

Adult Social Care (England)

~~In For 2014/15 a new Service Expenditure Analysis (SEA) for Adult Social Care (ENGLAND ONLY) was introduced. has been prepared.~~

The revision was as a result of the work carried out with the Health & Social Care Information Centre (HSCIC), local authorities and the Department of Health on the new joint CIPFA/HSCIC Adult Social Care Finance Return (ASC-FR), which will replace the PSSEX1 return for 2014/15. Further details of the ASC-FR are available at

www.hscic.gov.uk/socialcarecollections2015

The Adult Social Care SEA was introduced as part of the *Best Value Accounting Code of Practice 2007*, replacing the Social Services SEA. At the same time, Children's Social Care was transferred to the new Children's and Education Services SEA.

PART ONE:

SERVICE EXPENDITURE ANALYSIS FOR ADULT SOCIAL CARE

PART TWO:

GUIDANCE NOTE: COMPLETING THE SERVICE EXPENDITURE ANALYSIS FOR ADULT SOCIAL CARE

PART THREE:

GUIDANCE NOTE: WHAT TO INCLUDE IN EACH DIVISION OF SERVICE

PART ONE: SERVICE EXPENDITURE ANALYSIS FOR ADULT SOCIAL CARE

Divisions of Service (Mandatory)	Subdivisions of Service (Discretionary)
Physical Support adults (18-64)	(Attributable data) Long Term support – nursing Long Term support – residential Long Term support – supported accommodation Long Term support – community: direct payments Long Term support – community: homecare Long Term support – community: supported living Long Term support – community: other Long Term care Short Term support to maximise independence Other Short Term support.
<u>older people (65-74)</u>	<u>Long Term support – nursing</u> <u>Long Term support – residential</u> <u>Long Term support – supported accommodation</u> <u>Long Term support – community: direct payments</u> <u>Long Term support – community: homecare</u> <u>Long Term support – community: supported living</u> <u>Long Term support – community: other Long Term care</u> <u>Short Term support to maximise independence</u> <u>Other Short Term support.</u>
<u>older people (75-84)</u>	<u>Long Term support – nursing</u> <u>Long Term support – residential</u> <u>Long Term support – supported accommodation</u> <u>Long Term support – community: direct payments</u> <u>Long Term support – community: homecare</u> <u>Long Term support – community: supported living</u> <u>Long Term support – community: other Long Term care</u> <u>Short Term support to maximise independence</u> <u>Other Short Term support.</u>
<u>older people (65-85+)</u>	Long Term support – nursing

**Divisions of Service (Mandatory) Subdivisions of Service
(Discretionary)**

Long Term support – residential
Long Term support – supported accommodation
Long Term support – community: direct payments
Long Term support – community: homecare
Long Term support – community: supported living
Long Term support – community: other Long Term care
Short Term support to maximise independence
Other Short Term support.

**Sensory Support
adults (18–64)**

(Attributable data)
Long Term support – nursing
Long Term support – residential
Long Term support – supported accommodation
Long Term support – community: direct payments
Long Term support – community: homecare
Long Term support – community: supported living
Long Term support – community: other Long Term care
Short Term support to maximise independence
Other Short Term support.

older people (65-74)

Long Term support – nursing
Long Term support – residential
Long Term support – supported accommodation
Long Term support – community: direct payments
Long Term support – community: homecare
Long Term support – community: supported living
Long Term support – community: other Long Term care
Short Term support to maximise independence
Other Short Term support.

older people (75-84)

Long Term support – nursing
Long Term support – residential
Long Term support – supported accommodation
Long Term support – community: direct payments
Long Term support – community: homecare
Long Term support – community: supported living

**Divisions of Service (Mandatory) Subdivisions of Service
(Discretionary)**

[Long Term support – community: other Long Term care](#)
[Short Term support to maximise independence](#)
[Other Short Term support.](#)

older people (65-85+)

Long Term support – nursing
 Long Term support – residential
 Long Term support – supported accommodation
 Long Term support – community: direct payments
 Long Term support – community: homecare
 Long Term support – community: supported living
 Long Term support – community: other Long Term care
 Short Term support to maximise independence
 Other Short Term support.

**Support with Memory and
Cognition**
adults (18-64)

(Attributable data)
 Long Term support – nursing
 Long Term support – residential
 Long Term support – supported accommodation
 Long Term support – community: direct payments
 Long Term support – community: homecare
 Long Term support – community: supported living
 Long Term support – community: other Long Term care
 Short Term support to maximise independence
 Other Short Term support.

[older people \(65-74\)](#)

[Long Term support – nursing](#)
[Long Term support – residential](#)
[Long Term support – supported accommodation](#)
[Long Term support – community: direct payments](#)
[Long Term support – community: homecare](#)
[Long Term support – community: supported living](#)
[Long Term support – community: other Long Term care](#)
[Short Term support to maximise independence](#)
[Other Short Term support.](#)

**Divisions of Service (Mandatory) Subdivisions of Service
(Discretionary)**

older people (75-84)

Long Term support – nursing
Long Term support – residential
Long Term support – supported accommodation
Long Term support – community: direct payments
Long Term support – community: homecare
Long Term support – community: supported living
Long Term support – community: other Long Term care
Short Term support to maximise independence
Other Short Term support.

older people (~~65~~85+)

Long Term support – nursing
Long Term support – residential
Long Term support – supported accommodation
Long Term support – community: direct payments
Long Term support – community: homecare
Long Term support – community: supported living
Long Term support – community: other Long Term care
Short Term support to maximise independence
Other Short Term support.

**Learning Disability Support
adults (18–64)**

(Attributable data)

Long Term support – nursing
Long Term support – residential
Long Term support – supported accommodation
Long Term support – community: direct payments
Long Term support – community: homecare
Long Term support – community: supported living
Long Term support – community: other Long Term care
Short Term support to maximise independence
Other Short Term support.

older people (65-74)

Long Term support – nursing
Long Term support – residential
Long Term support – supported accommodation
Long Term support – community: direct payments

Divisions of Service (Mandatory)	Subdivisions of Service (Discretionary)
	<p><u>Long Term support – community: homecare</u></p> <p><u>Long Term support – community: supported living</u></p> <p><u>Long Term support – community: other Long Term care</u></p> <p><u>Short Term support to maximise independence</u></p> <p><u>Other Short Term support.</u></p>
<u>older people (75-84)</u>	<p><u>Long Term support – nursing</u></p> <p><u>Long Term support – residential</u></p> <p><u>Long Term support – supported accommodation</u></p> <p><u>Long Term support – community: direct payments</u></p> <p><u>Long Term support – community: homecare</u></p> <p><u>Long Term support – community: supported living</u></p> <p><u>Long Term support – community: other Long Term care</u></p> <p><u>Short Term support to maximise independence</u></p> <p><u>Other Short Term support.</u></p>
<u>older people (65-85+)</u>	<p>Long Term support – nursing</p> <p>Long Term support – residential</p> <p>Long Term support – supported accommodation</p> <p>Long Term support – community: direct payments</p> <p>Long Term support – community: homecare</p> <p>Long Term support – community: supported living</p> <p>Long Term support – community: other Long Term care</p> <p>Short Term support to maximise independence</p> <p>Other Short Term support.</p>
Mental Health Support adults (18– 64)	<p>(Attributable data)</p> <p>Long Term support – nursing</p> <p>Long Term support – residential</p> <p>Long Term support – supported accommodation</p> <p>Long Term support – community: direct payments</p> <p>Long Term support – community: homecare</p> <p>Long Term support – community: supported living</p> <p>Long Term support – community: other Long Term care</p> <p>Short Term support to maximise independence</p> <p>Other Short Term support.</p>

Divisions of Service (Mandatory)	Subdivisions of Service (Discretionary)
<u>older people (65-74)</u>	<u>Long Term support – nursing</u> <u>Long Term support – residential</u> <u>Long Term support – supported accommodation</u> <u>Long Term support – community: direct payments</u> <u>Long Term support – community: homecare</u> <u>Long Term support – community: supported living</u> <u>Long Term support – community: other Long Term care</u> <u>Short Term support to maximise independence</u> <u>Other Short Term support.</u>
<u>older people (75-84)</u>	<u>Long Term support – nursing</u> <u>Long Term support – residential</u> <u>Long Term support – supported accommodation</u> <u>Long Term support – community: direct payments</u> <u>Long Term support – community: homecare</u> <u>Long Term support – community: supported living</u> <u>Long Term support – community: other Long Term care</u> <u>Short Term support to maximise independence</u> <u>Other Short Term support.</u>
older people (65 85+)	Long Term support – nursing Long Term support – residential Long Term support – supported accommodation Long Term support – community: direct payments Long Term support – community: homecare Long Term support – community: supported living Long Term support – community: other Long Term care Short Term support to maximise independence Other Short Term support.
Social Support – Substance Misuse Support	(Attributable data)
Social Support – Asylum Seeker Support	(Attributable data)
Social Support –	(Attributable data)

Divisions of Service (Mandatory)	Subdivisions of Service (Discretionary)
Support for Carer	Community: direct payments Community: other support for carer.
Social Support – Social Isolation	(Attributable data)
Assistive Equipment and Technology	(Attributable data)
Social Care Activities	(Non-attributable data)
Information and Early Intervention	(Non-attributable data)
Commissioning and Service Delivery	(Non-attributable data)

Note 1: The transfer of children’s social care to the new Children’s and Education Services SEA in 2007 reflected the requirement for local authorities to have a director of children’s services in place from 1 April 2008. It is acknowledged that the level of integration of services under a children’s services directorate will vary between authorities and between England and Wales. However, by retaining the mandatory divisions for Education Services and Children’s Social Services set out in the 2006 BVACOP, authorities should be able to account for these services on a basis that is consistent with previous years. This should also provide sufficient flexibility for authorities to continue to complete CIPFA and government statistical returns and to preserve trends.

Note 2: S α RCOP makes it clear that Corporate and Democratic Core costs and Non Distributed Costs should be kept separate from the SEA above.

Note 3: This guidance should be read in conjunction with the introduction to the SEA for all local government services and CIPFA’s principles for Best Value accounting (see the appendix).

Note 4: The subjective analysis will need to be capable of splitting all the services above between in-house and bought-in provision.

Note 5: Apportionment bases should be determined in accordance with CIPFA’s best practice guidance, which is in line with the seven principles of apportionment specified in Section 2 of S α RCOP.

PART TWO:

GUIDANCE NOTE:

COMPLETING THE SERVICE EXPENDITURE ANALYSIS FOR ADULT SOCIAL CARE

1.0 INTRODUCTION

- 1.1** The aim of this guidance is to ensure different local authorities' adult social care financial records are on as consistent a basis as possible and to allow local authorities to meet the majority of their financial reporting commitments from a single set of base financial records.
- 1.2** The guidance is not intended to influence how different authorities are organised on the ground. This is not CIPFA's role and is contrary to the spirit of Best Value, which encourages innovation. The guidance merely seeks to provide a means for a comparable aggregation of the costs of social services, regardless of how they are organised. The ability to compare services is one of the four key strands of Best Value, namely to:
- make comparisons*
 - challenge* how things are done and what is done
 - consult* widely on service provision
 - demonstrate *competitiveness*.

2.0 WHAT TO INCLUDE IN THE SERVICE EXPENDITURE ANALYSIS

- 32.1** SeRCOP states that Corporate and Democratic Core costs and Non Distributed Costs should not be allocated or apportioned to other divisions of service.
- 42.2** ~~Guidance on what to include in each division of service follows in Part Three. It is important for consistent reporting purposes to attribute each client to one client group only and according to that client's primary support reason.~~ Guidance on what to include in each division of service follows in Part Three. It is important for consistent reporting purposes to attribute each client to one long term client group only and according to that client's primary support reason. It is possible that clients will have additional short term episodes of care which might be recorded against a different primary support reason
- 52.3** This means that, as far as it is practical, costs should be recorded on a client basis rather than an establishment basis. In practice, this means, for example, that if a residential care home that is used mainly by older people with learning disabilities is also attended by several adults aged 18 to 64 with physical disabilities, the costs of the residential care home should be apportioned between the two primary support reasons.
- 62.4** A few other basic rules are that:
- Expenditure should include payments funded by grants.

Income and expenditure should each be shown gross. Do not net one off against the other, eg show contributions by clients towards the cost of their care as income.

Social care management and support service costs should be separated for children's and adult social care and apportioned to the division of service that benefits from them.

72.5 Under section 256 of the National Health Service Act 2006 (formerly section 28a of the NHS Act 1977), health authorities can reimburse local authority expenditure. This should be recorded in the appropriate service division(s) or subdivision(s). Contributions from the health authority should be recorded as income.

3.0 OVERHEAD APPORTIONMENT

83.1 Whenever there is a need to apportion costs over more than one division of service, reference should be made to CIPFA's current guidance on the principles of cost apportionment specified in Section 2.

4.0 JOINT ARRANGEMENTS AND POOLED BUDGETS

94.1 Detailed guidance on accounting for pooled budget arrangements are included in the CIPFA publication *Pooled Budgets: A Practical Guide for Local and Health Authorities*. As the following extract from the 2001 edition of that document explains, the basic rule is that each partner accounts for its own contribution to the joint arrangement or pooled budget:

Given the nature of the pooled budget arrangement, each partner should account for their contribution to the budget. The host should send monitoring reports on a quarterly basis and at the year end prepare a memorandum of accounts within their statement of accounts that shows what has been received, and spent, and what remains. This memorandum of accounts will be sent to each of the partners at the year end for inclusion in their statement of accounts. Records will need to be retained for at least six years.

104.2 Ideally, the contribution will be accounted for across the SEA according to actual spending as recorded in the quarterly monitoring reports mentioned above, which should be based upon the pooled budgets management accounts.

114.3 Contributions by the NHS or other third parties towards the costs of services provided and managed by local authority social care should be included as income in the authority's accounts. The gross costs of the services provided should be included as expenditure.

124.4 An authority's contribution to a care trust should also be recorded in the appropriate service division(s) according to actual spending.

5.0 SUPPORTING PEOPLE – ANCILLARY EXPENDITURE

5.13 If authorities identify expenditure in occasional or ancillary services within Adult Social Care service divisions as Supporting People expenditure, then the expenditure should be included in the appropriate primary support reason in the Adult Social Care division of service. For core Supporting People expenditure, see Housing General Fund.

6.0 STATUS AND IMPLEMENTATION

6.14 This SEA for Adult Social Care replaces all previous versions issued by CIPFA and is mandatory for English authorities from 1 April 2015⁴. S~~6~~RCOP 2015⁴/16⁵ applies to the following statutory disclosures:

2015⁴/16⁵ Budgets

2015⁴/16⁵ Performance Indicators

2015⁴/16⁵ Statement of Accounts.

7.0 UPDATING THE GUIDANCE

7.15 CIPFA is dedicated to keeping the guidance up to date and it will be reviewed on an annual basis as a minimum.

PART THREE:

GUIDANCE NOTE:

WHAT TO INCLUDE IN EACH DIVISION OF SERVICE

Service Divisions and Subdivisions	Includes
Physical Support	<p>Services attributable to adults where the primary support reason for their care is related to physical support. Include support with access and mobility and the more intensive support described as personal care support (as defined in the Health and Social Care Act 2008).</p> <p>Costs should be analysed according to the following age groups:</p> <p>Adults (18–64)</p> <p>Older people (65+–74)-</p> <p>Older people (75-84)</p> <p>Older people (85+).</p>
Long Term support – nursing	<p>Long Term support encompasses any service or support which is provided with the intention of maintaining quality of life for an individual on an ongoing basis, which has been allocated on the basis of eligibility criteria/policies (ie an assessment of need has taken place), and which is subject to regular review.</p> <p>Exclude any Short Term episodes intended for a time-limited period.</p> <p>Costs should be analysed according to age:</p> <p>Adults (18–64)</p> <p>Older people (65+–74)-</p> <p>Older people (75-84)</p> <p>Older people (85+).</p> <p>Include Long Term placements in:</p> <p>Care homes with nursing care registered by health authorities and by definition requiring trained nursing staff to be present</p> <p>Nursing care beds in dual registered homes.</p> <p>Local authorities should record their contributions to nursing care placements in this subdivision of service, even if this contribution is residential placement for this care.</p>
Long Term support – residential	<p>Long Term support encompasses any service or support which is provided with the intention of maintaining quality of life for an individual on an ongoing basis, which has been allocated on the basis of eligibility criteria/policies (ie an assessment of need has taken place), and which is subject to regular review.</p> <p>Include: residential care direct payments</p>

Service Divisions and Subdivisions

Includes

Exclude any Short Term episodes intended for a time-limited period.

Costs should be analysed according to age:

Adults (18–64)

Older people (65–~~74~~).

[Older people \(75–84\)](#)

[Older people \(85+\).](#)

Include Long Term placements in:

Homes registered under Registered Care Homes Act 1984

Residential care beds in dual registered homes.

Long Term support – supported accommodation

Long Term support encompasses any service or support which is provided with the intention of maintaining quality of life for an individual on an ongoing basis, which has been allocated on the basis of eligibility criteria/policies (ie an assessment of need has taken place), and which is subject to regular review.

Exclude any Short Term episodes intended for a time-limited period.

Costs should be analysed according to age:

Adults (18–64)

Older people (65–~~74~~).

