expenditure	368,147
103	- Other Authorities and Bodies	93
6	- Debtors	17
(19)	- Debt Redemption Premium	16,189
-	- Temporary Investments	1,750
<u>361,349</u>		<u>386,196</u>
	Less: CURRENT LIABILITIES	
(19,977)	Temporary Advances from Services	(22,854)
(6,301)	Sundry Creditors	(5,863)
(44,559)	Temporary Loans	(63,954)
(8,876)	Bank Overdraft	(11,910)
<u>(79,713)</u>		<u>(104,581)</u>
<u>281,636</u>	NET ASSETS	<u>281,615</u>
	FINANCED BY:	
(280,640)	PWLB	(280,634)
(500)	Bonds and Mortgages	(500)
(496)	Other	(481)
<u>(281,636)</u>		<u>(281,615)</u>

NOTES TO THE ACCOUNTS

6.5(b) Long Term Borrowing

Included within the Council's debt at 31 March 2002 are the following categories:

31 March 2001 £'000	Source of Loan	Range of Interest Rates	Outstanding as at 31 March 2002 £'000
280,640	Public Works Loans Board (PWLB)	2.5% to 11.75%	280,634
500	Bonds & Mortgages	11.0%	500
496	Other	5.0% to 6.75%	481
<u>281,636</u>			<u>281,615</u>

Number of Years	PWLB £'000	Bonds & Mortgages £'000	Other £'000	Total £'000
1-2	9,265			9,265
2-5	47,335			47,335
5-10	18,068			18,068
Over 10	<u>205,966</u>	<u>500</u>	<u>481</u>	<u>206,947</u>
	<u>280,634</u>	<u>500</u>	<u>481</u>	<u>281,615</u>

6.6 Government Grants Deferred

Government Grants deferred represent grants which relate to expenditure on the creation of fixed assets and are therefore capitalised and written off over the life of the asset. The opening balances have been re-stated to reflect the correct Government Grant Deferred as at 1 April 2001.

	Balance at 1 April 2001 £'000	Received During Year £'000	Written Off £'000	Balance at 31 March 2002 £'000
Education & Recreation	(4,789)	(1,531)	390	(5,930)
Infrastructure	(4,069)	(1,278)	455	(4,892)
Social Work & Housing	(73)	(180)	29	(224)
Total	<u>(8,931)</u>	<u>(2,989)</u>	<u>874</u>	<u>(11,046)</u>

NOTES TO THE ACCOUNTS

6.7 Provisions

Provisions for Future Losses

A provision has been created to provide for future losses on the Highways DLO in respect of current contracts. At 31 March 2002 the balance on the provision is £282,000. (2000/2001 = £265,000).

VAT Provision

A provision of £111,000 has been created for the estimated VAT payment in respect of recharges to Community Education Centres. This is due to existing work practices and is subject to current review and subsequent discussion with Customs & Excise.

TOTAL PROVISIONS £393,000 (2000/2001 = £265,000)

Estimates have been made of possible losses on the non-collection of debts. These estimates have reduced the debtors' figures in accordance with accounting practice.

General Debtors

Provides for possible losses on debts and loans which the Council considers may not be settled in full.

At 31 March 2002 the balance on the provision is £3,180,000. (2000/2001 = £3,440,000)

Revenues

Provides for possible losses on the collection of Community Charge, Council Tax and Non-Domestic Rates. At 31 March 2002 the balance on the provision is £8,369,000. (2000/2001 = £9,548,000)

Housing Rents

Provides for possible losses on housing rents. The tenants' rent arrears amount to £1,302,000 as at 31 March 2002. At 31 March 2002 the balance on the provision is £951,000 (2000/2001 = £892,000)

TOTAL DEBTORS PROVISIONS £12,500,000 (2000/2001 = £13,880,000)

6.8 Reserves

An analysis of the Fixed Asset Restatement Reserve Capital, Financing Reserve and other reserves are shown at page 12.

6.9 General Fund Balance

At 31 March 2002 the General Fund Balance comprises of the Devolved Education Management Balance of £3,157,000 (2000/2001 = £479,000) and a working balance of £8,857,000 (2000/2001 = £5,205,000).

6.10 Insurance Fund

The insurance fund was set up to meet potential material losses that are not insured externally, including excesses attaching to external policies. It will meet the following risk categories: own damage, fire and theft for Council vehicles; storm damage; bursting of pipes etc.; inundation from the sea and flooding for property; theft and accidental damage for exhibits on loan to Aberdeenshire Council and museum and heritage artefacts. The risk of subsidence or ground heave is not insured, but historically there have not been losses of this nature.

The fund has a balance at 31 March 2002 of £1,908,000 (31 March 2001 £931,000), the interest for the year and the service contributions meeting the payments from the fund. The balance on the insurance fund has been increased to reflect the Council's risk management strategy.

6.11 Contingent Liability

A liability may arise in future as a result of a national pay claim lodged by Primary Headteachers using Secondary Headteachers as a comparator and a test case is currently being considered.

The potential liability cannot be estimated with accuracy and the outcome is not considered to be sufficiently certain and accordingly, no provision has been made in the financial statements.

NOTES TO THE ACCOUNTS

6.12 Guarantees

Aberdeenshire Council, at 31 March 2002, has the undernoted guarantees in place and with the exception of Lawsondale Playing Field Trust, the relevant liabilities have not been reflected in the Consolidated Balance Sheet.

Peterhead Harbour

The former Grampian Regional Council agreed to guarantee loans to finance major improvement works by the Trustees of Peterhead Harbour. The balance of the loans guaranteed at 31 March 2002 is £9,024,000 (2000/2001 - £9,166,000).

Ellon Sports Development Trust

In 1989 the former Gordon District Council agreed to guarantee the Ellon Sports Development Trust bank overdraft and loan facility of up to £250,000 for a period of 20 years. In 1994 the Council extended this guarantee by a further £62,500, bringing the total guarantee to £312,500.

Lawsondale Playing Fields Trust

The former Gordon District Council agreed to guarantee a loan of £550,000 for the construction of a pavilion and playing fields. These assets have been incorporated within Aberdeenshire Council's Balance Sheet at a nominal valuation of £1. The nominal valuation reflects the fact that the Pavilion and playing fields are in the control of a Trust and cannot be disposed of by the Council. The reducing balance of the loan outstanding, £481,000 (2000/2001 - £496,000) has been included in the long term borrowing figure.

Ellon Development Company

The Council has agreed to guarantee rent due by Ellon Development Company to Gordon Enterprise Trust, up to the value of £21,000 per annum.

