

## SECTION 3

# Service Expenditure Analysis for England and Wales

### INTRODUCTION

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3.1 This section sets out a Service Expenditure Analysis (SEA) of local authority (LA) expenditure. The duty of Best Value has applied to English and Welsh local authorities from 1 April 2000 and has increased expectations about:

the level of detail that will be available from local authority accounts

the degree to which the accounts of Best Value authorities can be compared

the extent to which a single set of financial records should be compatible with the diverse reporting requirements placed upon local authorities.

For 2013~~2~~/14~~3~~ the publication, previously entitled the *Best Value Accounting Code of Practice* (BVACOP), has been revised and updated to keep pace with the IFRS-based *Code of Practice on Local Authority Accounting in the United Kingdom* (the Code). To reflect the Transparency agenda, BVACOP was renamed the *Service Reporting Code of Practice for Local Authorities* (SeRCOP).

3.2 The SEA:

complements existing subjective frameworks for analysing local authority activity

supersedes the existing SEA issued in December 2011~~0~~.

### THE SUBJECTIVE ANALYSIS

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3.3 Every item of expenditure or income can be analysed in terms of both the new SEA and on a subjective basis. This is required to enable local authorities to meet government reporting requirements; specifically, for completing the [CLG DCLG](#) subjective analysis return. The subjective analysis is also a key management control and information tool. The revised standard subjective analysis is included in Section 4.

## FORMAT OF THE SERVICE EXPENDITURE ANALYSIS

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- 3.4 Figure 1 shows how the format of the revised SEA for each service (eg Adult Social Care, Children's and Education, Housing) has been analysed across a number of mandatory service divisions. In turn, most service divisions are split into several discretionary subdivisions. Finally, a guidance note supports each SEA that:

indicates or defines those activity areas and expenditure items that should be included in each subdivision

states the date when the new analysis comes into force.

### Figure 1: An Illustration of the SEA Hierarchy

- 3.5 The aim of the hierarchy within the new SEA is to promote consistency between local authorities in terms of the format and comparability of financial performance reporting. To achieve this, a common format of service divisions and subdivisions is recommended:
- Service divisions represent the mandatory level to which all local authorities are expected to be able to aggregate their costs. This is also the minimum level at which total cost is expected to be applied. Occasionally, where a particular performance indicator relates to an item shown at the subdivision level, total costs will need to be accounted for at the lower level.
- Subdivisions represent a recommended but discretionary sub-aggregation of costs. Authorities are encouraged to follow these as closely as possible, given their local circumstances. The basis for this recommendation is that benchmarking, which is central to the comparison element of Best Value, will be much easier if financial information is broadly similar at this lower level of detail.
- The guidance note items may or may not apply to individual local authorities. The purpose of the guidance notes is to promote consistency between local authorities' accounting records. So it is important that, where the items in the guidance notes do apply to a local authority, it must account for them in the service division identified on the guidance note regardless of local management arrangements.
- 3.6 It should be emphasised that local authorities have total organisational freedom. Indeed, Best Value encourages innovative organisational arrangements. Lower-level detail will, in practice, reflect this freedom and will normally follow local organisational and managerial arrangements. The important issue is that, regardless of organisational arrangements in place, the aggregation of costs at service division level is consistent between local authorities so that comparisons can be made.

## THE PRINCIPLE OF TOTAL COST

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- 3.7 The third principle of Best Value accounting requires that total cost is the basis of financial reporting. Total cost is defined in Section 2. The total cost principle applies to each item at the mandatory service division level in the SEA. Specifically, this means that, in addition to direct costs, each division of service must include an appropriate share of:

depreciation

impairment loss identified on assets used to provide the services of an authority

revenue expenditure funded from capital under statute

amortisation of intangible assets

support service overheads

current service (pensions) costs per IAS 19 *Employee Benefits*.

Key to the comparability of costs between different authorities is the consistent apportionment of these costs across the service divisions. SeRCOP provides good practice guidance, including a set of general principles to apply in accounting for these costs.

## STATUS OF THE SERVICE EXPENDITURE ANALYSIS

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- 3.8 The new SEA that follows supersedes all previous versions that apply to England and Wales. The date of application of each part of the SEA is clearly stated in the guidance notes relating to each individual service.