[Older people \(75–84\)](#)

[Older people \(85+\).](#)

Include Long Term placements in:

Adult placement schemes (Shared Lives)

Hostels

Unstaffed homes

Partially staffed homes

Group homes.

Long Term support – community: direct payments

Long Term support encompasses any service or support which is provided with the intention of maintaining quality of life for an individual on an ongoing basis, which has been allocated on the basis of eligibility criteria/policies (ie an assessment of need has taken place), and which is subject to regular review.

Exclude any Short Term episodes intended for a time-limited period.

Costs should be analysed according to age:

Adults (18–64)

Older people (65–~~74~~).

Service Divisions and Subdivisions

Includes

[Older people \(75-84\)](#)

[Older people \(85+\).](#)

Direct payment describes a payment process where support is given via the issue of monetary payments directly to adult clients who have been assessed as needing certain services (eg the issue of a personal budget solely via direct payment of funds to the recipient).

Exclude the cost of administering the payments to clients; this should be included under Commissioning and Service Delivery.

Exclude grants to voluntary organisations that support direct payments users; these should be included under Information and Early Intervention.

Exclude direct payments to support carers of adults with physical support needs, which should be included under Social Support: Support for Carer.

Long Term support – community:
homecare

Long Term support encompasses any service or support which is provided with the intention of maintaining quality of life for an individual on an ongoing basis, which has been allocated on the basis of eligibility criteria/policies (ie an assessment of need has taken place), and which is subject to regular review.

Exclude any Short Term episodes intended for a time-limited period.

Costs should be analysed according to age:

Adults (18–64)

Older people (65+–74)-

[Older people \(75-84\)](#)

[Older people \(85+\).](#)

Homecare or domiciliary care provided in an individual's own home, normally of a personal nature, to enable an individual to continue with their daily life (eg help with eating or drinking, toileting, washing or bathing, dressing, oral care or the care of skin, hair and nails). It may also include prompting and supervision of an individual's self-care.

Long Term support – community:
supported living

Long Term support encompasses any service or support which is provided with the intention of maintaining quality of life for an individual on an ongoing basis, which has been allocated on the basis of eligibility criteria/policies (ie an assessment of need has taken place), and which is subject to regular review.

Exclude any Short Term episodes intended for a time-limited period.

Costs should be analysed according to age:

Adults (18–64)

Older people (65+–74)-

[Older people \(75-84\)](#)

Service Divisions and Subdivisions

Includes

[Older people \(85+\).](#)

Supported living covers a range of services that support people to live as independently as possible in the community. Service users are responsible for their own tenancies, own their home or are living with family or friends. They receive an agreed level of care and support tailored to their individual needs. Service users' support needs may vary, from those who are very able and receive support for a few hours a week to those who require support 24 hours a day.

Long Term support – community:
other Long Term care

Long Term support encompasses any service or support which is provided with the intention of maintaining quality of life for an individual on an ongoing basis, which has been allocated on the basis of eligibility criteria/policies (ie an assessment of need has taken place), and which is subject to regular review.

Exclude any Short Term episodes intended for a time-limited period.

Costs should be analysed according to age:

Adults (18–64)

~~Older people (65-74+).~~

[Older people \(75-84\)](#)

[Older people \(85+\).](#)

Short Term support to maximise independence

All episodes of support provided that are intended to be time-limited and to maximise the independence of the individual and reduce/eliminate their need for ongoing support. At the end of the support, a review or assessment for ongoing care will take place to determine what will follow.

Such an assessment or review will need to have taken place several weeks after the start of the episode. This does not mean that the actual service has ceased, but that a review has been held, the support need has been assessed or reviewed, a decision to continue or not has been made, and a sequel can be clearly identified.

Costs should be analysed according to age:

Adults (18–64)

[Older people \(65-74\)](#)

[Older people \(75-84\)](#)

[Older people \(85+\).](#) ~~Older people (65+).~~

Short Term support to maximise independence includes reablement services.

Exclude any episodes of respite care that may also be time-limited. This support is usually provided as part of a longer-term support package for a client, is commissioned only because of the existence of a carer who needs support, and is considered a carers' service.

Service Divisions and Subdivisions

Includes

Exclude emergency support (ie not to maximise independence but a crisis support service), which should be included in 'Other Short Term support'.

Exclude assistive equipment and technology.

Other Short Term support

All episodes of support provided that are intended to be time-limited but are not intended to maximise the independence of the individual (eg emergency support following a spell in hospital). At the end of the support, a review or assessment will take place to determine what will follow.

Please note that it is possible for a client to have concurrent short and Long Term support ; for example, an existing (ongoing) Long Term support client who could benefit from Short Term support because of a change in their situation or circumstances (eg a spell in hospital as an emergency). The costs of support for such clients should be allocated separately to the underlying intentions behind each form of support, ie the costs of the client's Short Term support included in the Short Term measure, with the costs of their ongoing Long Term support included in the Long Term measure.

Costs should be analysed according to age:

Adults (18-64)

[Older people \(65-74\)](#)

[Older people \(75-84\)](#)

[Older people \(85+\)](#), [Older people \(65+\)](#).

Exclude assistive equipment and technology.

Sensory Support

Services attributable to adults where the primary support reason for their care is related to sensory support. Include visual impairment, hearing impairment or dual impairment.

Costs should be analysed according to the following age groups:

Adults (18-64)

[Older people \(65-74\)](#)

[Older people \(75-84\)](#)

[Older people \(85+\)](#), [Older people \(65+\)](#).

Long Term support – nursing

See the definition above for Physical Support and relate it to Sensory Support.

Long Term support – residential

See the definition above for Physical Support and relate it to Sensory Support.

Long Term support – supported accommodation

See the definition above for Physical Support and relate it to Sensory Support.

Service Divisions and Subdivisions	Includes
Long Term support – community: direct payments	See the definition above for Physical Support and relate it to Sensory Support.
Long Term support – community: homecare	See the definition above for Physical Support and relate it to Sensory Support.
Long Term support – community: supported living	See the definition above for Physical Support and relate it to Sensory Support.
Long Term support – community: other Long Term care	See the definition above for Physical Support and relate it to Sensory Support.
Short Term support to maximise independence	See the definition above for Physical Support and relate it to Sensory Support.
Other Short Term support	See the definition above for Physical Support and relate it to Sensory Support.
Support with Memory and Cognition	<p>Services attributable to adults where the primary support reason for their care is related to Support with Memory and Cognition. Include support and services for clients with conditions affecting their thinking, knowing, awareness and remembering processes.</p> <p>Costs should be analysed according to the following age groups:</p> <p>Adults (18–64)</p> <p>Older people (65-74)</p> <p>Older people (75-84)</p> <p>Older people (85+), Older people (65+).</p>
Long Term support – nursing	See the definition above for Physical Support and relate it to Support with Memory and Cognition.
Long Term support – residential	See the definition above for Physical Support and relate it to Support with Memory and Cognition.
Long Term support – supported accommodation	See the definition above for Physical Support and relate it to Support with Memory and Cognition.
Long Term support – community: direct payments	See the definition above for Physical Support and relate it to Support with Memory and Cognition.
Long Term support – community: homecare	See the definition above for Physical Support and relate it to Support with Memory and Cognition.

Service Divisions and Subdivisions	Includes
Long Term support – community: supported living	See the definition above for Physical Support and relate it to Support with Memory and Cognition.
Long Term support – community: other Long Term care	See the definition above for Physical Support and relate it to Support with Memory and Cognition.
Short Term support to maximise independence	See the definition above for Physical Support and relate it to Support with Memory and Cognition.
Other Short Term support	See the definition above for Physical Support and relate it to Support with Memory and Cognition.
Learning Disability Support	<p>Services attributable to adults where the primary support reason for their care is related to learning disability support. Include services provided to assist individuals with understanding new or complex information and learning and applying new skills.</p> <p>Costs should be analysed according to the following age groups:</p> <p>Adults (18–64)</p> <p>Older people (65-74)</p> <p>Older people (75-84)</p> <p>Older people (85+), Older people (65+).</p>
Long Term support – nursing	See the definition above for Physical Support and relate it to Learning Disability Support.
Long Term support – residential	See the definition above for Physical Support and relate it to Learning Disability Support.
Long Term support – supported accommodation	See the definition above for Physical Support and relate it to Learning Disability Support.
Long Term support – community: direct payments	See the definition above for Physical Support and relate it to Learning Disability Support.
Long Term support – community: homecare	See the definition above for Physical Support and relate it to Learning Disability Support.
Long Term support – community: supported living	See the definition above for Physical Support and relate it to Learning Disability Support.
Long Term support – community:	See the definition above for Physical Support and relate it to Learning Disability

Service Divisions and Subdivisions	Includes
other Long Term care	Support.
Short Term support to maximise independence	See the definition above for Physical Support and relate it to Learning Disability Support.
Other Short Term support	See the definition above for Physical Support and relate it to Learning Disability Support.
Mental Health Support	<p>Services attributable to adults where the primary support reason for their care is related to mental health support. Include conditions or disorders of the mind involving thoughts, behaviours, and emotions that cause significant distress to either the person him/herself or others. Significant distress can mean the person is unable to function, meet personal needs on their own, or are a danger to themselves or others.</p> <p>Costs should be analysed according to the following age groups:</p> <p>Adults (18-64)</p> <p>Older people (65-74)</p> <p>Older people (75-84)</p> <p>Older people (85+), Older people (65+).</p>
Long Term support – nursing	See the definition above for Physical Support and relate it to Mental Health Support.
Long Term support – residential	See the definition above for Physical Support and relate it to Mental Health Support.
Long Term support – supported accommodation	See the definition above for Physical Support and relate it to Mental Health Support.
Long Term support – community: direct payments	See the definition above for Physical Support and relate it to Mental Health Support.
Long Term support – community: homecare	See the definition above for Physical Support and relate it to Mental Health Support.
Long Term support – community: supported living	See the definition above for Physical Support and relate it to Mental Health Support.
Long Term support – community: other Long Term care	See the definition above for Physical Support and relate it to Mental Health Support.
Short Term support to maximise	See the definition above for Physical Support and relate it to Mental Health Support.

Service Divisions and Subdivisions

Includes

independence

Other Short Term support

See the definition above for Physical Support and relate it to Mental Health Support.

Social Support – Substance Misuse Support

Services attributable to all adults where the primary support reason for their care is related to social support: substance misuse support. ~~Include services or interventions for clients with conditions defined by the National Institute for Health and Clinical Excellence (NICE) as intoxication by, or regular excessive consumption of, and/or dependence on, psychoactive substances. It includes problematic use of both legal and illegal drugs (including alcohol when used in combination with other substances).~~

[These are services or interventions for clients who have regular and problematic Intoxication through excessive consumption of and / or dependence on – psychoactive substances. It includes the use of both legal and illegal drugs and includes alcohol.](#)

[Examples of the types of services offered for substance misuse include:](#)

- [Community drug & alcohol services](#)
 - [Rehabilitation](#)

 - [Harm reduction interventions](#)
-

Social Support – Asylum Seeker Support

Services or interventions for registered asylum seekers. Includes:
Supported access to health, housing or education services
Language/interpreter support
Providing advice and information
Access to legal advice.

Social Support – Support for Carer

Services attributable to adults and younger carers of adults where the primary support reason for their care is related to social support: support for carer. Include services or interventions undertaken in order to support an individual in their role of caring for another person.

Community:
direct payments

Direct payment describes a payment process where support is given via the issue of monetary payments directly to clients who have been assessed as needing certain services (eg the issue of a grant payment to support a carer). Include the value of direct payments made to support all carers regardless of the primary support reason of the adult they are caring for.

Community:

Include any other services attributable to supporting carers.

Service Divisions and Subdivisions

Includes

other support for carer

Social Support – Social Isolation

This includes support provide with the intention of reducing the social isolation of individuals, such as sitting and befriending services.

Assistive Equipment and Technology

Include costs attributable to all adults regardless of their primary support reason.

Include:

All items of equipment or minor adaptations funded by the authority with the intention of helping an individual in their daily living, including to have a greater sense of reassurance

The cost of telecare service contracts

The cost of maintenance contracts and safety inspections.

Exclude equipment grant-aided by central government or funded by the authority's housing service.

Social Care Activities (non-attributable costs)

Includes any staff or other revenue expenditure associated with social work practice in relation to supporting individuals through a care or risk management process.

Include:

Assessment. Front-line assessment of clients, including through initial allocation or intake functions.

Review. Front-line reviews of clients.

Care management. Providing other care management activities with clients, such as detailed planning of support to meet their eligible needs, brokerage and navigation following a statutory assessment or review; and ongoing professional support.

Safeguarding. Supporting all aspects of front-line safeguarding activity, from raising initial concerns to investigations and developing safeguarding plans to minimise risk.

Costs associated with undertaking carers' assessments and reviews or providing professional support to carers.

Exclude expenditure associated with commissioning or infrastructure.

Exclude expenditure associated with the care, support and daily living solutions resulting from this care management process (with the exception of professional support), whether low-level preventative, Short Term or Long Term.

Information and Early Intervention (non-attributable costs)

Includes expenditure on any service or support for which there is no test of eligibility and no requirement for review.

Include:

Service Divisions and Subdivisions

Includes

Information and advice. Expenditure on advice and publication teams, leaflets and advertising, websites and other information channels.

Screening and signposting. Investment in contact centres, one-stop shops, advice services, etc.

Prevention/low-level support. Non-attributable costs for drop in centres, supported luncheon clubs, falls prevention and low-level brokerage services (eg supporting access to full costed services such as gardening or shopping).

Independent advocacy. Costs of supporting advocacy and associated functions.

Exclude expenditure associated with front-line access of clients to assessment or care management processes, including safeguarding.

Exclude expenditure associated with the resulting care, support and daily living solutions themselves, whether Short Term or Long Term.

Exclude expenditure associated with assistive equipment and technology.

Exclude expenditure associated with commissioning or infrastructure.

Commissioning and Service Delivery (non-attributable costs)

Includes expenditure on commissioning or commissioning-related functions and infrastructure costs.

Include:

Strategic business direction (eg needs analysis, policy or strategic development)

Business planning (including business development, performance and budget planning and monitoring)

Commissioning and de-commissioning functions

Commissioning, procurement and management (including market management, contract procurement and provider monitoring)

Communications and personal protective equipment

Governance and support (eg admin, finance, IT and information management, legal, non-front-line quality assurance, audit and risk management)

Responding to complaints and complaint management

Infrastructure: building and premises management, IT.

Exclude front-line facilitation of clients' access to assessment or care management, including safeguarding.

Exclude expenditure associated with the resulting care, support and daily living solutions themselves, whether low-level preventative, Short Term or Long Term.

Note 1: The Health & Social Care Information Centre (HSCIC) will not require an analysis of Social Care Activities, Information and Early Intervention or Commissioning and Service Delivery.

~~Note 2: The HSCIC intends to request additional financial data for each primary support reason relating to older people (65+) analysed on a voluntary basis for 2014/15. The additional voluntary analysis will be for older people aged 65–74, older people aged 75–84 and older people aged 85+.~~

Note 32: The HSCIC ~~intends to~~may collect some data comparable to that collected in previous years in order to maintain a minimum time series. The proposed data items would be collected for two age groups only – ‘18–64’ and ‘65+’ – and would include the apportionment of overheads. The required analysis will be as follows:

Total gross and net expenditure on assessment and care management

Total gross and net expenditure on residential and nursing care

Total gross expenditure on home care services

Total gross expenditure on community-based services excluding home care

Total fairer charging income in relation to home care and day care services

Total gross and net expenditure on direct payments

Other gross and net expenditure (including supported accommodation and supporting people)

Net total expenditure (for 18–64 and 65+).

This reflects the changes requested to the bridging year data in the new finance proforma.

Note 43: HIV/AIDS is now considered a health condition and is not a primary support reason.

Central Services

**PART ONE:
SERVICE EXPENDITURE ANALYSIS FOR CENTRAL SERVICES**

**PART TWO:
THE CORPORATE AND DEMOCRATIC CORE (CDC)**

**PART THREE:
NON DISTRIBUTED COSTS (NDC)**

**PART FOUR:
CENTRAL SERVICES TO THE PUBLIC**

PART ONE:

SERVICE EXPENDITURE ANALYSIS FOR CENTRAL SERVICES

1.0 INTRODUCTION

- 1.1** The first purpose of the Central Services SEA is to clearly define:
the Corporate and Democratic Core costs
the Non Distributed Costs.
- 1.2** The second purpose of this revised SEA for Central Services is to provide a standard SEA for those services to the public that are often provided from an authority's centre.
- 1.3** The third and final purpose of this SEA for Central Services is to provide a framework for accounting for those items of income and expenditure that do not fit into the definition of total cost for any single given service.
- 1.4** The SEA for Central Services is presented in the following four parts:
Part Two: Corporate and Democratic Core costs (CDC)
Part Three: Non Distributed Costs (NDC)
Part Four: Central Services to the Public.

2.0 STATUS AND IMPLEMENTATION

- 52.1** This SEA for Central Services replaces all previous versions issued by CIPFA and is mandatory for English and Welsh authorities from 1 April 20154. 20154/165 S&RCOP applies to the following statutory disclosures:
20154/165 Budgets
20154/165 Performance Indicators
20154/165 Statement of Accounts.

3.0 UPDATING THE GUIDANCE

- 63.1** CIPFA is dedicated to keeping the guidance up to date and it will be reviewed on an annual basis as a minimum.