6.13 Pension Assets and Liabilities

In accordance with Financial Reporting Standard No 17 – Retirement Benefits (FRS 17) the Council is required to disclose certain information concerning assets, liabilities, income and expenditure related to pension schemes for its employees. As explained in Note 12 of the Accounting Policies the Council participates in two formal schemes, the Local Government Superannuation Scheme, which is administered by the City Council's Pension Fund and the Teachers' Scheme. The Council is not required to record information related to the Teachers' Scheme as the liability for payment of pensions rests ultimately with the Scottish Executive. In addition the Council has liabilities for discretionary pension payments outside the main schemes.

The Council's assets and liabilities amounted to:

	2001/2002
	£'000
Share of assets in Superannuation Fund	282,000
Estimated liabilities in Superannuation Fund	(299,540)
Net liabilities in Superannuation Fund	(17,540)
Estimated liabilities for discretionary pensions	(14,617)
Net pension liabilities and pension reserve	(32,157)

Assets are valued at fair value, principally market value for investments, and consist of:

	£'000
Equity investments	217,700
Bonds	35,810
Property	12,130
Other assets	16,360
	282,000

NOTES TO THE ACCOUNTS

Liabilities are valued on an actuarial basis using the projected unit method which assesses the future liabilities of the fund discounted to their present value. The valuations are based on a valuation as of 31 March 1999 and updated for the following three years, the independent actuaries to the Pension Fund. The main assumptions used in the calculations are:

-	rate of inflation	2.8% p.a
-	rate of increase in salaries	4.3% p.a
-	rate of increase in pensions	2.8% p.a
-	rate for discounting scheme liabilities	6.3% p.a

6.14 Euro Costs

To date, Aberdeenshire Council has incurred minimal expenditure in preparation for the single european currency. With the continued uncertainty over membership of the single currency, it cannot be established with any certainty what costs will be incurred or the timescale over which these costs will be incurred. However, it is recognised that if a decision is taken to join the Euro, significant costs will be incurred in preparation and implementation.

NOTES TO THE ACCOUNTS

STATEMENT OF MOVEMENT ON RESERVES

7.1 Capital Reserves

The system of capital accounting requires the establishment of a Fixed Asset Restatement Reserve (FARR) and a Capital Financing Reserve (CFR). The FARR is written down by the net book value of assets as they are disposed of and debited or credited with the deficits or surpluses arising on future revaluations. The CFR reflects the repayment of debt on funds borrowed to finance fixed assets. The FARR and the CFR relate to the valuation of assets and financing of capital expenditure and do not, therefore, represent funds available for use. The Usable and Unapplied Capital Receipts Reserves represents capital receipts received, but not yet applied, and are available to fund future capital expenditure. The opening balances on FARR and CFR have been re-stated to reflect the correct position as at 1 April 2001.

	Fixed Asset Restatement Reserve	Capital Financing Reserve	Unapplied Capital Receipts	Usable Capital Receipts Reserve
	£'000	£'000	£'000	£'000
Opening Balance at 1 April 2001	(374,267)	(71,246)		(3,033)
CFCR		(4,897)		
Disposals:				
- HRA	3,581		(202)	
- Other	4,425			4,057
- Insurance Receipts				6,561
Revaluations & Restatements	26,204			
- Loan Adjustment		(1)		
Transfer to Appropriation Account				
- Applied Receipts		(9,471)		(7,585)
- Debt Redeemed		(7,008)		
- Deferred Charges and Government Grants Deferred		(1,706)		
- Excess Depreciation		3,423		
Closing Balance at 31 March 2002	(340,057)	(90,906)	(202)	-

7.2 Revenue Reserves

	Balance as at 31/03/2001 £'000	Add Contributions £'000	Add Interest £'000	Deduct Expenditure £'000	Balance as at 31/03/2002 £'000
FUNDS					
Repairs & Renewals	(299)	(3,988)	(74)	3,626	(735)
Coastal Protection Emergency	(58)	0	(3)	7	(54)
Road Maintenance	(872)	(13,588)	(74)	11,095	(3,439)
Winter Maintenance	0	(5,110)	(49)	5,159	0
Amenity Areas	(827)	(45)	(39)	911	0
BCCI	(1,193)	0	(54)	75	(1,172)
Insurance Fund	(931)	(1,180)	(58)	261	(1,908)
DSO Vehicles	(251)	(1,603)	(12)	0	(1,866)
Others	(374)	(391)	(5)	539	(231)
	(4,805)	(25,905)	(368)	21,673	(9,405)
RESERVES					
Direct Labour & Direct Services					
Organisations DLO/DSO	(396)	0	(17)	-	(413)
	(5,201)	(25,905)	(385)	21,673	(9,818)

NOTES TO THE ACCOUNTS

CASH FLOW STATEMENT

8.1 Increase/(Decrease) in Cash and Cash Equivalents

2000/2001 £'000		2001/2002 £'000
(2,107)	Bank Overdraft	(3,034)
3	Cash	1
(2,104)		(3,033)

8.2 Reconciliation of Surplus to Net Cashflow

2000/2001 £'000		2001/2002 £'000	2001/2002 £'000
(837)	(Surplus)/Deficit for Year		(3,652)
	Non Cash Transactions		
1,790	(Increase)/Decrease in Provisions set aside in Year	(128)	
(1,883)	Contributions to/(from) Funds and Reserves	(5,940)	
(93)			(6,068)
	Items on an Accruals Basis		
133	Increase/(Decrease) in Stock	(43)	
3,847	Increase in Debtors	13,815	
(2,160)	Increase in Creditors	(4,531)	
1,820			9,241
(41,563)	Adjust Capital Financing		(39,460)
(40,673)			(39,939)

NOTES TO THE ACCOUNTS

8.3 Reconciliation of Movement in Cash to the Movement of Net Debt

2000/2001 £'000		2000/2001 £'000
(2,104)	Increase/(Decrease) in Cash	(3,033)
<u>2,768</u>	Increase/(Decrease) in Debt	<u>(17,624)</u>
664	Movement in Net Debt	(20,657)
<u>(335,642)</u>	Net Debt as at 1 April	<u>(334,978)</u>
<u>(334,978)</u>	Net Debt as at 31 March	<u>(355,635)</u>

Analysis of Movement in Net Debt

	As at 01/04/01 £'000	Cash Flows £'000	As at 31/03/02 £'000
Cash in Hand	51	1	52
Bank Overdraft	<u>(8,876)</u>	<u>(3,034)</u>	<u>(11,910)</u>
	(8,825)	(3,033)	(11,858)
Long Term Borrowing	(281,636)	21	(281,615)
Temporary Borrowing	<u>(44,559)</u>	<u>(19,395)</u>	<u>(63,954)</u>
	(326,195)	(19,374)	(345,569)
Current Asset Investments	42	1,750	1,792
Total	<u>(334,978)</u>	<u>(20,657)</u>	<u>(355,635)</u>