## THE SERVICE EXPENDITURE ANALYSIS

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- 3.9 The following individual services are presented, demonstrating the breakdown of the hierarchy of service divisions and subdivisions, followed by guidance notes to further explain the definitions of those service divisions and subdivisions:

Adult Social Care

Central Services

**Children's and Education Services**

Cultural and Related Services

Environmental and Regulatory Services

Fire and Rescue Services

Highways and Transport Services

Housing Services

National Parks Services

Planning Services

Police Services

Public Health.

# Adult Social Care (England)

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.

[This section has been split into requirements for English authorities and requirements for Welsh authorities. This is due to the changes to English authorities as a result of the consultation by the Department of Health and the Information Centre for Health and Social Care which only apply to English Authorities.](#)

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

<u>Divisions of Service (Mandatory)</u>	<u>Subdivisions of Service (Discretionary)</u>
<u>Service Strategy</u>	<u>Strategic management</u> <u>Complaints procedures</u>
<u>Older People (Aged 65 or Over) including Older Mentally Ill</u>	<u>Assessment and care management</u> <u>Nursing care placements</u> <u>Residential care placements</u> <u>Supported and other accommodation</u> <u>Direct payments</u> <u>Home care</u> <u>Day care/day services</u> <u>Equipment and adaptations</u> <u>Meals</u> <u>Other services to older people</u>
<u>Adults Aged Under 65 with a Physical Disability or Sensory Impairment</u>	<u>Assessment and care management</u> <u>Nursing care placements</u> <u>Residential care placements</u> <u>Supported and other accommodation</u> <u>Direct payments</u> <u>Home care</u> <u>Day care/day services</u> <u>Equipment and adaptations</u> <u>Meals (if significant)</u> <u>Other services to adults with a physical disability or sensory impairment</u>
<u>Adults Aged Under 65 with Learning Disabilities</u>	<u>Assessment and care management</u> <u>Nursing care placements</u> <u>Residential care placements</u> <u>Supported and other accommodation</u> <u>Direct payments</u> <u>Home care</u> <u>Day care/day services</u> <u>Equipment and adaptations</u>

<u>Divisions of Service (Mandatory)</u>	<u>Subdivisions of Service (Discretionary)</u>
	<u>Meals (if significant)</u> <u>Other services to adults with learning disabilities.</u>
<u>Adults Aged Under 65 with Mental Health Needs</u>	<u>Assessment and care management</u> <u>Nursing care placements</u> <u>Residential care placements</u> <u>Supported and other accommodation</u> <u>Direct payments</u> <u>Home care</u> <u>Day care/day services</u> <u>Equipment and adaptations</u> <u>Meals (if significant)</u> <u>Other services to adults with mental health needs.</u>
<u>Other Adult Services</u>	<u>Assessment and care management</u> <u>HIV/AIDS</u> <u>Substance abuse (addictions)</u> <u>Asylum seekers</u> <u>Other adult services.</u>
<u>Support Service and Management Costs (optional holding accounts)</u> <u>Note: all costs accounted for in these accounts should be allocated directly or apportioned to the service divisions above before the accounts are closed. Apportionment bases should be determined in accordance with SeRCOP.</u>	<u>Management and administration</u> <u>Central advisory, policy and development units (including BV)</u> <u>Information and communication technology</u> <u>Training</u> <u>Transport (other than for clients)</u> <u>Catering (other than for clients)</u> <u>Personnel/HRM</u> <u>Finance (including internal audit)</u> <u>Legal services</u> <u>Property services</u> <u>Quality assurance</u> <u>Contract negotiation</u> <u>Welfare rights service</u> <u>Generic advocacy services</u> <u>Others not specified above.</u>
<u>Physical: Access and</u>	<u>(Attributable data)</u>

Divisions of Service  
(Mandatory)

Subdivisions of Service  
(Discretionary)

Mobility Only:

- older people (65+)
  - Long term support - Community: Direct Payments
  - Long term support - Community: LA managed personal budget (including payment schemes)
  - Long term support - Community: LA commissioned services
  - Long term support - Residential
  - Long term support - Nursing
  - Short term support (including equipment)
  
- adults (18 - 64)
  - Long term support - Community: Direct Payments
  - Long term support - Community: LA managed personal budget (including payment schemes)
  - Long term support - Community: LA commissioned services
  - Long term support - Residential
  - Long term support - Nursing
  - Short term support (including equipment)