PART TWO: THE CORPORATE AND DEMOCRATIC CORE (CDC)

4.0 INTRODUCTION

- 4.1 The definition of Corporate and Democratic Core (CDC) outlined in Section 2 of SæRCOP sets out CDC costs as comprising two categories of expenditure:

Democratic Representation and Management costs (DRM)

Corporate Management costs (CM).

- 4.2 Each category of CDC costs is defined in Section 2 as follows.

Democratic Representation and Management

This includes all aspects of members' activities in that capacity, including corporate, programme and service policy making and more general activities relating to governance and the representation of local interests. To give authorities maximum flexibility in reflecting their own constitutional arrangements, there are no recommended subdivisions of service.

(Paragraph 2.44.3, Section 2, SæRCOP)

Corporate Management

...concerns those activities and costs that provide the infrastructure that allows services to be provided, whether by the authority or not, and the information that is required for public accountability. Activities that relate to the provision of services, even indirectly, are overheads on those services. There are no subdivisions recommended for CM.

(Paragraph 2.44.10, Section 2, SæRCOP)

- 4.3 Table 1 summarises what is included in each category of CDC costs.

Table 1: Corporate and Democratic Core Costs

Service	Division of Service (Mandatory)	What does it include?
Corporate and Democratic Core	Democratic Representation and Management	<p>(a) All members' allowances and expenses, including telephone calls, postage, equipment costs, hospitality, accommodation costs, training, conference fees, etc incurred when undertaking activities on behalf of the authority, as local representatives or to represent local interests (see paragraph 45.1.4).</p> <p>(b) The costs associated with local government reorganisation (see paragraph 54.1.4).</p> <p>(c) The costs associated with officer time spent on appropriate advice and</p>

Service	Division of Service (Mandatory)	What does it include?
		<p>support activities (see paragraph 5.1.2).</p> <p>(d) Subscriptions to local authority associations and provincial councils.</p>
	Corporate Management	<p>(a) The functions of the individual who is designated to be the head of the paid service (frequently the chief executive), except those concerned with the direct management of services or the provision of advice and support to members.</p> <p>(b) Maintaining statutory registers, eg of politically sensitive posts, unused land, payments to members and members' interests.</p> <p>(c) Providing information required by members of the public in the exercise of statutory rights (other than about specific services).</p> <p>(d) Completing and submitting and/or publishing all service staffing returns, Statements of Accounts, annual reports, public performance reports and Best Value performance plans.</p> <p>(e) Estimating, negotiating, accounting for and allocating corporate-level resources such as capital grants; supported borrowing and other sources of capital finance, precepts, block grants and taxes.</p> <p>(f) The costs of statutory external audit.</p> <p>(g) The costs of external inspections.</p> <p>(h) The costs of treasury management.</p> <p>(i) Bank charges, other than those that relate to accounts operated on a decentralised basis.</p> <p>(j) The costs associated with supporting a local strategic partnership.</p>

(Section 2, S&RCOP)

5.0 GUIDANCE ON WHAT TO INCLUDE IN CDC COSTS

5.1 Democratic Representation and Management

45.1.1 Section 2 of S&RCOP explains what to include in CDC costs. In brief, members' allowances and expenses include:

preparing, making, defending and opposing proposals for local government reorganisation including local polls or referendums, changes of functions, boundary changes, local legislation and attending government committees on behalf of the authority or the local area

making appointments to other public bodies and responding to their requests for information and advice

advising voluntary bodies

following up particular issues raised by constituents

attending conferences and meetings organised by local authority associations and similar organisations

civic ceremonials, including mayor making, the granting of freedom, town twinning, civic regalia and jubilee celebrations.

5.1.2 Again in brief, officer advice and support to members includes:

Office support services, including typing, mail handling, library and IT support.

Professional advice and support, for example in challenging proposals that would adversely affect the council.

The functions of monitoring officers designated under s114 of the Local Government Finance Act 1988 and s5 of the Local Government and Housing Act 1989, when acting in that capacity (ie the duty to consider whether proposals, actions or omissions would give rise to breaches of the law or maladministration and to report on them).

Other procedural and legal advice relating to the conduct of meetings.

The preparation of agendas and minutes.

Attendance at meetings involving members.

The production of specific papers for members and/or for meetings involving members. Papers produced for management reasons which then go to members as background or for information are not DRM. The level of member involvement in the management of services will therefore affect DRM costs but not the costs borne by the service.

Following up queries or answering questions raised by members.

5.2 Corporate Management Costs

65.2.1 Section 2 of S&RCOP explains what to include in Corporate Management costs. In brief, it includes the costs of:

Chief executive or other designated head of the paid service – the functions of the individual designated the head of the paid service (frequently the chief executive), except those concerned with the direct management of services or the provision of advice and support to members.

Maintaining statutory registers, eg of politically sensitive posts, unused land, payments to members and members' interests, but specifically excluding the electoral register, which is included in the Elections Service incorporated in Central Services to the Public, below.

Providing information required by members of the public in the exercise of statutory rights, except if it is about a specific service, in which case the cost is quite reasonably charged to that service.

Completing, submitting and/or publishing corporate information such as corporate service staffing returns,

Statements of Accounts, annual reports, public performance reports and Best Value performance plans.

Estimating, negotiating, accounting for and allocating corporate-level resources such as capital grants; supported borrowing and other sources of capital finance, precepts, block grants and taxes.

The costs of statutory external audit including value for money work, but excluding work done by external auditors that would otherwise be done within the authority or by separate contractors, eg consultancy work. Also excluded is work done to audit grant claims. These costs should be charged to services, including the Corporate and Democratic Core if the grant claim is of a corporate nature. Where such work includes a reimbursement, it should be treated as income.

The costs of external inspections. Local authorities and other authorities in England and Wales will be subject to external inspections. As inspections largely concentrate on particular functions or groups of functions, the associated costs will vary significantly from year to year. The inclusion of such costs within the total costs of individual services could have a significant distorting effect and should, therefore, be accounted for as a Corporate Management cost.

The costs of treasury management and bank charges are included because treasury management fits within the definition of Corporate Management as including *‘those activities and costs that provide the infrastructure that allows services to be provided’*. One outcome from treasury management activity is the level of bank charges relating to main council bank accounts. Therefore, these charges should also be included in Corporate Management. Charges for any accounts operated on a decentralised basis, eg those held by schools, should be a charge against the service of the account holder.

6.0 CONTRIBUTIONS TO CORPORATE AND DEMOCRATIC CORE COSTS

76.1 Section 2 of S~~a~~RCOP recognises that:

...there are arguments that accounts such as the HRA, and for administering authorities, the pension fund should be required to contribute towards their funding.

It should be noted that such contributions should only take place in order to comply with statutory requirements.

(Paragraphs 2.46 and 2.47, Section 2, S~~a~~RCOP)

86.2 The Housing Revenue Account (HRA) is a statutory account. Authorities should ensure that they satisfy the appropriate legislative requirements and statutory provisions when accounting for the HRA. Authorities wishing to make a contribution to the General Fund for CDC would calculate such contributions depending on local and organisational circumstance. Local discretion will need to be exercised to make an appropriate and realistic estimate of the relevant contribution. Authorities will need to adhere to the seven principles of apportionment outlined in Section 2 of S~~a~~RCOP to provide such estimates. The Housing Services SEA gives some guidance on this issue.

To do this, an authority will need to calculate the resources used by officers and members and other corporate management costs to estimate accurately the proportion of its CDC costs that relate to its own housing stock.

96.3 A similar estimation process will need to take place for the time of members and officers and other corporate management costs which relate to the pension fund.

PART THREE: NON DISTRIBUTED COSTS (NDC)

7.0 INTRODUCTION

7.1 The definition of total cost in Section 2 SæRCOP states that:

Gross total cost includes all expenditure relating to the service or division of service, including:

Employee costs.

Expenditure relating to premises and transport.

Supplies and services.

Third party payments.

Transfer payments.

Support services, including an appropriate share of overheads and central support services that need to be apportioned or allocated.

Depreciation, impairment loss and revenue expenditure funded from capital under the statute and the amortisation of intangible assets.

Current service (pensions) cost per IAS 19.

Provisions, if related to the service.

(Paragraphs 2.11–2.17, Section 2, SæRCOP)

7.2 The majority of central support services such as finance, internal audit, personnel, IT, legal services, procurement, etc should be charged, allocated or apportioned to the service divisions defined in the Service Expenditure Analysis. SæRCOP, however, specifically excludes certain costs and overheads it defines as Non Distributed Costs. It defines these as follows:

(a) *past service costs (if any)*

(b) *gains and losses on settlements (if any)*

(c) *the costs associated with unused shares of IT facilities*

(d) *the cost of shares of other long-term unused but unrealisable assets*

(e) *impairment losses relating to assets under construction and other surplus assets held for disposal (but which do not satisfy the criteria in the Code to be classified as held for sale) and depreciation on the latter category of assets*

(f) *the revenue expenditure involved in holding surplus assets (eg security costs)*

(Paragraph 2.45, Section 2, SæRCOP)

8.0 GUIDANCE ON WHAT TO INCLUDE IN NON DISTRIBUTED COSTS

38.1 The two main areas within the definition of Non Distributed Costs are costs relating to retirement benefits (items (a) and (b) above) and unused and unusable shares of assets (items (c) and (d)). Further guidance on each of these elements of cost can be found in Section 2 of S~~a~~RCOP. This guidance is summarised below.

Retirement Benefits

48.2 For funded and unfunded defined benefit pension schemes (this will include police and fire service uniformed staff schemes), the cost of retirement benefits to be included in the definition of total cost of a service will be current service pension costs. All other elements of retirement benefits costs (past service costs, and gains and losses on settlements) will be excluded from the definition of total costs of services and are defined as Non Distributed Costs (NDC).

The Costs of Unused Shares of IT Facilities and Other Assets

58.3 These headings cover the cost of portions of computer mainframes and integrated systems and other long-term unused assets that are unused as a result of reduced activity or loss of work caused by either voluntary competitive tendering (VCT) or the loss of a function or area of work.

68.4 These costs are included within NDC to reflect the reality that there is no service to charge costs on to because those costs relate to unused capacity (IT or otherwise). It is important to note that where services are using the capacity, whether by choice or otherwise, they should be bearing a fair share of the cost. Similarly, if previous decisions about, for example, the choice of IT system have resulted in a cost which might be higher than the services concerned would wish, they will still have to bear the full cost.

78.5 It is important to note that these two subdivisions should be used in the narrowly defined way described above. They are not a general mechanism to insulate services from the cost impact of past decisions.

9.0 CONTRIBUTIONS TO NON DISTRIBUTED COSTS

89.1 The argument given in Section 2 of S~~a~~RCOP that accounts such as the HRA should make a contribution to CDC costs is also extended to NDC (see paragraph [7 in part two6.1](#) above).

9.2 Again, each authority will wish to satisfy itself that it complies with the statutory definition of the HRA ringfence. Exactly how this contribution is calculated will depend on local factors:

For retirement benefits, authorities will need to consider in detail the past service costs (and gains and losses on settlements) attributable to the HRA. It may be possible that some past service costs are directly attributable to HRA employees or that there may need to be some pro rating of past service costs on the most appropriate, reasonable and justifiable basis identified by the authority. Each authority would need to consider the nature of the improvement in benefits.

For unused asset costs that arise because of a loss of work or function related to non-General Fund activities, eg the loss of a housing management contract, there may be excess computer capacity previously borne

by the HRA.

109.3 Such contributions will need to comply with the definition of NDC at Section 2 of SæRCOP.

PART FOUR: CENTRAL SERVICES TO THE PUBLIC

10.0 INTRODUCTION

10.1 The fourth Best Value accounting principle, '*There will be segmental reporting of total costs*', means that all local authority services, including those provided by central departments, should be accounted for separately in the SEA. Table 2 below shows the main services to the public that are often provided by central departments and the new standard classification as it applies to them. Additional guidance on each item follows Table 2.

Table 2: Central Services to the Public

Division of Service (Mandatory)	Subdivision of Service (Discretionary)
Local Tax Collection	Council tax collection Council tax support administration Council tax discounts Local council tax support scheme Non-domestic rates collection BID ballot costs Cost of collection and distribution of BID levy.
Registration of Births, Deaths and Marriages	
Elections	Registration of electors Conducting elections.
Emergency Planning	
Local Land Charges	
Local Welfare Assistance Schemes	
General Grants, Bequests and Donations	
Coroners' Court Services	
Other Court Services	

10.2 Since these services have little in common, and many could quite feasibly be provided in a service department or by an external contractor, each is classified as a service division in its own right. This should not affect their accounting treatment. As separate divisions of service, each should be accounted for separately. It may also be the case in some authorities that other services to the public are provided from a central department. Such services should be identified and in accounting terms included in the service identified by CIPFA in this SEA.

11.0 GUIDANCE ON WHAT TO INCLUDE IN CENTRAL SERVICES

11.1 Local Tax Collection

311.1.1 The Local Government and Finance Act 1988 required each billing authority in England to maintain a separate collection fund to show its transactions for non-domestic rates and the council tax, and how these have been distributed to precepting authorities and the General Fund. The collection fund includes all income from council tax and non-domestic rates. It also includes payments of precepts, transactions with the national business rate pool, provisions for bad debts and adjustments for previous years' collection fund deficits and surpluses.

411.1.2 Welsh authorities no longer have to keep a separate collection fund.

511.1.3 In all cases, the costs of local tax collection should be accounted for as a separate service.

611.1.4 Some authorities give discounts for prompt payment of council tax. Such discounts are not a charge on the collection fund, so they should also be accounted for under the Local Tax Collection division of service.

711.1.5 The following service subdivisions are recommended:

Council tax collection

Council tax support administration

Council tax discounts

Local council tax support scheme (see Note, below)

Non-domestic rates collection costs (less an allowance from the national non-domestic rates pool)

BID ballot costs

Cost of collection and distribution of BID levy.

Note: Before 2013/14, council tax benefit provided support for groups with low incomes towards the payment of their council tax bills. From April 2013, council tax benefit is to be replaced by localised support for council tax. Local authorities will set up new schemes to support people in their own areas. This will only affect people of working age who currently receive council tax benefit.

Local authorities are responsible for the design and administration of a local scheme for supporting council

tax for those on low incomes. The Welfare Reform Bill 2012 contains the provisions for the abolition of council tax benefit, paving the way for new local schemes, and the Local Government Finance Act 2012 contains the legislation enabling local authorities to design and develop such local support schemes.

The new local arrangements for providing support for council tax will be integrated within the collection fund and the council tax system as a whole, and will provide support to households as a reduction in the amount of council tax as part of the discount arrangements. The new schemes will result in a reduction in the council tax base for an area once all discounts are taken into account.

As council tax is calculated by dividing an authority's budget requirement, after deducting formula grant and business rates, by the council tax base, this would increase the level of council tax. To avoid an increase in council tax the government will pay a new grant to local authorities to reduce their budget requirement.

11.2 Registration of Births, Deaths and Marriages

811.2.1 The costs of these services normally exceed the fees earned from the Registrar General and from members of the public for registrations, certificates and copies. The important issue under S&RCOP is that the gross costs and gross income should each be shown. They should **not** be netted off against each other.

11.3 Elections

911.3.1 It is possible to argue that the cost of local elections and of maintaining the register of electors should be included in the Democratic Representation and Management element of CDC costs. However, election costs relate to many types of elections, not just local ones – eg local authorities act as agents to administer parish council, national, National Assembly for Wales and European elections.

101.3.2 The costs of administering these elections as agents are not a part of the CDC, because they are not connected with the management of the authority. They arise because a service is given to other bodies. For many authorities, these costs are not significant and accounting for them separately from local elections may not be justified. Where the costs are significant, they will vary from year to year with the electoral cycle. Their inclusion in the CDC could, therefore, distort Best Value year-on-year comparisons. Costs associated with local polls or referendums relating to reorganisation should still be included in CDC under Democratic Representation and Management.

11.3.3 Similarly, the same electoral register is used for all elections and any division of the costs of its preparation and maintenance would be arbitrary. It is, therefore, logical and within the spirit of Best Value that the costs of administering all elections are recorded together with the cost of maintaining the register of electors under a service division heading Elections.

121.3.4 Within the Elections service division, there are two subdivisions:

Registration of electors

Conducting elections.

11.4 Emergency Planning

~~131.4.1~~ This heading is for recording the cost, and any grant income, of arrangements to provide integrated emergency planning under the Civil Contingencies Act 2004. These arrangements include civil emergency and disaster planning and support as well as the maintenance of emergency networks and the conducting of exercises. **Note:** Fire and Rescue Services civil defence and emergency planning expenditure and grant income should be recorded separately under the Fire and Rescue Services SEA.

11.5 Local Land Charges

~~141.5.1~~ The costs of maintaining the register of local land charges and dealing with requests for certificates of search and other enquiries should be recorded here, along with income from charges made. Income and expenditure should each be recorded on a gross basis.

Local Welfare Assistance Schemes

15 The discretionary social fund (i.e. current Community Care Grant and Crisis Loan schemes) that supported vulnerable people was ~~will be~~ abolished in ~~from~~ April 2013 as a result of Welfare Reform Act and replaced with local schemes administered by local authorities. Include gross expenditure on; administration of the local schemes and Local Welfare Provision Grant.