8.4 Analysis of Government Grants - Revenue Activities

2000/2001 £'000		2001/2002 £'000	2001/2002 £'000
Education & Recreation			
(6,365)	- Nursery	(6,873)	
(5,449)	- Excellence Fund	(2,794)	
(2,490)	- SEED Additional Resources	(1,444)	
0	- Modern Languages in the Primary	(234)	
0	- Science in Schools Grant	(293)	
<u>(933)</u>	- Education & Recreation Other	<u>(791)</u>	
(15,237)			(12,429)
Social Work & Housing			
(960)	- Criminal Justice Service Grant	(1,171)	
(520)	- Mental Illness	(549)	
(379)	- Community Care Services	(269)	
(207)	- Grampian Health Board Support	(383)	
0	- Educational Attainment	(281)	
<u>(1,135)</u>	- Social Work & Housing Other	<u>(1,201)</u>	
(3,201)			(3,854)
Transportation & Roads			
(351)	- Rural Transport Initiative		(397)
<u>(18,789)</u>			<u>(16,680)</u>

TRUSTS AND ENDOWMENTS

The Council administers various Charitable Trusts mainly of an Educational and Social Work nature. This section gives summary details of the income and disbursements relating to these Trusts, a summary of the balances of the Trusts at 31 March 2002 and details of how these balances were invested at that date.

The money earned from the investments of the Trusts is used to provide grants, prizes and dux medals for school children and requisitions for clients in Social Work homes.

In addition to administering the trusts, the Council is also the appointed Trustee for all the Trusts except the Kincardineshire Educational Trust. For this Trust, the Council's Directors of Education, Finance and Administration act as Educational Adviser, Treasurer and Clerk respectively; this arrangement was approved by Grampian Regional Council on 8 April 1976.

With the exception of the Kincardineshire Educational Trust and other trusts, the investments of the Trusts, apart from property superiorities, were transferred on 1 April 1977 to a Central Investment Fund. The quoted investments of this Fund were revalued to market value at 31 March 2002 and the resultant gain on revaluation has been credited to the various Trusts in proportion to their holding in the Central Fund.

MOVEMENT IN FUNDS	Balance as at 1 April 2001 £'000	Revaluation of Investments £'000	Income £'000	Expenditure £'000	Balance as at 31 March 2002 £'000
Education Trusts					
- Aberdeenshire	(2,076)	128	(88)	32	(2,004)
- Kincardineshire	(121)	8	(5)	3	(115)
Other Trusts	(1,062)	26	(94)	30	(1,100)
Endowment Funds					
- Educational	(305)	19	(15)	7	(294)
- Social Work	(343)	21	(15)	7	(330)
	<u>(3,907)</u>	<u>202</u>	<u>(217)</u>	<u>79</u>	<u>(3,843)</u>

INVESTMENT OF FUNDS AT 31 MARCH

2001 £'000		2002 £'000
2,466	Equities & Securities	2,260
48	Other Investments	66
1,393	Aberdeenshire Council Loans Fund	1,517
<u>3,907</u>		<u>3,843</u>

COMMON GOOD FUNDS

The Common Good Funds were inherited from the former Town Councils and can be disbursed on projects within the boundaries of these former Burghs.

	Balance as at 1 April 2001 £'000	Revaluation Of Investments £'000	Income £'000	Expenditure £'000	Balance as at 31 March 2002 £'000
MOVEMENT IN FUNDS	(1,218)	(1)	(73)	41	(1,251)

INVESTMENT OF FUNDS AT 31 MARCH

2001 £'000		2002 £'000
18	Equities & Securities	19
54	Other Investments	54
<u>1,146</u>	Aberdeenshire Council Loans Fund	<u>1,178</u>
<u>1,218</u>		<u>1,251</u>

Charles Armstrong, BA, CPFA, FCCA
Director of Finance
26 June 2002

GLOSSARY OF TERMS

- 1. Accruals:**
The concept that income and expenditure are recognised as they are earned or incurred, not as money is received or paid.
- 2. Administration Costs:**
Includes telephone, printing, stationery, advertising and postage.
- 3. Allocations and Charges to Other Accounts:**
For services provided by one service to another.
- 4. AMRA:**
The Asset Management Revenue Account matches the provision for depreciation and external interest payable with the capital charges made to services.
- 5. Appropriation Accounts:**
These are used to effect all transfers to, and from, capital and revenue reserves.
- 6. APT&C:**
These are workers employed in either an administrative, professional, technical or clerical capacity.
- 7. Capital Charges:**
A charge to service revenue accounts to reflect the cost of financing assets owned or controlled by Aberdeenshire Council. This charge comprises interest charges and depreciation.
- 8. Capital Expenditure:**
This is expenditure incurred in creating or acquiring a fixed asset, or expenditure which adds to, and not merely maintains, the value of an existing fixed asset. Capital expenditure is normally financed by borrowing over a period of years or by utilising the income from the sale of existing assets.
- 9. Capital Financed from Current Revenue (CFCR):**
The cost of capital expenditure financed at the Council's discretion from within the Council's Revenue Budget.
- 10. Charges to Other Authorities:**
Includes payments to other Local Authorities in return for providing a service on behalf of Aberdeenshire Council.
- 11. Community Assets:**
Assets that the Local Authority intends to hold in perpetuity, that have no determinable useful life, and that may have restrictions on their disposal, for example, parks and historic buildings.
- 12. Consistency:**
The concept that the accounting treatment of like items within an accounting period, and from one period to the next, is the same.
- 13. Corporate & Democratic Core & Unapportionable Central Overheads:**
Involves all activities which Aberdeenshire Council engages in, over and above the provision of any single service. This includes, for example, meetings of the council, members expenses and External Audit fees.
- 14. Depreciation:**
The measure of wearing out, consumption, or other reduction in the useful economic life of a fixed asset, whether arising from use, the passage of time or obsolescence through technological or other changes.
- 15. Fees and charges:**
Income received for services provided.
- 16. Fixed Assets:**
Tangible assets that yield benefits to the Local Authority and the services it provides for a period of more than one year.
- 17. Grants:**
Grants received from Central Government in respect of a specific purpose or service, usually calculated as a predetermined percentage of the expenditure actually incurred.

GLOSSARY OF TERMS

18. Government Grants:

Assistance by government and inter-government agencies and similar bodies, whether local, national or international, in the form of cash or transfers of assets to an authority in return for past or future compliance with certain conditions relating to the activities of the authority.