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Physical: Personal Care  
Support:

(Attributable data)

- older people (65+)
  - Long term support - Community: Direct Payments
  - Long term support - Community: LA managed personal budget (including payment schemes)
  - Long term support - Community: LA commissioned services
  - Long term support - Residential
  - Long term support - Nursing
  - Short term support (including equipment)
  
- adults (18 - 64)
  - Long term support - Community: Direct Payments
  - Long term support - Community: LA managed personal budget (including payment schemes)
  - Long term support - Community: LA commissioned services
  - Long term support - Residential
  - Long term support - Nursing
  - Short term support (including equipment)

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Divisions of Service  
(Mandatory)

Subdivisions of Service  
(Discretionary)

Sensory: Visual:

(Attributable data)

- older people (65+)
  - Long term support - Community: Direct Payments
  - Long term support - Community: LA managed personal budget (including payment schemes)
  - Long term support - Community: LA commissioned services
  - Long term support - Residential
  - Long term support - Nursing
  - Short term support (including equipment)
  
- adults (18 - 64)
  - Long term support - Community: Direct Payments
  - Long term support - Community: LA managed personal budget (including payment schemes)
  - Long term support - Community: LA commissioned services
  - Long term support - Residential
  - Long term support - Nursing
  - Short term support (including equipment)

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Sensory: Hearing:

(Attributable data)

- older people (65+)
  - Long term support - Community: Direct Payments
  - Long term support - Community: LA managed personal budget (including payment schemes)
  - Long term support - Community: LA commissioned services
  - Long term support - Residential
  - Long term support - Nursing
  - Short term support (including equipment)
  
- adults (18 - 64)
  - Long term support - Community: Direct Payments
  - Long term support - Community: LA managed personal budget (including payment schemes)
  - Long term support - Community: LA commissioned services
  - Long term support - Residential
  - Long term support - Nursing
  - Short term support (including equipment)

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Divisions of Service  
(Mandatory)

Subdivisions of Service  
(Discretionary)

Sensory: Dual:

(Attributable data)

- older people (65+)
  - Long term support - Community: Direct Payments
  - Long term support - Community: LA managed personal budget (including payment schemes)
  - Long term support - Community: LA commissioned services
  - Long term support - Residential
  - Long term support - Nursing
  - Short term support (including equipment)
  
- adults (18 - 64)
  - Long term support - Community: Direct Payments
  - Long term support - Community: LA managed personal budget (including payment schemes)
  - Long term support - Community: LA commissioned services
  - Long term support - Residential
  - Long term support - Nursing
  - Short term support (including equipment)

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Mental: Memory and Cognition

(Attributable data)

- older people (65+)
  - Long term support - Community: Direct Payments
  - Long term support - Community: LA managed personal budget (including payment schemes)
  - Long term support - Community: LA commissioned services
  - Long term support - Residential
  - Long term support - Nursing
  - Short term support (including equipment)
  
- adults (18 - 64)
  - Long term support - Community: Direct Payments
  - Long term support - Community: LA managed personal budget (including payment schemes)
  - Long term support - Community: LA commissioned services
  - Long term support - Residential

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Divisions of Service (Mandatory)

Subdivisions of Service (Discretionary)

- Long term support - Nursing
- Short term support (including equipment)

Mental: Intellectual and Learning

(Attributable data)

- older people (65+)
  - Long term support - Community: Direct Payments
  - Long term support - Community: LA managed personal budget (including payment schemes)
  - Long term support - Community: LA commissioned services
  - Long term support - Residential
  - Long term support - Nursing
  - Short term support (including equipment)
- adults (18 - 64)
  - Long term support - Community: Direct Payments
  - Long term support - Community: LA managed personal budget (including payment schemes)
  - Long term support - Community: LA commissioned services
  - Long term support - Residential
  - Long term support - Nursing
  - Short term support (including equipment)

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Mental: Psychological and Emotional

(Attributable data)

- older people (65+)
  - Long term support - Community: Direct Payments
  - Long term support - Community: LA managed personal budget (including payment schemes)
  - Long term support - Community: LA commissioned services
  - Long term support - Residential
  - Long term support - Nursing
  - Short term support (including equipment)
- adults (18 - 64)
  - Long term support - Community: Direct Payments
  - Long term support - Community: LA managed personal budget (including payment schemes)
  - Long term support - Community: LA commissioned services