11.6 General Grants, Bequests and Donations

~~1561.6.1~~ Most of the grants given by local authorities are related to specific services and should be recorded under the appropriate service heading. There may, however, be examples of grants which are not related to any of the other functions of the authority and which are given under powers that are not service-specific, eg grants to support Citizens Advice Bureaux. These should be recorded under this heading, which would also cover any grants, bequests or donations received by the authority where no specific purpose has been determined. Authorities will need to ensure that such grants, bequests or donations received do not meet the requirements of paragraphs 2.3.2.9 and 3.4.2.43 e) of the Code.

11.7 Coroners' Court Services

~~1671.7.1~~ Include all the costs associated with the Coroners' Court Service including costs of:

The coroner and his/her deputies

The coroner's office

Premises

Inquests

Juries where required

Post-mortems.

Mortuary costs are included in the Environmental Services SEA. It may charge the coroner for the use of its services, in which case part of the costs of the mortuary will transfer to Coroners.

11.8 Other Court Services

1781.8.1 Include court-related expenditure that does not fit into the Coroners categories above. For example:

Some authorities retain and maintain judges' residences for use, in return for a rent, by judges when they hold courts in their area.

The Corporation of London maintains the Mayor's and City Crown Court and Central Criminal Court premises and employs certain Central Criminal Court employees.

Include income and expenditure separately on a gross basis. Do not net off.

Highways and Transport Services

PART ONE:

SERVICE EXPENDITURE ANALYSIS FOR HIGHWAYS AND TRANSPORT SERVICES

PART TWO:

GUIDANCE NOTE: COMPLETING THE SERVICE EXPENDITURE ANALYSIS FOR HIGHWAYS AND TRANSPORT SERVICES

PART THREE:

GUIDANCE NOTE: WHAT TO INCLUDE IN EACH DIVISION OF SERVICE

PART ONE:

SERVICE EXPENDITURE ANALYSIS FOR HIGHWAYS AND TRANSPORT SERVICES

Division of Service (Mandatory)	Subdivision of Service (Discretionary)
Transport Planning, Policy and Strategy	
Structural Maintenance	Structural maintenance (principal roads) Structural maintenance (other roads) Bridges.
Capital Charges relating to Construction Projects	Capital charges relating to construction projects (principal roads) Capital charges relating to construction projects (other roads) Capital charges relating to construction projects (bridges) Capitalised scheme design and/or site supervision costs.
Environmental, Safety and Routine Maintenance	
Street Lighting (including energy costs)	
Winter Service	
Traffic Management and Road Safety	Traffic management Traffic Management - Bus lane enforcement Road safety education and safe routes (including school crossing patrols) Congestion charging.
Parking Services	On-street parking Off-street parking.
Public Transport	Statutory concessionary fares Discretionary concessionary fares Support to operators Co-ordination.

**Division of Service
(Mandatory)**

**Subdivision of Service
(Discretionary)**

Airports, Harbours and Toll Facilities

Airports

Harbours/ports/docks

Piers and jetties

Toll roads/tunnels.

Management and Support Services
(optional holding accounts)

Management and administration

Professional and engineering services

Highways properties.

Note: all costs accounted for in these accounts should be allocated directly or apportioned to the service divisions above **before the accounts are closed.**

Note 1: S&RCOP makes it clear that Corporate and Democratic Core costs and Non Distributed Costs should be kept separate from the SEA above.

Note 2: This guidance should be read in conjunction with the introduction to the SEA for all local government services and CIPFA's statement of principles for Best Value accounting (see the appendix).

PART TWO:

GUIDANCE NOTE:

COMPLETING THE SERVICE EXPENDITURE ANALYSIS FOR HIGHWAYS AND TRANSPORT SERVICES

1.0 INTRODUCTION

- 1.1** The aim of this guidance is to ensure different local authorities' Highways and Transport Services financial records are on as consistent a basis as possible and to allow local authorities to meet the majority of their financial reporting commitments from a single set of base financial records.
- 1.2** The guidance is not intended to influence how different authorities are organised on the ground. This is not CIPFA's role and is contrary to the spirit of Best Value, which encourages innovation. The guidance merely seeks to provide a means for a comparable aggregation of the costs of Highways and Transport Services, regardless of how they are organised. The ability to compare services is one of the four key strands of Best Value, namely to:
- make *comparisons*
 - challenge* how things are done and what is done
 - consult* widely on service provision
 - demonstrate *competitiveness*.

2.0 STATUS AND IMPLEMENTATION

- 32.1** This SEA for Highways and Transport Services replaces all previous versions issued by CIPFA and is mandatory for English and Welsh authorities from 1 April 2015⁴. 2015⁴/16⁵ S&RCOP applies to the following statutory disclosures:
- 2015⁴/16⁵ Budgets
 - 2015⁴/16⁵ Performance Indicators
 - 2015⁴/16⁵ Statement of Accounts.

3.0 UPDATING THE GUIDANCE

- 43.1** CIPFA is dedicated to keeping the guidance up to date and it will be reviewed on an annual basis as a minimum.

4.0 NOTE ON HIGHWAYS DIVISIONS OF SERVICE

54.1 The Highways divisions of service (the second to the sixth divisions of service, Structural Maintenance to Winter Service) include the construction, structural maintenance and routine maintenance of public highways, and streetlights. It also includes footpaths, cycle ways, towpaths and bridleways not already included in the Open Spaces division of service (within the Cultural and Related Services SEA). It includes both the management and commissioning costs involved in determining the work required and the costs of monitoring its completion and the amounts paid to the in-house teams or outside contractors for carrying out the work. Capital charges associated with capital works should be included here.

64.2 A particular feature of the Highways divisions of service is the extent to which expenditure may be rechargeable to third parties, to utilities and individuals for private street works, to the Housing Revenue Account for some estate roads and to other local authorities or the Government for agency work. In most of these cases, the expenditure and the associated income should be included under the same service expenditure heading and appropriate subjective headings. Section 2 explains that the exception to this is when expenditure is by an authority working as a formal agent of government or another local authority. In this case, only show net income or expenditure in the authority's accounts. To assist the completion of government returns, the Highways divisions of service includes the separate divisions:

Structural Maintenance

Environmental, Safety and Routine Maintenance.

5.0 HOW TO TREAT 'OTHER' WORKS

75.1 There may be other highways expenditure that is difficult to classify, eg some county councils have village maintenance teams that do many types of small maintenance tasks in one village, classified as one job. Urban councils may do the same in individual estates or electoral wards. Authorities should try to classify such work as accurately as possible over the above categories. The level of sophistication required to make this split will vary according to the materiality of the amounts involved.

PART THREE:

GUIDANCE NOTE:

WHAT TO INCLUDE IN EACH DIVISION OF SERVICE

Service Divisions and Subdivisions Includes

Transport Planning, Policy and Strategy

This division of service includes those costs associated with:

- Formulating transport, highways plans and policy including the associated research
- Working with developers to assess the impacts of developments on highways
- Highway/road issues relating to planning applications
- Highway adoptions
- Monitoring street works.

Include network-related issues such as:

- Maintenance of a road network plan
- Information published to promote the road network.

Include the preparation of annual plans such as:

- The local transport plan
- The road safety plan
- Contributing to unitary development plans
- Contributing to the regional transport strategy
- Contributing to structure plans.

Include the following planning-related work:

- Giving a transport view of planning applications
- Assisting with searches
- The formal adoption of roads

Temporary notices and orders, including road closures made under s14 of the Road Traffic Act 1994 as amended by the Road Traffic Temporary Restrictions Procedure Regulations 1992.

Include monitoring street works under the New Roads and Street Works Act 1991, whereby the local authority monitors all road works by private parties, utilities, etc.

Note: consistency between local authorities. To assess the costs of transport planning, policy and strategy accurately and consistently will require good estimates of how staff split their time between the tasks described above and the more operational tasks detailed in the guidance notes that follow.

Structural Maintenance

This includes expenditure on the maintenance of public highways of all classes, footways, cycle tracks and other rights of way. However, in order to complete government returns and to report on national performance indicators, it is important that authorities also separate expenditure on principal roads from expenditure on other

Service Divisions and Subdivisions Includes

roads.

The 'Structural maintenance (principal roads and other roads)' subdivisions of service do not include the structural maintenance and strengthening of bridges, for which there is a separate subdivision.

The following subdivisions of service are included:

Structural maintenance (principal roads)

Structural maintenance (other roads)

Bridges.

Structural maintenance (principal roads)

Structural maintenance includes:

Reconstruction

Overlay

Resurfacing (including integral patching and minor repairs)

Surface dressing (including integral patching and minor repairs)

Remedial earthworks

Drainage structures

Fencing, walls and barriers

Costs of third party liability claims related to structural defects on roads, footpaths, etc.

Taking each element of structural maintenance in turn:

Reconstruction includes the removal of two or more of the structural layers of a carriageway, footway or footpath and their replacement with new material, including new surfacing, including the reinstatement of coastal highways. Any consequent works in connection with footways, cycle tracks, drainage, road markings and kerbs should be included. Small areas of reconstruction carried out prior to larger overlaying or resurfacing works should be included with the larger operation.

Overlay of the existing wearing course to increase or restore the strength of the carriageway should be included. As with reconstruction, above, any necessary prior or consequent works should be included. Overlays in thicknesses of up to and including 50mm should be classified as Resurfacing.

Resurfacing refers to the replacement of the existing wearing course to restore the running surface. Again, any necessary prior or consequent works should be included here as a part of the larger project, not as minor works.

Structural maintenance (principal roads) (continued)

Surface dressing, including the renewal of anti-skid treatment, to enhance the surface texture and seal the carriageway should be included, together with any necessary prior or consequent works, such as the need to fill in potholes or to make minor

Service Divisions and Subdivisions Includes

repairs or patching to prepare the road for resurfacing.

Remedial earthworks refers to the repair of earth slips and the provision of any necessary drainage and new retaining systems.

Drainage structures includes the replacement and structural maintenance of existing carriageway drainage systems, the replacement of kerbs for drainage purposes and the maintenance and replacement of culverts under 2m in span or diameter.

Fences, walls and barriers includes the replacement and repair of all fences, walls, etc except snow fences, hedges and noise barriers on bridges, and additionally safety crash barriers which are located particularly in central reservations and at railway bridges in addition to other bridges. Note the cleaning of fences, etc is included as a Routine Maintenance item, below.

Third party liability claims that are made as a result of structural defects should be accounted for here. This will account for the majority of claims made. Material claims not related to structural defects (eg slipping on ice) can be allocated appropriately to the most relevant division of service (ie Winter Service in the example given).

If more detailed analysis is required, eg by scheme or by agent authority, this can be done using either the subjective analysis or the SEA. It is recommended that a lower level of SEA is used to differentiate between schemes and that the detailed analysis provided for in the third party payments subjective grouping is used to differentiate between agent authorities.

Structural maintenance
(other roads)

See 'Structural maintenance (principal roads)' above.

Bridges

This should include all structural maintenance and strengthening of bridges and structures charged to revenue account, including bridges, tunnels, and culverts over 2m in span, pedestrian subways and noise barriers on bridges. It should also include assessment work. Include related capital charges here.

Capital Charges relating to
Construction Projects

The largest element here will be the capital charges and impairment loss made to revenue as the result of past capital expenditure on the road network on the construction of roads and bridges. These charges should be made in accordance with the capital accounting guidance on infrastructure assets.

If analysis by scheme is required, this can be achieved at the next level down in the SEA. In order to complete government returns and to report on national performance indicators, it is important that authorities also separate expenditure on principal roads from expenditure on other roads. This service division has been separately identified to align with the DCLG's R02 form and to avoid the 'distorting' impact of capital charges on the maintenance of roads.

Service Divisions and Subdivisions Includes

Capital charges relating to construction projects (principal roads)

Capital charges relating to construction projects (other roads)

Capital charges relating to construction projects (bridges)

Capitalised scheme design and/or site supervision costs

Environmental, Safety and Routine Maintenance

Environmental maintenance includes the following **only to the extent** that they are necessary for the preservation of the carriageway and for traffic safety, including the preservation of sight lines. The majority of street sweeping or cleansing is accounted for as an environmental rather than a highways service. This will include charges for:

Tree maintenance

Verge maintenance

Carriageway sweeping, including litter and other hazard removal.

Exclude similar operations for amenity reasons.

Safety maintenance includes the maintenance and replacement of existing road markings and studs. It also includes the cleaning, repair, replacement and energy costs associated with existing:

Traffic signals

Signs

Crossings

Overhead signs or signal gantries

Communications equipment for principal motorways.

Exclude the provision of new equipment and facilities. These should be classified under 'Traffic management' (see below).

Environmental, Safety and Routine Maintenance (continued)

Routine maintenance includes:

Ad hoc, unplanned patching and minor repairs

Drainage cleaning

Cleaning of fencing, walls, barriers, etc

Culverts and subways cleaning

Routine inspections.

Service Divisions and Subdivisions Includes

Defining each item in turn:

Ad hoc patching and minor repairs includes haunching, repairing potholes, etc carried out in a responsive and unplanned way. These should not be included if they are an essential element of an associated reconstruction, overlay, resurfacing or surface dressing project. In such cases, include these costs as a part of the bigger project, not as minor works.

Drainage cleaning includes the testing, rodding and cleaning of drains, gullies, ditches and carriageway drainage systems.

Cleaning fencing, walls and barriers that require minor maintenance or cleaning will be covered by this heading, except for snow fences (Winter Service), hedges ('Verge maintenance') and noise barriers on bridges ('Bridges'). It also covers the cleaning, repair and replacement of other street furniture, eg roadside seats and street name plates.

Culverts and subways cleaning includes culverts with spans greater than 2m, pedestrian subways and highway tunnels. This heading covers cleaning only, not structural maintenance.

Routine inspections includes regular checks of highways, footpaths, etc to identify maintenance needs, safety risks, etc. Structural surveys are a part of the Structural Maintenance division.

Street Lighting (including energy costs)

This division of service includes all the costs of street lights, including their maintenance, inspection and energy costs. Include the costs of extra seasonal lighting (such as Christmas lights) and the costs of lighting pedestrian subways and highway tunnels. Although it may be hard to separate lighting costs from other electrical costs, eg for illuminated signs/bollards, traffic signals, etc, separate identification is necessary so that local authorities are able to provide reliable information for the DCLG R02 return.

Where practical, lighting directly associated with construction or maintenance of highways should be charged to these headings.

Winter Service

This should include the cost of keeping roads free from snow and ice, including salting, urea treatment, snow ploughing, snow fencing and standby arrangements. It should also include weather forecasting costs, the maintenance and energy costs for under-road heating and the maintenance and operation of ice detecting equipment, but not its supply or installation. This should be included in the costs of the larger construction project that the installation of the new equipment was associated with. This has previously been a subdivision of service but has now been separately identified so local authorities can provide reliable information for the DCLG R02 form.

Traffic Management and Road Safety

The following subdivisions of service are included. Each is described further below:
Traffic management

Service Divisions and Subdivisions Includes

Road safety education and safe routes (including school crossing patrols)
Congestion charging.

Traffic management

This includes:

Planning, and scheme design (for example, urban safety management schemes, home zones, new pedestrian crossings and new traffic calming measures)

Street naming

The monitoring of traffic, including CCTV monitoring cameras

Area traffic control centres

Contributions towards the administration and enforcement of lorry ban schemes, such as the one operated collectively by the London borough councils to keep lorries out of London during night hours

Research undertaken to inform policy making such as traffic surveys, accident data collection and accident investigations

Traffic regulation orders.

Only include specific traffic management schemes and the associated capital charges here. Traffic management aspects of larger construction or structural maintenance projects should be included in the larger schemes and need not be separately identified, unless they are material and not separating them would distort comparisons.

[Exclude costs for - Bus lane enforcement, costs fall in line below.](#)

[Traffic Management - Bus lane enforcement](#)

[Include costs for bus lane enforcement](#)

Road safety education and safe routes (including school crossing patrols)

This includes publicity, training and other initiatives to improve road safety including:

Contributions to the Royal Society for the Prevention of Accidents (RoSPA)

Cycling training/motorcycle proficiency

Schools liaison

Road safety literature

Rehabilitation courses for motor offenders.

Historically, school crossing patrols have sometimes been included within authorities' Highways budgets and sometimes within Education budgets. For ease of comparison, reported spending should now be consistently recorded in Highways not Education.

Expenditure on safe route schemes (such as to school, to work, etc) should also be coded here, including capital charges that relate to capital works. This consolidates all road safety issues in one SEA and should facilitate a more joined-up approach to road safety, and in particular, safety related to travelling to school.

Service Divisions and Subdivisions Includes

Congestion charging	This includes the cost of surveys for proposed congestion charging schemes as well as costs associated with the schemes themselves. Toll charges which are not part of a congestion charging zone should not be included and should be shown under Airports, Harbours and Toll Facilities.
Parking Services	<p>Parking Services includes all costs associated with the provision of the parking facilities, including facilities for lorries and those provided under statutes other than the Highways Acts. It should also include all expenditure and income from the operation of parking regimes.</p> <p>The following subdivisions of service are included. Each is described further below:</p> <p>On-street parking</p> <p>Off-street parking.</p>
On-street parking	<p>This should include the costs and income from:</p> <p>Parking meters</p> <p>Parking attendants</p> <p>Residents' parking permit schemes</p> <p>Business parking permit schemes.</p>
Off-street parking	<p>Authorities that provide off-street parking should include here the costs of operating and maintaining car parks, as well as the income received. They should include:</p> <p>Staffing costs</p> <p>Barrier equipment</p> <p>Security equipment</p> <p>The enforcement of excess charges, etc.</p> <p>This category also includes the costs associated with operating car parks that support park and ride schemes.</p> <p>Some authorities may like to further analyse off-street parking between surface car parks and multi-storey car parks. This would be good practice wholly consistent with Best Value as the likelihood is that peripatetic staff will service the surface car parks. Multi-storey sites are more likely to have permanent staff. Hence, trading accounts can more easily be prepared for individual multi-storey car parks. There are also ready private sector comparisons for multi-storey car parks, making their separation desirable.</p>
Public Transport	<p>The following subdivisions of service are included. Each is described further below:</p> <p>Statutory concessionary fares</p> <p>Discretionary concessionary fares</p> <p>Support to operators and voluntary groups</p>

Service Divisions and Subdivisions Includes

Co-ordination.