19. Infrastructure Assets:

Fixed assets that are inalienable, expenditure on which is recoverable only by continued use of the asset created. Examples of infrastructure assets are highways and footpaths.

20. Investment Properties:

Interest in land and/or buildings:

- a) in respect of which construction work and development have been completed; and
- b) which is held for its investment potential, any rental income being negotiated at arm's length.

21. Net Book Value:

The amount at which fixed assets are included in the balance sheet, i.e.) their historical cost or current value less the cumulative amounts provided for depreciation.

22. Net Current Replacement Cost:

The cost of replacing or recreating the particular asset in its existing condition and in its existing use, i.e.) the cost of its replacement or the nearest equivalent asset, adjusted to reflect the current condition of the asset.

23. Net Realisable Value:

The open market value of the asset in its existing use (or open market value in the case of non-operational assets), less the expenses to be incurred in realising the asset.

24. Non-Operational Assets:

Fixed assets held by a Local Authority but not directly occupied, used or consumed in the delivery of services. Examples of non-operational assets are investment properties and assets that are surplus to requirements, pending sale or redevelopment.

25. Operational Assets:

Fixed assets held and occupied, used or consumed by the Local Authority in the direct delivery of those services for which it has either a statutory or discretionary responsibility.

26. Payments to Agencies and Others:

Includes grants to individuals and various organisations as well as payments to other organisations in return for providing a service on behalf of Aberdeenshire Council.

27. Premises Costs:

Includes rent, rates, repairs and maintenance, heating and lighting costs as well as feu duties, metered water charges, etc.

28. Public Works Loans Board (PWLB):

A Government Agency which provides long term loans to the Council.

29. Revenue Expenditure:

This is expenditure incurred in providing services in the current year and which benefits that year only.

30. Revenue Support Grant:

A block grant received from Government to help finance the cost of the Council's services.

31. Staff Costs:

Includes wages, salaries, bonuses, overtime, employer's National Insurance and Superannuation contributions as well as staff training, travelling and subsistence expenses.

32. Supplies and Services:

Includes the cost of purchasing materials, spare parts, food and protective clothing as well as payments to contractors and others for the provision of services.

33. Transport and Plant Costs:

Includes the cost of providing and maintaining all vehicles and plant including fuel, tyres, repairs, road tax, insurance, etc.

STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

The Authority is required:

- to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this authority, that officer is the Director of Finance.
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.

The Director of Finance's responsibilities:

The Director of Finance is responsible for the preparation of the Authority's Statement of Accounts. In terms of the CIPFA/LASAAC Code of Practice for Local Authority Accounting in Great Britain ("the Code"), the Director is required to present fairly the financial position of the authority at the accounting date and its income and expenditure for the year ended 31 March 2002.

In preparing the Statement of Accounts, the Director of Finance has:

- ◆ selected suitable accounting policies and then applied them consistently;
- ◆ made judgements and estimates that were reasonable and prudent;
- ◆ complied with "the Code";
- ◆ kept proper accounting records; and
- ◆ taken reasonable steps for the prevention and detection of fraud and other irregularities

The balance sheet has been signed by the Director of Finance as a representation that the financial statements present fairly the financial position of the Authority at the accounting date, and its income and expenditure for year ended 31 March 2002.

INDEPENDENT AUDITORS REPORT

Independent Auditor's Report

To the members of Aberdeenshire Council and the Accounts Commission for Scotland

I certify that I have audited the statement of accounts on pages 4 to 36 under the Local Government (Scotland) Act 1973. The statement of accounts has been prepared in accordance with the accounting policies set out on pages 4 and 5.

Respective responsibilities of the Director of Finance and Auditor

As described on page 37 the Director of Finance of the Council is responsible for the preparation of the statement of accounts in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom, a Statement of Recommended Practice. My responsibilities, as independent auditor, are established by statute and the Code of Audit Practice approved by the Accounts Commission, and guided by the auditing profession's ethical guidance.

I report my opinion as to whether the statement of accounts presents fairly the financial position of the Council at 31 March 2002 and its income and expenditure for the year. I also report if, in my opinion, the Council has not kept proper accounting records or if I have not received all the information and explanations I require for my audit.

I read the other information published with the statement of accounts and consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the statement of accounts.

Basis of audit opinion

I conducted my audit in accordance with Part VII of the Local Government (Scotland) Act 1973 and the Code of Audit Practice, which requires compliance with relevant United Kingdom Auditing Standards issued by the Auditing Practices Board.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the statement of accounts. It also includes an assessment of the significant estimates and judgements made by the Director of Finance in the preparation of the statement of accounts and of whether the accounting policies are appropriate to the Council's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the statement of accounts is free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion, I also evaluated the overall adequacy of the presentation of information in the statement of accounts.

Opinion

In my opinion the statement of accounts presents fairly the financial position of the Council as at 31 March 2002 and its income and expenditure for the year then ended.

Failures to comply with a statutory requirement

It has not been necessary to qualify my opinion in respect of the following matters.

1. Section 9(2) of the Local Government Act 1988 requires a separate revenue account to be kept for each defined activity. For the defined activity of managing sports and leisure facilities the Council has failed to maintain a separate revenue account and accordingly, the statutory requirement has not been met.

INDEPENDENT AUDITORS REPORT

2. Directions given under the Local Government Act 1988 require a Direct Services Organisation to break-even, after taking into account capital charges. For the reasons stated in 1. above, I am unable to confirm that the prescribed financial objective has been met for the defined activity of managing sports and leisure facilities. I also draw attention to the results of the Catering Direct Service Organisation which are detailed on page 8. These indicate that for the defined activity of schools and welfare catering the prescribed financial objective has not been met.

25 September 2002

Peter Johnston CA CPFA
Chief Auditor
Audit Scotland
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IV1 1LU

PERFORMANCE INDICATORS 2001/2002

The Local Government Act 1992 requires the council to publish performance information for its main services each year. These are the figures for April 2001 – March 2002. Figures for 2000/01 are also included where they are available.

BENEFITS ADMINISTRATION

	2000/01	2001/02
BENEFITS ADMINISTRATION		
1 Gross administration cost per case	-	£29.11
2 Average time to process:-		
(i) new claims	-	63.7 days
(ii) change of circumstances	-	10.5 days
Percentage of renewal claims processed on time	-	81.2%
3 Percentage of cases for which the calculation of the amount of benefit due was correct on the basis of the information available at the determination	-	91.2%
4 Does the council have a written security strategy for fraud and error which is communicated regularly to all staff	-	Yes
5 Percentage of recoverable overpayments (excluding Council Tax Benefit) that were recovered in the year	-	-

BUILDING CONTROL

	2000/01	2001/02
BUILDING WARRANT AND COMPLETION CERTIFICATES		
1 a) The average time taken to respond to a request for:		
i a building warrant	<i>12 days</i>	12 days
ii a completion certificate	<i>3 days</i>	3 days
b) The average time taken to issue:		
i a building warrant	<i>5 days</i>	5 days
ii a completion certificate	<i>2 days</i>	4 days

COUNCIL-WIDE

	2000/01	2001/02
SICKNESS ABSENCE		
1 a) Number of days lost through sickness absence, expressed as a percentage of total working days available, for the following groups of staff:-		
i Chief officers, administrative, professional, technical and clerical employees	<i>5.5%</i>	5.1%
ii Craft and manual employees	<i>6.2%</i>	5.6%
iii Teachers	<i>3.2%</i>	3.3%
COMPLAINTS		
2 a) Number of complaints accepted for enquiry by the Ombudsman which resulted in a local settlement	<i>3</i>	0
b) Number of complaints accepted for enquiry by the Ombudsman which were classified as maladministration	<i>0</i>	0

PERFORMANCE INDICATORS 2001/2002

COUNCIL-WIDE (continued)

	2000/01	2001/02
LITIGATION CLAIMS		
3 The number and value of successful litigation actions against the authority settled in the financial year, in respect of the following services:-		
(a) Housing (per 10,000 dwellings)		
i Number of actions	0.6	0
ii Total value of all successful litigation actions	£3,710	0
(b) Roads (per 10,000 population)		
i Number of actions	0.2	0.1
ii Total value of all successful litigation actions	£244	£1,408
(c) All others services (per 10,000 population)		
i Number of actions	0.3	0.3
ii Total value of all successful litigation actions	£5,367	£3,656
EQUAL OPPORTUNITIES		
4 The number and percentage of employees in each of the following staff bands who are women:-		
(a) Chief Officials		
(i) Salary Band A	2 5.4%	3 6.8%
(ii) Salary Band B	- -	
(iii) Salary Band C	- -	
(b) General Service Employees		
(i) Salary Band A	11 16.7%	18 18.4%
(ii) Salary Band B	335 47.6%	281 37.2%
(iii) Salary Band C	6,465 78.9%	6,264 79.6%
(c) Teachers Primary		
(i) Salary Band A	- -	206 84.8%
(ii) Salary Band B	- -	1,223 96.9%
(d) Teachers Secondary		
(i) Salary Band A	- -	16 19.8%
(ii) Salary Band B	- -	970 73.9%

EDUCATION

	2000/01	2001/02
PRE-SCHOOL EDUCATION		
1a) i) The percentage of children in their pre-school year who receive grant-aided education from the following providers:		
i Council	74.1%	71.8%
ii Private	8.9%	9.5%
iii Independent	0.8%	0.3%
iv Voluntary	10.1%	9.5%
1a) ii) The percentage of 3 year olds in the year before their pre-school year who receive grant-aided education from the following providers:-		
i Council	20.9%	22.0%
ii Private	15.9%	15.4%
iii Independent	0.1%	0.4%
iv Voluntary	48.6%	54.2%
1 b) i) The percentage of grant-aided children in their pre-school year who received fewer than 5 education sessions per week	3.9%	3.3%
ii) The percentage of grant-aided 3 year olds in the year before pre-school who receive fewer than 5 education sessions per week	58.7%	40.9%

PERFORMANCE INDICATORS 2001/2002

EDUCATION (continued)

PRIMARY SCHOOLS	<i>2000/01</i>	2001/02
2 a) i) The percentage of single year classes with pupil numbers of:		
i 15 or less	1.2%	1.5%
ii 16 – 20	6.1%	6.9%
iii 21 – 25	17.5%	20.4%
iv 26 – 30	24.8%	25.1%
v 31 – 33	5.8%	5.1%
vi 34 or more	0.0%	0.0%
2 a) ii) The percentage of composite classes with pupil numbers of:-		
i 15 or less	7.4%	6.3%
ii 16 – 20	12.8%	14.4%
iii 21 – 25	24.4%	20.1%
iv 26 – 30	0.0%	0.2%
v 31 – 33	0.0%	0.0%
vi 34 or more	0.0%	0.0%
2 b) The percentage of classes with P1 to P3 pupils in which the number of pupils falls within the following bands:-		
i 15 or less	10.2%	9.0%
ii 16 – 20	21.5%	30.1%
iii 21 – 25	45.8%	39.6%
iv 26 – 30	19.8%	21.1%
v 31 – 33	2.7%	0.2%
vi 34 or more	0.0%	0.0%
3 Average number of children per primary school Class	23.1	23.2
4 The percentage of schools with a ratio of pupils to places of:		
a) 40% or less	4.5%	4.5%
b) 41 – 60%	15.4%	15.4%
c) 61 – 80%	23.7%	23.7%
d) 81 – 100%	26.9%	26.9%
e) 101% or more	29.5%	29.5%
SECONDARY SCHOOLS		
5 The percentage of schools with a ratio of pupils to Places of:		
a) 40% or less	0.0%	0.0%
b) 41 – 60%	0.0%	0.0%
c) 61 – 80%	0.0%	0.0%
d) 81 – 100%	43.8%	50.0%
e) 101% or more	56.2%	50.0%
SPECIAL EDUCATIONAL NEEDS		
6 a) Average time to complete an assessment of special education needs	<i>30 weeks</i>	33 weeks
b) The percentage completed in:		
i Up to 18 weeks	28.0%	21.1%
ii 19 to 26 weeks	19.4%	16.7%
iii 27 to 39 weeks	35.4%	34.5%
iv 40 to 52 weeks	9.7%	13.3%
v more than 1 year	7.5%	14.4%
EXPENDITURE		
7 Spending on each of the following sectors:		
a) Pre-school Education	3.8%	4.3%
b) Primary Education	38.3%	37.9%
c) Secondary Education	40.0%	40.3%
d) Special Educational Needs	9.6%	9.6%
e) Community Education	1.8%	1.8%
f) Other Expenditure	6.5%	6.1%
g) Pre-school education expenditure per place	£3,224	£3,983
h) Primary education expenditure per pupil	£2,382	£2,622
i) Secondary education expenditure per pupil	£3,334	£3,701