Statutory concessionary fares	Costs (including administration) of providing the statutory National Concessionary Travel Scheme for Older People and for eligible disabled people.
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Discretionary concessionary fares	Costs (including administration) of all discretionary elements of any local concessionary travel schemes. This includes concessions during peak hours; for non-educational travel for young people; for companion travel; for disabilities not covered by the English National Concessionary Travel Scheme and on transport other than registered buses. Please note that education travel should be included under the Children's and Education Services SEA.
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Support to operators	This should include the third party payments made to: Public transport operators Park and ride operators Passenger transport executives as levies Voluntary groups providing quasi-public transport, eg dial a ride schemes. Any costs incurred in administration or monitoring of the above should be included here. For further guidance on accounting for trading account surpluses and deficits, see paragraph 2.31–2.39 of S&RCOP. It is probable that authorities will wish to analyse each type of support further, for example by type of transport (bus, rail, ferry, etc) or by operator. The former should be achieved by using a lower level of SEA, the latter by using the detailed analysis provided for within the third party payments category in the standard subjective analysis of local authority expenditure.
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Co-ordination	This should include costs associated with the co-ordination of public transport services, including the: Provision of general information to the travelling public Revenue costs of investing in the public transport infrastructure, eg bus stations and bus shelters Costs of liaison with transport providers and the travelling public.
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Airports, Harbours and Toll Facilities	This division of service includes expenditure and income related to directly owned facilities in the following categories: Airports Harbours, ports and docks Piers and jetties Toll roads/tunnels.
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Service Divisions and Subdivisions Includes

Include expenditure and income from directly owned facilities here.

Many of the items under this section will be trading units reported annually to the DCLG on its form TSR (Trading Services). In each case, include gross costs on the total cost basis defined in Section 2 of S_oRCOP, eg include capital charges and overheads and ensure that all income (such as toll payments) is recorded in full.

Although only one line is mandatory (ie Airports, Harbours and Toll Facilities), it is good practice to retain a separate trading account (where appropriate) or cost centre for each separate airport, dock, pier or other facility.

Airports

Note that where an authority owns or part-owns an airport company, its share of the airport company's receipts and any revenue support given should also be recorded here.

Harbours/ports/docks

Exclude fishery harbours, as defined by s21 and schedule 4 of the Sea Fishery Industry Act 1951, and the costs of fishery responsibilities at more generic harbours. All fisheries-related costs are accounted for in the Agricultural and Fisheries Services division of Environmental Services.

Piers and jetties

Toll roads/tunnels

Management and Support Services (optional holding accounts)

Service management costs are distinct from support services:

Support services are those that support the provision of services to the public. They are supplied to assist direct providers of services to the public in carrying out their main functions. They may be supplied in a variety of ways. For example, by staff of the highways and transportation service itself, by other departments of the local authority or by outside bodies.

Service management, by contrast, almost always originates within the same department as the direct service costs.

In accordance with the principle of full allocation, both management and support service costs should ultimately be recharged fully to front-line services. Hence, management and support services (MSS) are voluntary holding accounts. The costs must be fully allocated to front-line services for financial reporting purposes.

Recharging to users: given that highways/roads works are often capital, some recharges will include capital accounts as well as revenue divisions or subdivisions of service. It may, in some cases, be necessary to attribute these recharges at a more detailed level to achieve proper accountability; for example, where there is a need to reflect properly the full costs of trading undertakings or where costs are recovered from third parties.

The following subdivisions of service are suggested and a brief description of their

Service Divisions and Subdivisions Includes

coverage is given below:

Management and administration

Professional and engineering

Highways properties.

Management and Support Services (optional holding accounts) (continued)

Neither management and administration nor professional and engineering services are likely to be comparable between different authorities, since:

The deployment of professional and engineering staff will be determined very much by the organisation of the service within each authority and affect the extent to which direct charging is possible and desirable.

Management and administration will be distorted by different levels of devolvement within authorities.

As noted above, the use of these holding accounts is optional and authorities may wish to charge any of the above items of expenditure to the appropriate 'final' division or subdivision of service in line with the seven principles of apportionment specified in Section 2 of S&RCOP.

Management and administration

This subdivision of service will include staff engaged in management and administration. To minimise cross-charging between MSS subdivisions, it should exclude administrative staff that are clearly directly attributable to other MSS divisions or subdivisions of service (for example, the secretaries of engineering staff).

Authorities may wish further to subdivide the costs of management and administration to reflect separately accountable units within the highways and transportation department. This will depend on the organisational arrangements and management accountabilities adopted in each authority, but might include separate geographical areas/divisions or separate support service functions, eg finance, personnel, information technology and training. These units may simply be separate budget cost centres or may constitute separate business units providing support services (eg via an SLA) to clients.

Premises used exclusively for administration should be accounted for under the 'Administration' subdivision, but where shared premises are involved, 'Administration' should only bear a proportion of the total cost calculated on an appropriate basis.

This same principle applies to other subjective heads of expenditure covered by the 'Administration' subdivision of service. This also applies to 'Professional and engineering services', below.

Professional and engineering services

This may include the costs of professional and engineering staff, other than those covered by the management and administration subdivision. It may also include the costs of quarries, laboratories and technical surveys where these are not charged directly to other divisions of service. Again, some authorities may wish to account for such services at a more detailed level.

Service Divisions and Subdivisions Includes

The previous standard form of accounts included a division of service called 'Professional and engineering services'. It contained a range of different activities. Some were support services (eg management and administration), and others were direct services (eg traffic management). It did not require further analysis. This meant that the total cost of outcomes – for example, the cost of highways repair and maintenance – was not readily identifiable.

Highways properties

All income and expenditure associated with highways properties should be accounted for under this heading before being allocated to the most appropriate service division.

Housing Services

PART ONE:

HOUSING GENERAL FUND (ENGLAND)/HOUSING COUNCIL FUND (WALES) SERVICE EXPENDITURE ANALYSIS

PART TWO:

HRA FORMAT (ENGLAND)

PART THREE:

HRA FORMAT (WALES)

PART FOUR:

GUIDANCE NOTE: COMPLETING THE SERVICE EXPENDITURE ANALYSIS FOR HOUSING SERVICES

PART ONE:

HOUSING GENERAL FUND (ENGLAND)/HOUSING COUNCIL FUND (WALES) SERVICE EXPENDITURE ANALYSIS

Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
General Fund/ Council Fund (GF/CF) Housing	Housing Strategy	
	Enabling	
	Housing Advice	
	Housing Advances	
	Private Sector Housing Renewal	Administration of grants Renewal activity Management orders Prohibition orders and improvement notices Empty homes and dwellings Slum clearance Other neighbourhood regeneration Home improvement agencies – revenue costs.
	Licensing of Private Sector Landlords	Licensing of houses in multiple occupation (HMOs) Selective licensing of other private rented properties.
	Homelessness	Hostels (non-HRA support) Bed and breakfast accommodation Other nightly paid, privately managed accommodation Private managed accommodation leased by the authority Private managed accommodation leased by RSLs Directly with a private sector landlord Accommodation within the authority's own stock (non-HRA) Accommodation within RSL stock Other temporary accommodation Prevention Administration

Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
		Support.
	Housing Benefits Payments <i>(Note 3)</i>	Rent allowances Non-HRA rent rebates Rent rebates to HRA tenants Subsidy limitation transfer from HRA Discretionary housing payments.
	Housing Benefits Administration	
General Fund/ Council Fund (GF/CF) Housing (continued)	Contribution to the HRA re Items Shared by the Whole Community	
	Other Council Property	Travellers' sites Non-HRA council property.
	Supporting People <i>(Note 4)</i>	Strategy Administration Commissioning payments to providers.
	Other Welfare Services	
	Housing Management and Support Services (All costs accounted for in these accounts should be allocated directly or apportioned to the service divisions above before the accounts are closed.)	Housing department support staff and costs Support from other council departments eg finance, HRM Other housing support costs.

Note 1: S&RCOP makes it clear that Corporate and Democratic Core costs and Non Distributed Costs should be kept separate from the SEA above.

Note 2: This guidance should be read in conjunction with the introduction to the SEA for all local government services and CIPFA's statement of principles for Best Value accounting (see the appendix).

Note 3: The division of service Housing Benefits Payments will include both benefits expenditure and related income. Income will include direct subsidy receivable and recovery of benefit overpayments and it will also include relevant transfers to or from the Housing Revenue Account (HRA) (see the table in Part Four, paragraph [173-1](#) for more details).

Since 2006/07, the DWP no longer notifies authorities of individual separate amounts of housing and council tax benefits administration subsidy. Instead, an overall total cost is notified. The recommended method is to calculate and split housing benefit and council tax benefit administration subsidy pro rata to expenditure on housing benefit and council tax benefit administration. This will provide an approximate apportionment which can then be used to calculate a net cost. This method has the advantage of not affecting the SEA. See DWP Housing Benefit and Council Tax Benefit Circulars HB/CTB/S3/2006 and S4/2007 for details of subsidy allocations.

Note 4: Local authorities have discretion to continue to charge to the HRA Supporting People (SP) services that were funded from the HRA prior to 1 April 2003. However, these services may instead be charged to the General Fund (GF)/Council Fund (CF) along with other SP services and, where this is done, this division of service should include only those services eligible for SP grant. Other welfare services should be shown separately under the heading that follows.

PART TWO: HRA FORMAT (ENGLAND)

Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
Housing Revenue Account Income and Expenditure Statement (England)		
HRA Income	Dwelling Rents (Gross)	General needs housing Sheltered accommodation Temporary accommodation Social Homebuy, Shared Ownership & affordable rents
	Non-dwelling Rents (Gross)	Garages Shops Land Other (eg pubs, telephone masts, wayleaves).
	Tenants' Charges for Services and Facilities	Service charges (<i>Note 1</i>) Heating and utility charges Charges to tenants for Supporting People services Charges for other welfare services (<i>Note 2</i>) (excluding essential care) Other charges to tenants (<i>Note 3</i>).
	Leaseholders' Charges for Services and Facilities	
	Other Charges for Services and Facilities	Community centres Public houses Commercial properties .
	Contributions Towards Expenditure	From social services authorities In respect of transferred dwellings Rechargeable repairs Grants for Supporting People initiative Compensation payments from contractors and settlement of insurance claims Financial assistance from the Government for repair of HRA property damaged as a result of an emergency or disaster.

Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
	Reimbursement of Costs	Court costs, insurance and other income.
	Sums directed by the Secretary of State that are income in accordance with IFRS (if any)	
HRA Expenditure	Repairs and Maintenance	Responsive Planned Associated costs (<i>Note 4</i>).
	Supervision and Management	Policy and management Managing tenancies Right-to-buy administration Rent collection, recovery and accounting.
	Special Services	Communal heating Communal lighting Lifts Laundry services Caretaking Concierge schemes Cleaning Ground maintenance Welfare services (excluding essential care) Other special services (eg CCTV).
	Rents, Rates, Taxes and Other Charges	Lease rentals on property Properties where LA landlord is responsible for the council tax Rates and water charges payable in non-dwellings Insurance costs paid by the landlord.
	Subsidy Limitation Transfer to the GF (<i>Note 5</i>)	
	Transfer of HRA Surplus to the General Fund	

Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
	Increase/(decrease) in Impairment of Debtors	
	Depreciation and Impairments of Fixed Assets <i>(Note 6)</i>	Depreciation and impairment – dwellings Depreciation and impairment – all other HRA assets.
	Amortisation of Intangible Assets <i>(Note 7)</i>	
	Debt Management Costs	
	Sums directed by the Secretary of State that are expenditure in accordance with IFRS (if any)	
Net cost of HRA services as included in the whole-authority Comprehensive Income and Expenditure Statement		
	HRA services' share of Corporate and Democratic Core	
	HRA share of other amounts included in the whole-authority Net Cost of Services but not allocated to specific services	
Net cost of HRA services including HRA share of costs not allocated to specific services		
	Gain or loss on sale of HRA non-current assets	
	HRA share of interest payable and similar charges including amortisation of premiums and discounts	
	HRA share of net interest on the net defined benefit liability (asset) <i>(Note 8)</i>	
	HRA Investment Income <i>(Note 9)</i>	Mortgage interest on HRA properties sold under RTB Interest on capital cash balances Interest on revenue cash balances.

Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
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HRA share of capital grants and contributions receivable

Surplus or deficit for the year on HRA Income and Expenditure Statement²

Note 1: ¹Since 2002/03 authorities have been able to unpool service charges as part of rent restructuring and, where this has been done, service charges should be included here, along with those which have always been levied as a separate service charge. Service charges that remain pooled should be included within Dwelling Rents (Gross).

Note 2: This denotes activities that at present could be charged to either the HRA or the GF.

Note 3: Other charges to tenants will include items such as laundry and cleaning not identified above.

Note 4: As detailed in the table in Part Four, paragraph [194.2](#), it is recommended that the planning and clerical processing of repairs be classified as a management item, not repairs. However, it is acknowledged that there may be other types of cost associated with repairs, such as professional fees for specifying and inspecting work, which may be included under repairs.

Note 5: Where deductions from rent rebate subsidy payable (to the GF) have been made due to the operation of the policy on rent rebate subsidy limitation (and as a result of expenditure on modular improvements), a transfer from the HRA to the GF must be made, as directed by the Secretary of State under item 10.

Note 6: These denote the total charges for depreciation, and the value of any impairment charges for the financial year, in respect of dwellings and other assets within the authority's HRA, calculated in accordance with proper practices. Details should be disclosed in notes to the account.

Note 7: This denotes the value of any charge calculated in accordance with proper practices in respect of amortisation of intangible assets attributable to the HRA. This should be disclosed in notes to the account.

Note 8: These are lines to accommodate pensions accounting within the HRA in accordance with IAS 19.

Note 9: Calculated in accordance with the item 8 determination.

¹ Detailed guidance in relation to the Movement on the HRA Statement is provided in Module 3, Section J of the 2013/14 *Code of Practice on Local Authority Accounting in the United Kingdom: Guidance Notes for Practitioners*.

PART THREE: HRA FORMAT (WALES)

Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
HRA Income	Dwelling Rents (Gross)	General needs housing Sheltered accommodation Temporary accommodation.
	Non-dwelling Rents (Gross)	Garages Shops Land Other (eg pubs, telephone masts, wayleaves).
	Tenants' Charges for Services and Facilities	Service charges <i>(Note 1)</i> Heating and utility charges Charges to tenants for Supporting People services Charges for other welfare services <i>(Note 2)</i> (excluding essential care) Other charges to tenants <i>(Note 3)</i> .
	Leaseholders' Charges for Services and Facilities	
	Other Charges for Services and Facilities	Community centres Public houses Commercial properties.
	Contributions Towards Expenditure	From social services budgets In respect of transferred dwellings Rechargeable repairs.
	Reimbursement of Costs	Court costs, insurance and other income
	HRA Subsidy Receivable <i>(Note 4)</i>	
	Sums directed by Welsh Ministers that are income in accordance with IFRS	
HRA	Repairs and Maintenance	Responsive

Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
Expenditure		Planned Associated costs <i>(Note 5)</i> .
	Supervision and Management	Policy and management Managing tenancies Rent collection and accounting HRA CDC and NDC contribution.
HRA Expenditure (continued)	Special Services	Communal heating Communal lighting Lifts Laundry services Caretaking Concierge schemes
		Cleaning Ground maintenance Welfare services (excluding essential care) Other special services (eg CCTV).
	Rents, Rates, Taxes and Other Charges	Lease rentals on property Properties where LA landlord is responsible for the council tax Rates and water charges payable in non-dwellings Insurance costs paid by the landlord.
	Subsidy Limitation Transfer to Council Fund <i>(Note 6)</i>	
	Transfer of Assumed Surplus to Exchequer <i>(Note 4)</i>	
	Increase/ (decrease) in Impairment of Debtors	
	Depreciation and Impairments of Fixed Assets <i>(Note 7)</i>	Depreciation and impairment – dwellings Depreciation and impairment – all other HRA assets.
	Amortisation of Intangible Assets <i>(Note 8)</i>	

Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
Debt Management Costs		
Sums directed by Welsh Ministers that are expenditure in accordance with IFRS		
Net cost of HRA services as included in the whole-authority Comprehensive Income and Expenditure Statement		
HRA services share of Corporate and Democratic Core		
HRA share of other amounts included in the whole authority Net Cost of Services but not allocated to specific services		
Net cost of HRA services including HRA share of costs not allocated to specific services		
Gain or loss on sale of non-current assets		
HRA share of interest payable and similar charges including amortisation of premiums and discounts		
HRA share of net interest on the net defined benefit liability (asset) <i>(Note 9)</i>		
Transfers from the Council Fund as directed by Welsh Ministers <i>(Note 10)</i>		
HRA Investment Income <i>(Note 11)</i>		Mortgage interest on HRA properties sold under RTB Interest on capital cash balances Interest on revenue cash balances
HRA share of capital grants and contributions received		
Surplus or deficit for the year on HRA Income and Expenditure Statement ³		

Note 1: Where service charges have been unpooled from rent, they should be included here. Service charges which remain pooled

should be included as part of Dwelling Rents (Gross).