PERFORMANCE INDICATORS 2001/2002

ENVIRONMENTAL HEALTH

	2000/01	2001/02
FOOD SAFETY: HYGIENE INSPECTIONS		
1. Percentage of establishments actually inspected within time:		
a) Inspections required every 6 months	91.3%	92.6%
b) Inspections required every 12 months	84.6%	93.2%
c) Inspections required greater than 12 months	85.8%	87.9%
WORKPLACE SAFETY INSPECTIONS		
2. Percentage of premises liable to workplace safety inspections inspected within target time of:-		
a) 12 months	97.8%	99.0%
b) 24 months	84.8%	88.1%
c) 36 months	82.3%	87.8%
d) 48 months	81.7%	85.0%
e) 60 months	84.8%	73.8%
ENVIRONMENTAL PROTECTION		
3 a) Responses to noise complaints completed at inquiry stage; provided within one day	95.7%	100.0%
b) Responses to noise complaints requiring further investigation; provided within three days	95.9%	88.8%

ENVIRONMENTAL SERVICES

	2000/01	2001/02
REFUSE COLLECTION		
1 a) Gross cost of refuse collection per premise	£31.16	£33.63
b) Gross cost of refuse disposal per premise	£64.46	£65.56
2 Percentage of special uplifts completed within 5 working days	94.6%	93.7%
3 The number of household waste collections which were missed, per 100,000 collections, during the periods:-		
i May to September	3	3
ii April and October to March	6	8
WASTE DISPOSAL		
4 a) The amount of household waste collected by the Council that was disposed of by the following methods:-		
i Used for recovery of heat, power and other energy sources	0.0%	0.0%
ii Ash from incineration which is recycled	-	0.0%
iii Composted by the authority	9.9%	13.1%
iv Other recycling or recovery methods	6.5%	7.8%
v Landfill	83.6%	79.1%
vi Other methods	0.0%	0.0%
b) The amount of commercial and industrial waste collected by the Council that was disposed of by the following methods:-		
i Used for recovery of heat, power and other energy sources	0.0%	0.0%
ii Ash from incineration which is recycled	-	0.0%
iii Composted by the authority	0.0%	0.0%
iv Other recycling or recovery methods	1.2%	1.5%
v Landfill	98.8%	98.1%
vi Other methods	0.0%	0.4%

PERFORMANCE INDICATORS 2001/2002

FINANCE

	2000/01	2001/02
COUNCIL TAX COLLECTION		
1 Cost of collecting council tax per chargeable dwelling	£12.26	£11.69
2 Income due from council tax for the year excluding relief and rebates	£62.3m	£69.6m
3 The percentage of income due from council tax for the Year that as received by the end of the year	93.2%	93.8%
PAYMENT OF INVOICES		
4 The percentage of invoices paid within 30 days of Receipt or other agreed time period	78.7%	77.0%
ACCOUNTS		
5 Was the statutory abstract of accounts for the previous financial year submitted for audit by 30 June 2001	Yes	Yes
6 Did the accounts receive an unqualified audit certificate	-	Yes

HOUSING

	2000/01	2001/02
RESPONSE REPAIRS		
1 The percentage of repairs completed within the Following targets:		
a) Emergency repairs – target 24 hours	88.1%	91.5%
b) Urgent repairs – target 5 working days	80.7%	81.0%
c) Normal repairs – target 13 working days	83.6%	80.6%
d) Void repairs – target 5 working days	76.2%	72.6%
e) Planned repairs – target 20 working days	79.6%	61.7%
f) Gas – target 32 working days	-	83.0%
MANAGING TENANCY CHANGES		
2 The percentage of rent due in the year that was lost Due to voids	0.81%	1.54%
3 The percentage of all houses re-let that took		
a) Less than 2 weeks	13.4%	18.8%
b) 2 to 4 weeks	49.5%	44.6%
c) More than 4 weeks	37.1%	36.6%
Average time to re-let houses	-	28.6 days
RENT ARREARS		
4 a) Current tenants' arrears as a percentage of net rent due	4.0%	3.9%
b) The percentage of current tenants owing more than 13 weeks rent at the year end excluding those owing less the £250	3.0%	3.1%
COUNCIL HOUSE SALES		
5 The percentage of house sales completed in the Following time bands:-		
i Up to 20 weeks	2.7%	0.6%
ii 21 to 26 weeks	19.5%	16.3%
iii 27 to 32 weeks	39.3%	36.6%
iv 33 weeks or more	38.5%	46.5%
Average time taken to sell houses	-	33.7 weeks
HOMELESSNESS		
6 a) Number of homeless households in priority need per 10,000 households	60.1	52.3
b) Number of households provided within each of the Following four types of accommodation, as a Percentage of the total provided with temporary Accommodation:-		
i Hostels	14.6%	16.9%
ii Council furnished dwellings	14.9%	15.1%
iii bed and breakfast	49.4%	48.9%
iv other	21.1%	19.1%
6 c) Average length of stay of households provided with temporary accommodation:-		
i hostels	65 days	42 days
ii council furnished dwellings	130 days	102 days
iii bed & breakfast	48 days	44 days
iv other	184 days	153 days

PERFORMANCE INDICATORS 2001/2002

LEISURE AND RECREATION

	2000/01	2001/02
SPORT AND LEISURE MANAGEMENT		
1 Number of attendances per 1,000 population at traditional pools	3,717	3,761
2 Number of attendances per 1,000 population for Indoor sport and leisure facilities excluding pools in a Combined complex	775	630
3 The percentage of total operating expenditure met From customer income for the following facilities		
a) Pools	36.4%	36.7%
b) Other indoor facilities	46.2%	38.8%
c) Outdoor sports pitches and tracks	56.0%	54.7%
MUSEUMS		
6 a) Number of museums operated by or financially supported by the Council	17	17
b) The percentage of museums registered under the museums and Galleries Commission (MGC) registration scheme	58.8%	58.8%

LIBRARIES

	2000/01	2001/02
PROCESSING TIME		
1 Average time taken to satisfy library book requests	44 days	21 days
EXPENDITURE		
2 Expenditure on library stock per 1,000 population	-	£1,541
STOCK TURNOVER		
3 a) Changes in adult library lending stock		
i Opening stock items per 1,000 population	1,934	1,927
ii National target number of additions per 1,000 population	280	280
iii Actual additions per 1,000 population	120	119
iv Withdrawals per 1,000 population	127	181
v Closing stock items per 1,000 population	1,927	1,865
3 b) Changes in children's and teenage library lending stock		
i Opening stock items per 1,000 population	711	703
ii National target number of additions per 1,000 population	100	100
iii Actual additions per 1,000 population	50	79
iv Withdrawals per 1,000 population	58	66
v Closing stock items per 1,000 population	703	716
4 a) The percentage of the resident population that are borrowers from public libraries	22.2%	23.2%
b) Average number of issues per library borrower	29.3	28.0