Note 2: This denotes activities that at present could be charged to either the HRA or the Council Fund.

Note 3: Other charges to tenants will include items such as laundry and cleaning.

Note 4: This denotes those items within the HRA service that are mutually exclusive, ie if it is an income item there will be no expenditure and vice versa.

Note 5: As detailed in the table in Part Four, paragraph [194.2](#), it is recommended that the planning and clerical processing of repairs be classified as a management item, not repairs. However, it is acknowledged that there may be other types of cost associated with repairs, such as professional fees for specifying and inspecting work, which may be included under repairs.

Note 6: Where deductions from rent rebate subsidy payable (to the County Fund) have been made due to the operation of the policy on rent rebate subsidy limitation (and as a result of expenditure on modular improvements) a transfer from the HRA to the CF must be made, as directed by Welsh Ministers under item 10.

Note 7: These denote the total charges for depreciation, and the value of any impairment charges for the financial year, in respect of dwellings and other assets within the authority's HRA, calculated in accordance with proper practices. Details should be disclosed in notes to the account.

Note 8: This denotes the value of any charge calculated in accordance with proper practices in respect of intangible assets attributable to the HRA. This should be disclosed in notes to the account.

Note 9: These are lines within the Code to accommodate pensions accounting within the HRA in accordance with IAS 19.

Note 10: Special direction required from Welsh Ministers under item 9, Part I of Schedule 4 of the Local Government and Housing Act 1989.

Note 11: Calculated in accordance with the item 8 determination.

² Detailed guidance in relation to the Movement on the HRA Statement is provided in Module 3, Section K of the 2013/14 *Code of Practice on Local Authority Accounting in the United Kingdom: Guidance Notes for Practitioners*.

PART FOUR:

GUIDANCE NOTE:

COMPLETING THE SERVICE EXPENDITURE ANALYSIS FOR HOUSING SERVICES

1.0 INTRODUCTION

1.1 This guidance note is presented in five sections:

Section 1: Introduction.

Section 2: Housing Revenue Account (HRA) Guidance.

Section 3: General Fund/Council Fund Housing Guidance.

Section 4: Advice on Inconsistent Accounting Treatments.

Section 5: Status, Implementation and Updating the Guidance.

2.0 HOUSING REVENUE ACCOUNT GUIDANCE

Resource Accounting in the Housing Revenue Account

2.1 The Government introduced in England a form of resource accounting in the HRA from 1 April 2001. In Wales, resource accounting operated for the first time from 1 April 2005. The objectives of this include encouraging a more efficient use of housing assets and increasing the transparency of the HRA.

32.2 Authorities are required to charge depreciation and, where applicable, impairments on all HRA properties in accordance with proper practices.

What to Include in the Housing Revenue Account – England and Wales

42.3 Section 74 in Part VI of the Local Government and Housing Act 1989 (LGHA 1989) requires local authorities to keep a ringfenced HRA. It specifies the major items to be included within the HRA as dwellings and other property, eg garages, shops, etc provided under Part II of the Housing Act 1985 (HA 1985). Section 75 refers to Schedule 4 of LGHA 1989, which specifies the items to be debited (Part II) and credited (Part I) to the HRA.

52.4 It is not intended that this guidance will interpret or repeat the statutory guidance, but it is appropriate to make reference to existing guidance that will help authorities to interpret the requirements of the LGHA 1989. Section 3 of this guidance also gives advice on the inconsistent housing accounting practices that CIPFA and DCLG research have shown exist between different local authorities.

62.5 The main sources of advice on the interpretation of the LGHA 1989 are:

DOE Circular 8/95 (The Ring Fence Circular) advises what to include in and exclude from the HRA.

Chapter 5 of the DCLG *Housing Revenue Account Manual* advises what to credit to the HRA in England (latest revision 2007).

Chapter 6 of the DCLG *Housing Revenue Account Manual* advises what to debit to the HRA in England (latest revision 2007). The manual can be found at www.communities.gov.uk/publications/housing/hramanual0607).

The *Local Authority Housing* information stream provided by the CIPFA Technical Information Service (www.tisonline.net).

Sections 126 and 127 of the Leasehold Reform, Housing and Urban Development Act 1993 specify what welfare services housing authorities may charge to the HRA.

Expenditure on Repairs, Maintenance and Management

2-67 Item 1 under Part II of Schedule 4 of the LGHA 1989 specifies that expenditure on the repair, maintenance and management of HRA property should be included. CIPFA has traditionally, and continues to in this guidance, split this broadly three ways, as follows:

Repairs and Maintenance refers to the upkeep of HRA property.

Special Services refers to those services that some rather than all tenants benefit from.

Supervision and Management refers to management functions relating to all properties.

82-7 Repairs and Maintenance is further split as follows:

Repairs and Maintenance Subdivisions	Includes
Responsive repairs	As the name implies, these repairs are in response to, for example, tenant requests to maintain the accommodation, eg repair a broken window, fix handles on doors, unblock a drain, fix a broken boiler in an individual dwelling. (Note: responsive maintenance of lifts/boilers/entry systems is included in the Special Services divisions of service described in more detail below.)
Planned repairs	As the name implies, these are planned and cyclical repairs to maintain the accommodation, eg repainting, patching roofs, replacing windows. Include here all repairs and maintenance costs which do not relate to enhancement. Enhancement works, being capital in nature, will be either funded from capital resources or accounted for in Revenue Contributions to Capital Expenditure.
Associated costs	This subdivision is not for the planning and clerical processing of repairs, which are classified as a management item, not repair. Other types of cost associated with repairs, such as professional fees for specifying and inspecting work, may be included here.

92-8 Special Services are the running costs (including maintenance contracts and cyclical safety checks, etc) of those services that benefit specific groups of tenants, eg lifts, shared boilers, stair lighting, caretaking, etc.

These can represent significant costs for some authorities, whereas others may provide few shared services. Under the *Comparison* element of Best Value it is, therefore, important to separate these costs out from the general management of all property common to all housing authorities.

102.9 The subdivisions of service represent an indication of the services that could be included as special services. Authorities should separately identify any services they provide that are not included in the suggested subdivisions of service. Included within special services are costs which are recovered from tenants and leaseholders as service or heating charges. It is important that these costs are accurately assessed so that they can be fully recovered from the users of the services.

2.119 Supervision and Management is further split as follows. The list of items to be included in each definition has been drawn from paragraph 11 of the DOE Circular 10/94 *Reports To Tenants* and from the Arthur Andersen 1999 research for the DOE into *The Cost of Local Authority Housing Management*. Research by the Building Research Establishment (BRE), published in 2003, provided a detailed breakdown of elements that, in their view, could constitute subdivisions of housing management and maintenance activities.

Supervision and Management Subdivisions	Includes
HRA policy and management	Include the costs of: HRA share of strategic management costs ALMO liaison PFI management Keeping registers and records of: dwellings and property tenants repairs work undertaken Voids management and reduction Receipt and transmission of requests for repairs Management of improvement and modernisation Management of planned/programme maintenance The administration of council house sales (please note the guidance about inconsistent accounting treatment regarding the extraordinary credit allowed here, by regulations issued under the LGA 2003, as an appropriation from the usable capital receipts reserve) Option appraisals Consultation with tenants under s105 of HA 1985 Reviewing and setting rent levels, service charges and Supporting People charges.
Managing tenancies	Include the cost of: Giving information and advice on tenancy matters Statutory consultation with tenants about large-scale voluntary transfers of council housing stock

**Supervision and
Management
Subdivisions**

Includes

(LSVT)

Receiving tenancy applications/ accessing eligibility

Waiting list management relating to HRA properties only (dwellings and other property) (include HRA share only in situations where a common housing register is maintained)

Transfers and exchanges

Tenancy regulations and agreements

Advising tenants groups

Facilitation of tenant participation

Support to tenant management organisations formed under right to manage provisions of the Leasehold Reform, Housing and Urban Development Act 1993

Producing/distributing tenants' reports

Anti-social behaviour

Community wardens.

Rent collection,
recovery and
accounting

Include the costs of:

Preparation of the rent roll

Rent collection

Recovery of arrears, court action and evictions

Advising tenants on benefit entitlement to minimise risk of arrears

Rent accounting including internal audit activity.

HRA contribution
towards Corporate
and Democratic Core
(CDC) and Non
Distributed Costs
(NDC)

Authorities should ensure that they satisfy the appropriate legislative requirements and statutory provisions when accounting for the HRA. Authorities wishing to make a contribution to the GF/CF for CDC would calculate such contributions depending on local and organisational circumstances. To do this, an authority will need to calculate the resources used by officers and members and other corporate management costs to estimate accurately the proportion of its CDC costs that relate to its own housing stock. Similarly, authorities may consider it necessary to make a contribution to NDC from the Housing Revenue Account. (See Section 2 of S~~a~~RCOP for CDC and NDC definitions.)

2.124 Local authorities have discretion to establish their own more detailed financial arrangements and may wish to take the BRE research, referred to above, into account, as well as their own needs for costing and management information, when doing this.

Trading Operations Providing Services to the Housing Revenue Account

- 2.123** The HRA is a statutory account. Authorities should ensure that they satisfy the appropriate legislative requirements and statutory provisions when accounting for the HRA. It is the view of DCLG, the National Assembly for Wales and the Audit Commission that material balances of internal trading operations providing services to the HRA should be repatriated to or from the HRA, in line with the general requirements of Section 2 of S~~a~~RCOP. Adherence to these requirements will achieve consistency and comparability for HRA accounting. For additional guidance on the repatriation of significant surpluses or deficits, see paragraphs 2.31–2.39 of S~~a~~RCOP.
- 2.134** The preceding paragraph is intended to assist local authorities with the treatment of the repatriation of material surpluses and deficits of trading operations providing services to the HRA. Local authorities may also wish to refer to the DCLG *Housing Revenue Account Manual*. It is important to note that each authority will need to satisfy itself that it has met the statutory requirements of the HRA.
- 2.145** Where authorities have established arm’s-length management organisations (ALMOs) or tenant/resident management organisations (TMOs/RMOs), they need to ensure that these organisations supply financial information in the format authorities need, in order to comply with preparing the HRA in accordance with the Code and the *Service Reporting Code of Practice for Local Authorities*.

Leasehold Services

- 2.156** The large number of flats and maisonettes sold under Right to Buy now means that many local authorities have a sizeable proportion of leasehold property within their HRAs. The costs of services provided to leaseholders under Supervision and Management, Repairs and Maintenance and Special Services need to be recovered from leaseholders. Authorities must ensure that they accurately identify such costs and that they have procedures in place to ensure their recovery. Particular care needs to be taken in assessing the costs of management and administration to be recharged to leaseholders. Organisations providing leaseholder services must provide cost information sufficient to enable enforceable service charges to be raised.

3.0 WHAT TO INCLUDE IN THE GENERAL FUND/COUNCIL FUND

- 3.17** Guidance on what to include in each division and subdivision follows:

Service Divisions and Subdivisions	Includes
Housing Strategy	Review of housing needs, eg housing conditions survey Preparation of strategic plans eg home energy conservation plan Government initiative bids, eg Housing Market Renewal

Service Divisions and Subdivisions**Includes**

Preparing joint ventures

Liaison with external bodies

DOE circular 8/95 makes it clear that Housing Strategy should include costs incurred as a consequence of a LSVT, except the costs of the statutory duty to consult (s106A of Schedule 3A to HA 1985).

Note: each authority should charge a share of housing strategy costs, based upon an assessment of costs relevant to its own stock, to the HRA.

Enabling

Include all costs associated with the enabling function of the authority including RSLs.

Specifically show:

Day-to-day liaison cost

Nomination fees paid, except where related to homelessness

Waiting list management.

Housing Advice

Since the Housing Act 1996, each council has to provide a housing advice service to people housed privately. Where staff are employed solely or substantially to fulfil this duty, their costs and appropriate overhead costs should be included here in the GF.

It is inevitable that some advice will be given to non-council tenants by staff in area council housing offices which, thus, will be charged to the HRA. Where this is the case, the council should consider whether any of the costs of the area office should in fact be borne here in the GF/CF rather than by the HRA. Do not include advice covering homelessness which should be shown under the separate Homelessness division.

Housing Advances

Include:

Costs of administering advances to individuals to purchase their property under s435 of the HA 1985

Mortgage interest payments by the mortgagors should be shown here as income.

Private Sector Housing Renewal

Local authorities' involvement with private sector housing is increasingly linked to wider cross-cutting initiatives such as community health, community safety and social inclusion. Housing's contribution to such initiatives will often be accounted for in the subdivisions that follow below. As a division of service, Private Sector Housing Renewal should have all appropriate overheads and capital charges apportioned to it, including any amortisation of intangible assets.

Administration of grants

Include the administration of all financial support for repairs and improvements including:

Where deferred action notices are issued under Part I of the Housing Grants, Construction and Regeneration Act 1996, include the costs here

Grants agency arrangements

Service Divisions and Subdivisions**Includes**

The general power to provide assistance (eg grants, loans, other assistance) under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002
Adherence to the proper accounting treatment of soft loans.

Renewal activity

Include revenue expenditure on:
Renewal areas (Part VII of LGHA 1989)
Group repair schemes (Part I of the Housing Grants, Construction and Regeneration Act 1996 and Part VIII of the LGHA 1989)
Compulsory purchase orders issued following the issue of a control order (see below).

Management orders

The HA 1985 (s346) and subsequently the Housing Act 2004 enable councils to keep a register of HMOs. The inspection of HMOs is normally undertaken by Environmental Health staff and accounted for as such. However, if, as a result of inspections, the authority believes that further action is necessary to protect the safety, health or welfare of occupants and the landlord will not take appropriate action, the authority can issue a management order. In effect, the council takes over the management of the property for up to five years. The costs of these orders and subsequent management costs should be accounted for here.

Authorities may make a management order under the provisions of Part 4 of the Housing Act 2004, in relation to licensable properties as defined by Parts 2 and 3 (licensing of HMOs and selective licensing of other residential accommodation). An authority may apply to the Residential Property Tribunal for an interim management order in other prescribed circumstances (empty dwelling management orders). The costs of these orders and subsequent management costs should be accounted for here.

Prohibition orders and improvement notices

The HA 1985 (s346) and subsequently the Housing Act 2004 enable councils to keep an HMO register. The inspection of HMOs is normally undertaken by Environmental Health staff and accounted for as such. However, if, as a result of inspections, the authority believes an HMO is unfit for human habitation, it can issue a prohibition order or improvement notice on all or part of the house. The costs of these orders and enforcement are accounted for here.

Empty homes and dwellings**Slum clearance**

Include the costs of making the demolition order, declaring and consulting on clearance areas and any compulsory purchase activity necessary.

Other neighbourhood regeneration

Include any other costs associated with neighbourhood regeneration and other initiatives not accounted for under slum clearance.

Home improvement

Include revenue costs associated with home improvement agencies.

Service Divisions and Subdivisions**Includes**

agencies – revenue costs

Licensing of Private Sector Landlords

Include all costs associated with the licensing of HMOs and selective licensing of private sector landlords.

Homelessness

Parts II and III of the HA 1985 allow expenditure on housing homeless people. Expenditure under Part II relates to the HRA. Part III expenditure should be in the GF/CF subdivisions below. **Note:** include housing benefit paid to homeless people in the appropriate subdivisions below.

Hostels (non-HRA support)

Only include hostels used mainly to house the homeless, including women's refuges. **Exclude** any other hostel, although the cost of housing a homeless person in other types of hostel should, if significant, be identified and included as 'Other temporary accommodation', below.

Bed and breakfast accommodation

Include privately owned/managed hotels or guest houses with some shared facilities. **Exclude** hotel annexes with self-contained units and where meals are not provided.

Other nightly paid, privately managed accommodation

Shared facilities 'annexes' also typically involve the use of units and annexes associated with privately managed hotels, or such establishments, where households share at least some basic facilities. Meals may or may not be provided. **Do not include** supported lodgings as shared facilities annexes.

Private managed accommodation leased by the authority

Covers dwellings leased on short-term arrangements from the private sector by your authority. Include accommodation leased and managed by local authorities or leased by the authority but managed by another organisation such as an RSL.

Private managed accommodation leased by RSLs

Covers dwellings leased on short-term arrangements from the private sector by an RSL. Include accommodation leased by an RSL under a housing association leasing scheme (HALS).

Directly with a private sector landlord

Covers those households which are referred to, and enter into an agreement with, a private landlord, but only where this accommodation is provided as temporary accommodation to discharge a homelessness duty. This section should not be used to record cases where the accommodation is not provided as temporary accommodation to discharge a homelessness duty (eg where people have been assisted to obtain accommodation for themselves, perhaps through rent deposit, rent in advance, or rent direct schemes).

Accommodation within the authority's own stock (non-HRA)

Covers households placed in your own authority's stock.

Service Divisions and Subdivisions**Includes**

Accommodation within RSL stock Covers households placed in RSL stock (as RSL tenants) as temporary accommodation.

Other temporary accommodation Include any other expenditure on housing for homeless people including payments to/for:
Caravans
Demountables
Portacabins
Transportables
Supported lodgings placements.

Prevention Homelessness prevention is where a local authority takes positive action to provide housing assistance to someone who considers him or herself to be at risk of homelessness in the near future, and as a result the person is able to either remain in his or her existing accommodation or obtain alternative accommodation providing a solution for at least the next six months.

Administration The costs of administering the homeless function, ie receipt of requests for help and allocation of spaces.
Administration cost should include legal costs, direct employee costs plus proportion of office expenses, ie office costs, IT, finance, central recharges and administration support services, pro rata to the number of employees.

Support Support costs should include floating support of people in temporary accommodation.

Housing Benefits Payments Local authorities pay housing benefits to people of limited means to subsidise some or all of their rents and eligible service charges. Council tenants receive rent rebates; other people receive rent allowances.
Both rebates and allowances are accounted for in the GF/CF.

Rent allowances Rent allowances are paid to the tenants of private landlords and RSLs. Account for these payments here.

Non-HRA rent rebates Include any rent rebate paid to a council tenant of a non-HRA dwelling.

Rent rebates to HRA tenants Include all rent rebates paid to HRA tenants here, including any discretionary enhancements to statutory rent rebates paid, for example to war widows.

Subsidy limitation transfer from HRA Include any transfer from the HRA as a result of the operation of the policy of rent rebate subsidy limitation.

Discretionary housing

Service Divisions and Subdivisions	Includes
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payments

Housing Benefits Administration	Administration costs of assessing and paying housing benefits, both rent rebates and rent allowances, but not council tax benefit, fall within the GF/CF.
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Contribution to the HRA re Items Shared by the Whole Community	<p>Paragraph 3, Part III, Schedule 4 of the LGHA 1989 requires the GF/CF to make contributions to the HRA where amenities in the HRA actually benefit the wider community. Calculation of the contribution due is a local matter and is dependent 'upon local circumstances ... including the purpose of the provision and the use made of the facilities by tenants and other people'(DOE Circular 8/95). All authorities should, therefore, consider if any of the following items, highlighted in the DOE Circular 8/95, warrant a GF/CF contribution:</p> <ul style="list-style-type: none"> Play and other recreational areas Grassed areas Gardens Community centres Play schemes.
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Other Council Property	<p>In rare instances where property is held under powers other than s74 of the LGHA 1989, but is used for council housing purposes, include the costs here.</p> <p>Exclude property held as non-housing secure tenancies, eg school and leisure centre caretakers' residences.</p>
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Travellers' sites	<p>Some councils provide sites for travellers to be accommodated. These sites may be static or move-on sites.</p> <p>Include associated costs here plus income and rent paid including by housing benefit.</p>
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Non-HRA council property	Include the costs of any other non-HRA property used for housing purposes.
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Supporting People	<p>Welfare services in England and Wales provided under the Supporting People programme defined under the Local Government Act 2000.</p> <ol style="list-style-type: none"> 1. DCLG (then the DTLR) provided guidance in <i>Supporting People: Identifying Support Service Cost and the Amount of Pooled Rent Income Financing Support Services</i>. This document provides guidance to local authorities on the identification of support costs from the HRA. In December 2002, DCLG (then the ODPM) indicated that this support may be provided from within the HRA ringfence. DCLG has issued a direction by the Secretary of State in exercise of the powers conferred on him by s87 of, and item 9 of Part I of Schedule 4 to, the Local Government and Housing Act 1989, allowing Supporting People grant to be credited to the HRA. The Supporting People programme began on 1 April 2003, bringing together seven housing-related funding streams from across central government. From 2011/12, all
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Service Divisions and Subdivisions

Includes

Supporting People funding has been rolled into Formula Grant and allocated via the Local Government Finance Report for the relevant financial year.

2. Most Supporting People costs are charged to the General or County Fund at division of service level. For local authorities with a housing function, this is within the Housing General Fund/Council Fund. For those authorities which do not provide a housing function and would not normally use the Housing service classification, it is the view of the Best Value Steering Group and the Local Authority Accounting Panel that they need not refer to this as a Housing service but would still need to aggregate the costs at the Supporting People service division level. This cost, however, should not be included in the Social Services elements of the SEA.
3. If these services are provided as occasional or ancillary services as a part of a non-Housing service, eg Social Services, then the expenditure should remain a Social Services cost and any grant attributable to this service should be recorded in the appropriate Social Services service division and identified separately. See also comments on the relationship with grants for community care and registered care in the Adult Social Care SEA (Part Two, paragraph [135.1](#)) and the Children's and Education Services SEA (Part ~~Four~~[Three](#), paragraph [205.1](#)).

Strategy

Administration

Commissioning payments to providers

Other Welfare Services Certain welfare services provided by wardens in sheltered housing are classed as essential care services (ECS). These should be accounted for in the GF/CF. DOE Circular 8/95 indicated the following ECS are GF/CF items:

Assistance with mobility

Assistance at meal times

Assistance with personal appearance

Assistance with personal hygiene

Administration of medication

Nursing care.

This service division is for situations where Best Value is achieved if welfare services are provided by Housing staff and the council wishes to include the cost here rather than in Social Services.

Note 1: it is hard to envisage a situation where nursing care would be provided by Housing staff and for comparative purposes meals on wheels (and similar) and home helps are always accounted for as Social Services work.

Service Divisions and Subdivisions**Includes**

Note 2: as the Supporting People proposals become clearer, it is possible that this division of service will warrant new subdivisions.

HRA-related Pensions Costs (possible new line for Welsh LAs only)

This line may be required by Welsh local authorities if they are of the view that they cannot, under current regulations, charge current service (pensions) costs to the HRA. Authorities should, however, ensure that they charge the HRA with the appropriate charges for pensions in accordance with the relevant regulations.

Housing Management and Support Services (optional holding accounts)

Support services support the direct provision of housing services to the public. They may support in-house teams or external contractors. The basic principle is that through direct allocation, where possible, and apportionment, where necessary, the support costs should all be charged to front-line service divisions before or at the year-end.

Housing department support staff and costs

The housing department may have staff in supporting roles such as:
Finance officers
Administrative staff
Training staff.

Support from other council departments

Include Housing's share of central support costs such as central departments for the following, if they are applicable:
Finance (payroll, internal audit, etc)
Human resource management
Training
Information technology
Procurement
Facilities management
Legal services.

Other housing support costs

Includes support services not included in the above two categories, eg management consultants, external training firms. They can be accounted for here before allocation to the appropriate front-line service. Also include support, advice to and liaison with tenant and resident groups. This activity may relate to more than one service division and require an apportionment exercise to be undertaken.

4.0 ADVICE ON INCONSISTENT ACCOUNTING PRACTICES

4.18 CIPFA is aware that the accounting treatment of certain items in the HRA and the housing GF/CF can be inconsistent between different local authorities. The cumulative effect of such inconsistency potentially reduces the usefulness of comparisons under Best Value or for other purposes such as benchmarking.

194.2 In each case, existing guidance, included below, has been identified. This should be followed in order to greatly improve the comparability of local authority housing accounts. CIPFA's Housing Panel will continue to review each practice identified and may issue its own guidance on each issue at some future date.

Inconsistent Accounting Treatment	CIPFA Recommended Practice
There is an inconsistent HRA interpretation of general management and of repairs. Some authorities include the management of repairs as Supervision and Management; others include it as Repairs and Maintenance.	DOE Circular 10/94 <i>Tenants' Reports</i> included the planning and clerical processing of repairs as a management item, not repairs. Alternatively, the <i>Housing Revenue Account Manual</i> paragraph 12.1.5 specifies that repairs include all revenue expenditure on repairs. To reconcile the apparent conflict in the advice, it is recommended that overall planning and clerical processes be treated as Supervision and Management. Revenue costs associated with the actual repair, eg professional fees to specify the work or inspect it, are classed as Repairs and Maintenance.
Housing Strategy (GF/CF) and 'Policy and management' within Supervision and Management (HRA) are still widely interpreted by some authorities, while others hardly identify any costs here.	Housing strategy and policy-related costs must be split between the GF/CF and the HRA. The guidance in Section 2 above, if followed, represents a narrow definition of these costs and leaves little scope for interpretation.
Services to the wider community requiring a GF/CF contribution to the HRA differ between authorities.	DOE Circular 8/95 (<i>Ring Fence</i>) lists the following services that may warrant a contribution from the GF/CF: Play and other recreational areas Grassed areas Gardens Community centres Play schemes. Each local authority should have regard to the purpose of the provision and the use made of the facility when considering if a contribution (and its value) is appropriate. Reasons should be documented so that external audit enquiries can be satisfied.
Contrary to CIPFA advice, some	Consistency is a prerequisite for useful comparison under the Best Value regime. To

Inconsistent Accounting Treatment

CIPFA Recommended Practice

authorities class special services received by some tenants as opposed to all tenants as general Supervision and Management. Others follow the guidance and class as Special Services.

achieve this consistency, it is important that the definitions for general Supervision and Management and Special Services in Sections 2 and 3 of this guidance note are followed.

5.0 STATUS, IMPLEMENTATION AND UPDATING THE GUIDANCE

205.1 This SEA for Housing Services replaces all previous version issued by CIPFA and is mandatory for English and Welsh authorities from 1 April 20154. 20154/165 S&RCOP applies to the following statutory disclosures:

20154/165 Budgets

20154/165 Performance Indicators

20154/165 Statement of Accounts.

5.21 CIPFA is dedicated to keeping the guidance up to date and it will be reviewed on an annual basis as a minimum.

National Parks

PART ONE:

SERVICE EXPENDITURE ANALYSIS FOR NATIONAL PARKS

PART TWO:

GUIDANCE NOTE: COMPLETING THE SERVICE EXPENDITURE ANALYSIS FOR NATIONAL PARKS

PART THREE:

GUIDANCE NOTE: WHAT TO INCLUDE IN THE NET COST OF NATIONAL PARKS

PART ONE:

SERVICE EXPENDITURE ANALYSIS FOR NATIONAL PARKS

Division of Service (Mandatory)	Subdivision of Service (Discretionary)
Conservation of the Natural Environment	Farmed land Moorland Wetlands and water Coast Woodland, trees and forestry teams Biodiversity and wildlife conservation.
Conservation of Cultural Heritage	Buildings Archaeology Enhancement schemes Conservation areas Local culture and traditions.
Recreation Management and Transport	Public rights of way National trails Access to open land Visitor management and facilities Specialist recreation Car parks Public transport Traffic management.
Promoting Understanding	Visitor centres Education and study centres Information and interpretation services Public relations.
Rangers, Estates and Volunteers	Ranger service Estate teams Volunteers.
Development Control	Advice Dealing with applications

Division of Service (Mandatory)	Subdivision of Service (Discretionary)
	Enforcement Regulation of other special topics, eg minerals/waste control Other development control work.
Forward Planning and Communities Strategic Planning	National park management plan Statutory development plans Local studies and plans Minerals policy Sustainable development fund Other environmental initiatives Community development.
Sustainable Communities	Sustainable development fund Other environmental initiatives Community development.
Specialist Ringfenced Accounts	Windermere Registration Scheme Broads Navigation Account Other specialist ringfenced accounts.
Service Management and Support Services	Optional holding accounts. All costs accounted for in these accounts should be allocated directly or apportioned to the service divisions above before the accounts are closed and before budgets are set.

Note 1: S&RCOP makes it clear that Corporate and Democratic Core Costs should be kept separate from the SEA above.

Note 2: This guidance should be read in conjunction with the introduction to the SEA for all local government services and CIPFA's statement of principles for Best Value accounting (see the appendix).

PART TWO:

GUIDANCE NOTE:

COMPLETING THE SERVICE EXPENDITURE ANALYSIS FOR NATIONAL PARKS

1.0 INTRODUCTION

- 1.1** Central to the notion of Best Value is the ability to reliably *Compare* the performance of different local authorities. Comparison is central because it can inform *Consultation*, stimulate *Challenge* and enable *Competitiveness* to be considered and assessed.
- 1.2** The *Comparison* process is much more far-reaching than a simple cost comparison. However, insofar as some elements of any comparison will be financially based, it is important that the financial inputs are accurate, compiled on the same basis and aligned with the non-financial aspects being measured.
- 1.3** The Service Expenditure Analysis for National Parks was included for the first time in this publication in 2007. It was developed by practitioners in national parks authorities across England and Wales and agreed by the CIPFA Local Authority Accounting Panel (LAAP) and Best Value Steering Group (BVSG).

2.0 STATUS AND IMPLEMENTATION

- 42.1** This SEA for National Parks is mandatory for English and Welsh national parks authorities from 1 April 2015⁴. 2014/15 S^eRCOP applies to the following statutory disclosures:
- 2015⁴/16⁵ Performance Indicators
 - 2015⁴/16⁵ Statement of Accounts.
- 52.2** 2015⁴/16⁵ S^eRCOP may also be applied to 2014³/15⁴ budgets, which national parks authorities are not statutorily required to disclose.

3.0 UPDATING THE GUIDANCE

- 63.1** CIPFA is dedicated to keeping the guidance up to date and it will be reviewed on an annual basis as a minimum.

PART THREE:

GUIDANCE NOTE:

WHAT TO INCLUDE IN THE NET COST OF NATIONAL PARKS

Service Divisions and Subdivisions	Includes
Conservation of the Natural Environment	Expenditure and income related to conservation activities on land, water and coastal areas.
Farmed land	Conservation and maintenance of farmed land (including sited properties) irrespective of ownership. Conservation-related support of and liaison with farmers in their capacity as local business entities (and not recreational land owners). Provision of related advice. Includes Environmental Land Management Scheme.
Moorland	Conservation and maintenance of moorland (including sited properties) irrespective of ownership. Conservation-related support of and liaison with farmers in their capacity as local business entities (and not recreational land owners). Provision of related advice.
Wetlands and water	Conservation and maintenance of lakes, rivers, waterways and wetlands excluding biodiversity and wildlife issues.
Coast	Conservation, maintenance and stewardship activity on dunes, beaches and other coastal areas.
Woodland, trees and forestry teams	Conservation and maintenance of wooded areas. Forest design plans and new planting. Include specialist forestry teams and workers but not more general estate/field teams. Excludes tree preservation orders (see Development Control).
Biodiversity and wildlife conservation	All conservation issues relating to biodiversity, habitats and species. Include species-related projects, eg ospreys and red squirrels. Support to biodiversity and wildlife-related partners.
Conservation of Cultural Heritage	Expenditure and income related to conservation activities regarding culturally significant buildings and sites, along with local culture and traditions generally.
Buildings	Conservation and maintenance of historic buildings owned either by the NPA or privately. Provision of conservation related advice.
Archaeology	All aspects of archaeologically based work.

Service Divisions and Subdivisions	Includes
Enhancement schemes	All costs associated with schemes designed to enhance the conservation of cultural heritage.
Conservation areas	Costs relating to the designation of conservation areas and their management, excluding direct development control issues.
Local culture and traditions	Costs associated with the recognition, celebration and promotion of local goods, culture and traditions.
Recreation Management and Transport	
Public rights of way	All costs associated with maintaining and enforcing the definitive map of rights of way (excluding maintenance costs of national trails below). Also includes provision of related advice.
National trails	All costs associated with maintenance and upkeep of national trails.
Access to open land	Managing access to open access land, dealing with temporary closures and the local access forums.
Visitor management and facilities	Visitor policy development and visitor facilities other than tourist information/visitor centres.
Specialist recreation	Specialist recreational activity management, eg trails management and recreational green road driving.
Car parks	All activity associated with car parking.
Public transport	Schemes run directly by the NPA or subsidies to other local schemes in support of transport-enabling initiatives including integrated transport and ticketing schemes.
Traffic management	Traffic regulation orders and other traffic management activities.
Promoting Understanding	Expenditure and income related to promoting public understanding of the special qualities of national parks.
Visitor centres	All activity associated with general tourist information centres and visitor centres including any retail activity.
Education and study centres	Educational services and centres focusing on academic or vocational study or the

Service Divisions and Subdivisions	Includes
	delivery of specific information about the NPA. Include any subcontracted service delivery via, for example, the Field Studies Council or other similar bodies.
Information and Interpretation services	Costs associated with providing or maintaining local information points. Include the production of interpretation boards and signage and general information.
Public relations	All centrally controlled and produced bulletins, press releases and other public relations work in support of the NPA's public profile.
Rangers, Estates and Volunteers	Expenditure and income related to the public face of service provision.
Ranger service	All costs associated with the work of the ranger teams unless specifically costed to another subdivision.
Estate teams	All costs associated with the work of the estate/field teams unless specifically costed to another subdivision. Exclude forestry workers (see 'Woodland, trees and forestry teams').
Volunteers	All costs associated with volunteers.
Development Control	Expenditure and income related to the development control process and its enforcement.
Advice	Handling enquiries from developers, consultants and local residents on development control matters, especially those made in advance of the submission of an application.
Dealing with applications	<p>Advertisements: handling applications for consent to display advertisements under the Town and Country Planning (Control of Advertisements) Regulations 1992 (as amended).</p> <p>Applications: handling applications made to the authority under town and country planning legislation – whether or not the applications are determined by the authority. To avoid doubt, this category includes all those applications (and notifications) listed below:</p> <p>Applications for planning permission for development under Article 3 of the Town and Country Planning (Applications) Regulations 1988 and Articles 3 and 4 of the Town and Country (General Development) Order 1995, including:</p> <ul style="list-style-type: none"> applications for outline planning applications applications for full planning permission applications for approval of reserved matters <p>Applications for limited period permissions, for the renewal of permissions, for the</p>

Service Divisions and Subdivisions

Includes

variation of conditions and the removal of onerous conditions (including applications made under s73 of the Town and Country Planning Act 1990)

Applications under Regulations 3 and 4 of the Town and Country Planning General Regulations 1992

Applications for certificates of lawfulness of existing or proposed use or development

Applications for certificates of appropriate development

Notifications under Circular 18/84 (Development by Government Department); Circular 14/90 (Overhead Electric Cables); applications by the British Coal Corporation under Class A, Part 21 of the Town and Country Planning (General Development) Order 1995

Revisions and modifications to existing or approval schemes where a new application is not needed

Applications for consent, agreement or approval required by a condition or limitation attached to the grant of planning permission, as defined by Article 21 of the Town and Country Planning (General Development Procedure) Order 1995

Applications, determinations and approvals for the erection or significant alteration, etc of agricultural and forestry buildings in national parks

Applications, determinations and approvals under Parts VI and VII of Schedule 2 to the Town and Country Planning (General Development) Order 1995 (Agricultural and Forestry Buildings Operators) and amended in 1999

Dealing with applications (continued)

Hedgerow removal notices under the 1997 Hedgerow Regulations

Applications, determinations and approvals relating to the installation of telecommunications apparatus under Part 24 of Schedule 2 to the Town and Country Planning (General Permitted Development) Order 1995 (Development by Telecommunications Code System Operators)

Applications, determinations and approvals under Part 31 of Schedule 2 to the Town and Country Planning (General Permitted Development) Order 1995 (Demolition of Buildings)

Applications for hazardous substances consents under the Planning (Hazardous Substances) Regulations 1992

Applications to stop up or divert footpaths under s257 of the Town and Country Planning Act 1990

Applications for minerals and waste under the Town and Country (Minerals) Regulations (1995) and prescriptions of County Matters Regulations (1980).