PERFORMANCE INDICATORS 2001/2002

PLANNING

	2000/01	2001/02
PROCESSING TIME		
1 Percentage of householder applications which took		
a) Up to 1 month to deal with	46.6%	57.6%
b) 1 month to 2 months to deal with	37.9%	30.5%
c) 2 months to 3 months to deal with	8.7%	6.2%
d) more than 3 months to deal with	6.8%	5.6%
2 % of non-householder applications which took		
a) up to 2 months	49.9%	52.6%
b) 2 months to 3 months	19.2%	16.4%
c) more than 3 months	30.9%	31.0%
APPEALS		
3 a) % of planning applications which went to appeal	1.2%	2.3%
b) % of the total number of planning applications which went to appeal and were successful	25.0%	19.0%
DEVELOPMENT PLANS		
4 Percentage of population covered by a Local Plan which has been adopted within the last five years	0.0%	0.0%

ROADS AND LIGHTING

	2000/01	2001/02
MAINTENANCE EXPENDITURE		
1 Expenditure per carriageway kilometre on:		
a) Structural maintenance	£1,295	£1,591
b) Routine maintenance	£1,112	£766
c) Winter maintenance	£1,027	£962
d) Maintenance surveys and inspections	£67	£78
e) Footway maintenance	£635	£803
Total	£4,136	£4,200
2 Percentage of total expenditure spent on:		
a) Structural maintenance	36.2%	45.4%
b) Routine maintenance	31.0%	21.9%
c) Winter maintenance	28.6%	27.5%
d) Maintenance surveys and inspections	1.9%	2.2%
e) Footway maintenance	2.3%	3.1%
NETWORK MAINTENANCE		
3 Percentage of road network:		
a) resurfaced	1.0%	1.0%
b) surface dressed	4.0%	4.0%
c) surfaced or redressed	5.0%	5.0%
REPAIRS RESPONSE		
4 Percentage of traffic light failures repaired Within 48 hours	98%	98.8%
5 Percentage of street light failures repaired within 7 days	88%	72%
6 a) Cost of street lighting per lamp	£29.86	£31.30
b) Lighting columns replaced as a percentage of the total number of columns	0.99%	1.0%

PERFORMANCE INDICATORS 2001/2002

SOCIAL WORK

	2000/01	2001/02
COMMUNITY CARE ASSESSMENTS		
1A Community Care Assessments		
Persons assessed or reviewed per 1,000 population		
a) Elderly people aged 65+	185.3	198.1
b) Elderly people aged 65+ with dementia	18.3	19.8
c) People aged 18-64 with mental health problems/dementia	1.7	2.0
d) People aged 18-64 with physical disability	9.4	9.9
e) People aged 18-64 with learning disability	1.4	1.7
f) People aged 18-64 with HIV/AIDS	0.0	0.0
g) People aged 18-64 with drug/alcohol abuse problems	1.2	0.9
1B Community Care Assessments		
Persons receiving a service per 1,000 population		
a) Elderly people aged 65+	132.7	125.7
b) Elderly people aged 65+ with dementia	14.6	15.8
c) People aged 18-64 with mental health problems/dementia	1.3	1.2
d) People aged 18-64 with physical disability	7.8	9.2
e) People aged 18-64 with learning disability	1.8	3.0
f) People aged 18-64 with HIV/AIDS	0.0	0.0
g) People aged 18-64 with drug/alcohol abuse problems	0.8	1.0
EXPENDITURE		
2 Expenditure on services for adults in community		
Care client groups:		
a) i) percentage of total expenditure for home and community based services	41.1%	43.1%
ii) Cost per head of population aged 18+	£117.86	£135.84
b) i) percentage of total expenditure for long-term residential and nursing home care	58.9%	56.9%
ii) Cost per head of population aged 18+	£169.00	£179.10
CHILD PROTECTION		
3 a) Number of children referred over the year	712	540
b) percentage of children on the register in the year who had previously been on the register	9.6%	6.9%
c) Number of children on the register at 31 March per 1,000 population, aged 0 - 15 inclusive	1.7	2.3
d) percentage of children on the register at 31 March who had been on the register for:-		
i) less than 6 months	19.5%	31.0%
ii) 6 months but under one year	34.1%	38.1%
iii) one year but under 2 years	24.4%	15.9%
iv) two years or more	22.0%	15.0%
CHILD CARE PLACEMENTS		
4 percentage of children aged 0 – 17 incl. in care / under supervision		
a) At home	57.4%	55.0%
As a rate per 1,000 population	3.7	3.6
b) In other community placements	32.7%	34.1%
As a rate per 1,000 population	2.1	2.2
c) In residential accommodation	9.9%	10.9%
As a rate per 1,000 population .	0.6	0.7
d) Total number as a rate per 1,000 population	6.4	6.5
e) Number of children aged under 12 in residential Accommodation being looked after	1.1%	2.8%
f) Number of children receiving respite excluded from above per 1,000 population aged 0 – 17 incl.	1.1	1.3
g) Total children looked after including respite per 1,000 population aged 0 – 17 incl.	7.5	7.8
5 Looked after children – Academic Attainment		
a) Number of 16 or 17 year olds ceasing to be looked After away from home	-	26
b) % attaining at least one Standard Grade	-	69.2%
c) % attaining Standard Grade English and Maths	-	53.8%

PERFORMANCE INDICATORS 2001/2002

SOCIAL WORK (continued)