Also include:

Collection of statistics relating to applications

The discharge of planning conditions

The preparation and supervision of s106 agreements

Service Divisions and Subdivisions

Includes

Commenting on applications or other development proposals on which the authority is consulted by another council

Handling purchase notices

Handling claims for compensation of any kind

Ombudsman cases related to the core planning function and court actions and any costs associated with those activities including costs awarded for or against the council in respect of planning appeals.

Appeals: handling planning appeals, ie s78, advertisement and listed building appeals and the collection of statistics in relation to appeals.

Environmental assessments: the environmental assessment of planning applications is required for certain types of development under the Town and Country Planning (Environmental Impact Assessment) (England and Wales) Regulations 1999.

Conservation and listed buildings: handling of the following applications made to the authority under town and country planning legislation:

Applications for listed buildings consent under s8 of the Planning (Listed Buildings and Conservation Areas) Act 1990

Applications for conservation area consent under s74 of the Planning (Listed Buildings and Conservation Areas) Act 1990.

Dealing with applications
(continued)

Also include:

Buildings preservation orders, urgent works notices, repairs notices and spot listings

Listed building and conservation appeals

Tree and forestry regulations

Preparation and administration of tree preservation orders

Handling applications for felling licences

Handling applications to fell trees under tree preservation orders and in conservation areas.

Enforcement

Monitoring and ensuring compliance with planning regulations and decisions, handling complaints about development; investigating alleged breaches of planning control and taking enforcement action; monitoring and enforcing compliance with planning conditions, prosecutions and associated legal proceedings:

Enforcement appeals

Collection of statistics in relation to enforcement and enforcement appeals

Section 215 notices to compel landowners to tidy up land.

Regulation of other special topics, eg minerals/waste control

Regulation of special activities not referred to above.

Service Divisions and Subdivisions	Includes
Other development control work	All other development control activity not defined above.
Forward Planning and Communities Strategic Planning	Expenditure and income related to strategic planning and community development activities.
National park management plan	All costs associated with the development and production of the plan.
Statutory development plans	All costs associated with the development and production of relevant plans.
Local studies and plans	All costs associated with the development and production of relevant plans.
Minerals policy	Any costs associated with the development and production of a specific minerals policy.
Sustainable communities	Expenditure and income related to community development activities.
Sustainable development fund	Include all expenditure funded by sustainable development grant and its associated grant income.
Other environmental initiatives	Include all costs relating to environmental initiatives other than the sustainable development fund.
Community development	<p>Include the costs of initiatives to build community structures rather than the more physical structures above. The indications are this is still a maturing activity. The area of expenditure is likely to develop as authorities increase their capacity to perform the new duty to promote economic and social well-being under the Local Government Act 2000. It is important to note that not all community expenditure should be recorded here; instead it should be allocated to the appropriate division of service. Costs will include:</p> <ul style="list-style-type: none"> Specific community development initiatives Social inclusion Projects with community groups Projects with voluntary groups and associations Promoting e-functionality in the community Neighbourhood resources.
Specialist Ringfenced Accounts	Expenditure and income related to ringfenced accounts for specialised purposes.
Windermere Registration Scheme	Costs incurred by the Lake District National Park in relation to regulation and enforcement of local byelaws regarding Lake Windermere, along with fee income.

Service Divisions and Subdivisions	Includes
Broads Navigation Account	Costs incurred by the Broads Authority in relation to waterway maintenance and patrolling activities, along with toll income.
Other specialist ringfenced accounts	Costs of other specialist ringfenced schemes as dictated locally.
Service Management and Support Services	<p>An optional holding account for management and support service costs. All costs must be recharged to the other divisions of service. Where possible, costs should be allocated directly to the most appropriate service division.</p> <p>Inevitably some support services costs such as finance, IT (including maintenance of websites), personnel, procurement, etc will need in part to be apportioned.</p> <p>Apportionment bases should be determined in accordance with the guidance in Section 2 of S&RCOP.</p>

Police Services

PART ONE:

SERVICE EXPENDITURE ANALYSIS FOR POLICE SERVICES

PART TWO:

GUIDANCE NOTE: COMPLETING THE SERVICE EXPENDITURE ANALYSIS FOR POLICE SERVICES

PART THREE:

GUIDANCE NOTE: WHAT TO INCLUDE IN THE NET COST OF POLICE SERVICES

PART FOUR:

GUIDANCE NOTE: ITEMS INCLUDED IN THE NET COST OF SERVICE DIVISIONS BELOW THE COST OF SERVICE LINE

PART ONE:
SERVICE EXPENDITURE ANALYSIS FOR POLICE SERVICES

Service Division (Mandatory)

Local Policing

Dealing with the Public

Criminal Justice Arrangements

Road Policing

Specialist Operational Support Operations

Intelligence

Investigation

Investigative Support

National Policing

Non Distributed Costs

Corporate and Democratic Core

Net Cost of Police Services

Gains/Losses on Disposal of Fixed Assets

Levies

External Interest Payable

Interest and Investment Income

Trading Account Surpluses or Deficits

Net Interest on the Net Defined Benefit Liability (Asset)

Service Division (Mandatory)

Minimum Revenue Provision

Reversal of Depreciation and Impairment of Fixed Assets

PART TWO:

GUIDANCE NOTE:

COMPLETING THE SERVICE EXPENDITURE ANALYSIS FOR POLICE SERVICES

1.0 INTRODUCTION AND BACKGROUND

- 1.1** The aim of this guidance is to ensure that different police and crime commissioners (PCCs) and police forces' financial statements and group accounts are produced on the most accurate and consistent basis possible. It is not intended to influence how different forces are organised on the ground. This is not CIPFA's role and is contrary to the spirit of Best Value and the requirements of the *Service Reporting Code of Practice for Local Authorities (S_eRCOP)*, which encourages innovative approaches to service delivery and autonomy for services. The guidance merely seeks to provide a means for the aggregation of the costs of policing, regardless of how forces are organised, on, where possible, a comparable total cost basis. Section 2 of S_eRCOP requires that total cost includes appropriate shares of capital charges, overheads and support services.
- 1.2** The aim of this guidance is still to ensure that the activities of operational policing are recorded in a consistent, accurate way whilst complying with the requirements of S_eRCOP and the *Code of Practice on Local Authority Accounting in the United Kingdom*, which PCCs and forces must still adhere to.
- 1.3** This guidance often refers to officers. *Officers* is used as a generic term. It does not imply work by uniformed police officers as opposed to civilian staff. The choice of personnel to do any particular activity is a local management matter.

2.0 THE REVISED POLICE SERVICE EXPENDITURE ANALYSIS

- 42.1** This guidance seeks to provide a means of comparable aggregation of the costs of police activities at service division level in line with the general requirements of S_eRCOP specified in the introduction to Section 3 of S_eRCOP.
- 2.52** Three optional holding accounts are also identified (Support Functions, Police and Crime Commissioner and Income). These accounts should be allocated to the divisions of service identified in the Police Services SEA or the two service divisions that Section 2 of S_eRCOP requires to be excluded from the definition of total cost, ie Corporate and Democratic Core and Non Distributed Costs.
- 62.3** Capital charges can also be directly attributed to the divisions of service. Capital charges are defined in Section 2 of S_eRCOP.

Additional Guidance

- 72.4** The remainder of the guidance for Police Services is set out as follows:

Part Three details the costs that should be included in the Net Cost of Police Services.

Part Four details those expenditure items accounted for below the cost of service line (see paragraph [5.10](#) below).

3.0 APPLICABILITY OF THE CORPORATE AND DEMOCRATIC CORE

83.1 Section 2 of SæRCOP states clearly that the concept of the Corporate and Democratic Core applies to Police Services. These costs should not be allocated or apportioned to other divisions of service. The definitions in Section 2 of SæRCOP apply equally to Police Services, except that:

The statutory roles of the chief executive and the chief finance officer to the PCC will be under DRM point (b) as officer time spent supporting democratic representation and management.

Corporate Management point (a) is less likely to apply, as the chief constable will be involved in direct management of services (charged to divisions of service). Corporate Management point (e) will not apply.

4.0 APPLICABILITY OF NON DISTRIBUTED COSTS

94.1 Non Distributed Costs as defined by Section 2 (eg past service costs) apply to police forces for non-uniformed police force staff.

5.0 ITEMS BELOW THE COST OF SERVICE LINE

5.10 The revised SEA includes an analysis of the net operating section of the Income and Expenditure Account for PCCs. For additional guidance on this section see the *Code of Practice on Local Authority Accounting in the United Kingdom* and associated Guidance Notes.

6.0 STATUS AND IMPLEMENTATION

6.11 This SEA for Police Services replaces all previous versions issued by CIPFA and is mandatory for English and Welsh forces from 1 April 2014-5. 20154/165 SæRCOP applies to the following statutory disclosures:

20154/165 Budgets

20154/165 Performance Indicators

20154/165 Statement of Accounts.

7.0 THE RECOMMENDED STANDARD SUBJECTIVE ANALYSIS

7.12 For budgetary and management accounting purposes, PCCs and police forces may also wish to analyse expenditure using the subjective analysis (already a requirement of government statistical returns). CIPFA's Recommended Standard Subjective Analysis is included in Section 4 of SæRCOP.

8.0 ~~8.0~~ **UPDATING THE GUIDANCE**

8.13 CIPFA is dedicated to keeping the guidance up to date and it will be reviewed on an annual basis as a minimum.

PART THREE:

GUIDANCE NOTE:

WHAT TO INCLUDE IN THE NET COST OF POLICE SERVICES

Service Division	Includes
Local Policing	<ul style="list-style-type: none"> Neighbourhood policing Incident (response) management Specialist community liaison Local command team and support overheads.
Dealing with the Public	<ul style="list-style-type: none"> Local call centres/front desk Central communications unit (including Contact management units) Contact management units Dealing with the public command team and support overheads.
Criminal Justice Arrangements	<ul style="list-style-type: none"> Custody Police doctors, nurses and surgeons Interpreters and translators Other custody costs Criminal justice arrangements Police National Computer (PNC) Civil disclosure/Criminal Records Bureau (CRB) Coroner assistance Fixed penalty scheme (central ticket office) Property officer/stores Criminal justice arrangements command team and support overheads.
Road Policing	<ul style="list-style-type: none"> Traffic units Traffic wardens/police community support officer traffic Vehicle recovery Casualty reduction partnership Road policing command team and support overheads
Operational Support Specialist Operations	<ul style="list-style-type: none"> Air operations Mounted police Specialist terrain Dogs section

Service Division	Includes
	<p>Level 1 A advanced public order</p> <p>Airport and ports policing unit</p> <p>Firearms unit</p> <p>Civil contingencies</p> <p>Events</p> <p>Operational support team and support overheads.</p>
Intelligence	<p>Intelligence command team and support overheads</p> <p>Intelligence analysis /threat assessments</p> <p>Intelligence gathering.</p> <p>Intelligence command team and support overheads</p>
Investigation	<p>Major investigation unit</p> <p>Economic crime (including regional asset recovery team)</p> <p>Specialist investigation units</p> <p>Serious and organised crime unit</p> <p>Public protection</p> <p>Local investigation/prisoner processing</p> <p>Investigations command team and support overheads.</p>
Investigative Support	<p>Scenes of crime officers</p> <p>External forensic costs</p> <p>Fingerprint/internal forensic costs</p> <p>Photographic image recovery</p> <p>Other forensic services</p> <p>Investigative support command team and support overheads.</p>
National Policing	<p>Secondments (out of force)</p> <p>Counter-terrorism/Special Branch</p> <p>ACPO projects/initiatives</p> <p>Hosting national services</p> <p>Other national policing requirements.</p>
Non Distributed Costs	See Section 2 of S&RCOP.
Corporate and Democratic Core	<p>See Section 2 of S&RCOP</p> <p>Democratic Representation and Management</p>

Service Division	Includes
	Corporate Management.
<p>Support Functions (optional holding account)</p> <p>Note: in accordance with the requirements of SæRCOP, these costs must be allocated directly or apportioned to service divisions</p>	<p>Support functions need to be charged to appropriate service divisions so that the cost of each service division represents the total cost of each service as defined by Section 2 of SæRCOP. For further guidance on overhead apportionment and recharging please see paragraph 2.15 of SæRCOP and the accompanying guidance.</p> <p>Human resources</p> <p>Finance</p> <p>Legal</p> <p>Fleet services</p> <p>Estates/central building costs</p> <p>Information and communications technology (ICT)</p> <p>Professional standards</p> <p>Press and media</p> <p>Performance review/corporate development</p> <p>Procurement</p> <p>Training</p>
<p>Support Functions (optional holding account) (continued)</p>	<p>Administration support</p> <p>Force command</p> <p>Support to associations and trade unions</p> <p>Force band</p> <p>Social club support</p> <p>Insurance and risk management</p> <p>Catering.</p>
<p>Police and Crime Commissioner (optional holding account)</p> <p>Note: in accordance with the requirements of SæRCOP, these costs must be allocated directly or apportioned to service divisions or the relevant section in the Service Expenditure Analysis (eg Corporate and Democratic Core)</p>	<p>Police and Crime Commissioner costs need to be charged to appropriate service divisions so that the cost of each service division represents the total cost of each service as defined by Section 2 of SæRCOP. For further guidance on overhead apportionment and recharging please see paragraph 2.15 of SæRCOP and the accompanying guidance.</p> <p>Police and crime commissioners' expenses</p> <p>Forces admin and support</p> <p>Consultation</p> <p>Statutory expenses</p> <p>Treasury management</p> <p>Internal audit.</p>

Service Division	Includes
Income (optional holding account) Note: in accordance with the requirements of SæRCOP, income must be allocated directly or apportioned to service divisions	Income needs to be credited to appropriate service divisions so that the net cost of each service division represents the total cost of each service as defined by Section 2 of SæRCOP. For further guidance on overhead apportionment and recharging please see paragraph 2.15 of SæRCOP and the accompanying guidance. Specific grants Secondment income Trading account income Income from officer services Proceeds of crime income Other income.
<hr/> Net Cost of Police Services <hr/>	

Some teams may deliver functions that relate to more than one division of service. Where the effect will not be material, it is acceptable to allocate the team to the dominant function that it delivers. Where the effect would be material, the costs of the team should be apportioned between the functions delivered.

Some police forces may have a national policing role that covers functions that are covered in other divisions of service (for example specialist operations). Such forces/authorities should apportion the costs of these functions between the relevant division of service (where the function is carried out on behalf of its local responsibilities) and the National Policing division (where the function is carried out in fulfilment of its national policing role).

PART FOUR:

GUIDANCE NOTE:

ITEMS INCLUDED IN THE NET COST OF SERVICE DIVISIONS BELOW THE NET COST OF SERVICES LINE

Item
Gains/Losses on Disposal of Fixed Assets
Levies
External Interest Payable
Interest and Investment Income
Trading Account Surpluses or Deficits
Net Interest on the Net Defined Benefit Liability (Asset)
Minimum Revenue Provision
Reversal of Depreciation and Impairment of Fixed Assets

For further guidance on these costs and income items, please refer to the relevant *Code of Practice on Local Authority Accounting in the United Kingdom* and associated Guidance Notes.