	2000/01	2001/02
HOME CARE/HOME HELPS		
6 Number of home care clients as a rate per 1,000 population aged 65+ receiving a service for		
a) Less than 2 hours per week	10.0	8.8
b) 2 to less than 4 hours/week	17.8	16.7
c) 4 to 10 hours per week	19.7	17.7
d) more than 10 hours per week	11.2	16.2
e) Total	58.7	59.4
Number receiving the following type of care as a rate per 1,000 population aged 65+		
f) Personal care	31.0	41.0
g) Care at weekends	24.3	24.9
h) Care in evenings/overnight	11.7	11.6
i) Total hours per week as a rate per 1,000 population aged 65+	481.3	668.7
RESIDENTIAL ACCOMMODATION		
7 percentage of qualified staff in residential homes for the following client groups		
a) Children		
i) Staff with social work, social care and other specified qualifications	70%	66%
ii) Staff with other relevant qualifications	0%	0%
iii) Total staff	70%	66%
b) Elderly people		
i) Staff with social work, social care and other specified qualifications	21%	22%
ii) staff with other relevant qualifications	5%	5%
iii) total staff	26%	27%
c) other adults		
i) staff with social work, social care and other specified qualifications	10%	22%
ii) staff with other relevant qualifications	10%	9%
iii) total staff	20%	31%
d) overall totals		
i) staff with social work, social care and other specified qualifications	26%	27%
ii) staff with other relevant qualifications	5%	5%
iii) total staff	31%	32%
8 The percentage of all residential care places that are single rooms for the following groups for the following providers		
a) i) Children – Council	100%	100%
ii) Children – voluntary sector	100%	100%
iii) Children – private sector	-	100%
b) i) Elderly people – Council	91.1%	91.1%
ii) Elderly people – voluntary sector	87.7%	86.6%
iii) Elderly people – private sector	77.1%	76.2%
c) i) Other adults – Council	81.0%	81.0%
ii) Other adults – voluntary sector	88.7%	96.0%
iii) Other adults – private sector	82.6%	82.6%
Rooms with en-suite facilities		
a) i) Children – Council	0%	0%
ii) Children – voluntary sector	0%	0%
iii) Children – private sector	-	0%
b) i) Elderly people – Council	25.2%	25.2%
ii) Elderly people – voluntary sector	73.5%	79.7%
iii) Elderly people – private sector	59.6%	63.1%
c) i) Other adults – Council	9.5%	9.5%
ii) Other adults – voluntary sector	7.1%	8.0%
iii) Other adults – private sector	0%	0%

PERFORMANCE INDICATORS 2001/2002

SOCIAL WORK (continued)

9A Annual inspections of residential establishments provided by the following sectors for children		
a) Local Authority		
i	% of homes inspected less than twice per year	0% 100%
ii	Average number of inspections of residential homes	2.3 1.0
b) Voluntary Sector		
i	% of homes inspected less than twice per year	0% 100%
ii	Average number of inspections of residential homes	3.0 1.0
c) Private Sector		
i	% of homes inspected less than twice per year	- 100%
ii	Average number of inspections of residential homes	- 1.0
d) Total for ALL service providers		
i	% of homes inspected less than twice per year	0% 100%
ii	Average number of inspections of all residential Homes	2.5 1.0
9B Annual inspections of residential establishments provided by the following sectors for the elderly		
e) Council		
i	% of homes inspected less than twice per year	9% 100%
ii	Average number of inspections of residential homes	1.9 0.9
f) Voluntary Sector		
i	% of homes inspected less than twice per year	0% 100%
ii	Average number of inspections of residential homes	2.0 1.0
g) Private Sector		
i	% of homes inspected less than twice per year	
ii	Average number of inspections of residential homes	18% 100% 1.8 1.0
h) Total for ALL service providers		
i	% of homes inspected less than twice per year	11.1% 100%
ii	Average number of inspections of all residential homes	1.9 1.0
9C Annual inspections of residential establishments provided by the following sectors for other adults		
i) Local Authority		
i	% of homes inspected less than twice per year	0% 100%
ii	Average number of inspections of residential homes	2.0 1.0
j) Voluntary Sector		
i	% of homes inspected less than twice per year	19% 96%
ii	Average number of inspections of residential homes	1.9 1.0
k) Private Sector		
i	% of homes inspected less than twice per year	33% 67%
ii	Average number of inspections of residential homes	1.7 1.3
l) Total for ALL service providers		
i	% of homes inspected less than twice per year	16.9% 95.2%
ii	Average number of inspections of residential homes	1.9 1.0
RESPIRE CARE		
10 a) Number of people receiving the following as a rate per 1,000 population aged 65+		
i)	residential respite care	9.4 11.1
ii)	respite care provided at home	8.5 9.2
iii)	other respite care	0.0 0.3
b) Number of people receiving the following as a rate per 1,000 population aged 18-64		
i)	residential respite care	1.0 1.5
ii)	respite care provided at home	0.1 0.3
iii)	other respite care	0.1 0.0
c) Number of children with disabilities receiving the following as a rate 1,000 population aged 0-17		
i)	residential respite care	0.7 1.4
ii)	respite care provided at home	1.7 1.8
iii)	other respite care	1.2 0.2

PERFORMANCE INDICATORS 2001/2002

SOCIAL WORK (continued)

CRIMINAL JUSTICE	<i>2000/01</i>	2001/02
11 a) Number of Social Enquiry Reports submitted to courts during the year per 1,000 population aged 16+	3.5	4.5
b) Proportion of Social Enquiry Reports requested by the courts allocated to social work staff within 2 working days of receipt	97.4%	98.2%
c) Proportion of reports submitted to courts by due date	95.8%	96.9%
12 a) Number of new probation orders issued during the year per 1,000 population aged 16+	0.7	1.3
b) Number and proportion of new probationers seen by a supervising officer within one week	122 / 100%	178 / 100%
c) Proportion of people subject to a probation order who were reported to the court for breach of probation during the year	11%	7.2%
13 a) Number of new community service orders issued during the year per 1,000 population aged 16+	0.8	0.8
b) Average length of community service (hours) for orders completed during the year	151 hours	163 hours
c) Average number of days taken to complete orders completed during the year	312 days	281 days

TRADING STANDARDS

ENQUIRIES, COMPLAINTS AND ADVICE	<i>2000/01</i>	2001/02
1 a) percentage of consumer enquires completed		
i On the same day of receipt	100.0%	93.7%
ii Within 2 to 14 days of receipt	0.0%	4.3%
iii Within 15 to 30 days of receipt	0.0%	1.0%
iv in more than 30 days from receipt	0.0%	1.0%
b) percentage of consumer complaints completed		
i on the same day of receipt	59.5%	64.2%
ii within 2 to 14 days of receipt	16.7%	13.7%
iii within 15 to 30 days of receipt	9.4%	7.2%
iv in more than 30 days from receipt	14.4%	14.9%
c) percentage of business advice requests completed		
i on the same day of receipt	86.2%	86.0%
ii within 2 to 14 days of receipt	7.5%	8.7%
iii within 15 to 30 days of receipt	3.4%	1.8%
iv in more than 30 days from receipt	2.9%	3.5%
INSPECTION OF TRADING PREMISES		
2 Premises liable to inspection in the following categories		
a) High Risk		
i % of target visits to premises achieved within 12 months	11.4%	18.3%
b) Medium Risk		
i % of target visits to premises achieved within 36 months	5.0%	17.4%
c) Low Risk		
i % of target visits to premises achieved within 60 months	7.7%	10.7%

If you have any comments or questions about this performance information, please contact David Hughes, Chief Internal Auditor, Woodhill House, Westburn Road, Aberdeen, AB16 5GB Tel. 01224 664184. Fax 01224 664022. E-mail: david.hughes@aberdeenshire.gov.uk