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Divisions of Service  
(Mandatory)

Subdivisions of Service  
(Discretionary)

- Long term support - Residential
- Long term support - Nursing
- Short term support (including equipment)

Social: Substance Misuse: (Attributable data)

- older people (65+)
  - Long term support - Community: Direct Payments
  - Long term support - Community: LA managed personal budget (including payment schemes)
  - Long term support - Community: LA commissioned services
  - Long term support - Residential
  - Long term support - Nursing
  - Short term support (including equipment)
- adults (18 - 64)
  - Long term support - Community: Direct Payments
  - Long term support - Community: LA managed personal budget (including payment schemes)
  - Long term support - Community: LA commissioned services
  - Long term support - Residential
  - Long term support - Nursing
  - Short term support (including equipment)

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Social: Asylum Seeker (Attributable data)

- older people (65+)
  - Long term support - Community: Direct Payments
  - Long term support - Community: LA managed personal budget (including payment schemes)
  - Long term support - Community: LA commissioned services
  - Long term support - Residential
  - Long term support - Nursing
  - Short term support (including equipment)
- adults (18 - 64)
  - Long term support - Community: Direct Payments
  - Long term support - Community: LA managed personal budget (including payment schemes)
  - Long term support - Community: LA commissioned services

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Divisions of Service (Mandatory)

Subdivisions of Service (Discretionary)

- Long term support - Residential
- Long term support - Nursing
- Short term support (including equipment)

Social: Carer Support

(Attributable data)

- older people (65+)
  - Long term support - Community: Direct Payments
  - Long term support - Community: LA managed personal budget (including payment schemes)
  - Long term support - Community: LA commissioned services
  - Long term support - Residential
  - Long term support - Nursing
  - Short term support (including equipment)
- adults (18 - 64)
  - Long term support - Community: Direct Payments
  - Long term support - Community: LA managed personal budget (including payment schemes)
  - Long term support - Community: LA commissioned services
  - Long term support - Residential
  - Long term support - Nursing
  - Short term support (including equipment)

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Equipment and Tele-care (only)

(Attributable data)

- older people (65+)
- adults (18 - 64)

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Social Work Activities

(Non attributable data)

- Assessment
- Review
- Care Management
- Safequarding

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Social Care Universal Services

(Non attributable data)

<u>Divisions of Service (Mandatory)</u>	<u>Subdivisions of Service (Discretionary)</u>
	<ul style="list-style-type: none"> <li>● <u>Information and Advice</u></li> <li>● <u>Screening and signposting (contact centre)</u></li> <li>● <u>Prevention/Low level support</u></li> <li>● <u>Advocacy</u></li> </ul>
<u>Development and Infrastructure</u>	<u>(Non attributable data)</u>
	<ul style="list-style-type: none"> <li>● <u>Commissioning</u></li> <li>● <u>Infrastructure</u></li> </ul>

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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 also 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: SeRCOP 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 SeRCOP.

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

### 1.0 INTRODUCTION

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- 1.1 The aim of this guidance is to ensure **different local authorities' social 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 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

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- 2.1 SeRCOP states that Corporate and Democratic Core costs and Non Distributed Costs should not be allocated or apportioned to other divisions of service.
- 2.2 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 on the following basis: and according to that client's primary support reason.

The term 'older people' refers to all people aged 65 or over even if the primary need for support is not related to age. In particular, older mentally ill, learning disabled, physically disabled, etc should be included as older people.

The adult HIV/AIDS and the substance abuse headings are only to be used where the primary need for support stems from the HIV/AIDS condition or the abuse/addiction. For example, if an adult who has needs that mainly stem from mental illness also suffers from HIV/AIDS, include all the costs of support as Adults Aged Under 65 with Mental Health Needs.

Expenditure specifically to support carers should be recorded under the appropriate client

group for the person they care for. Normally, the support will fit into the existing framework, ie often it will be home care, respite care or day care/day services. Where an appropriate subdivision of service does not exist, this support should be recorded as 'Other' services.

- 2.3 This means that, in so far as it is practical, costs should be recorded on a client basis rather than establishment basis. In practice, this means, for example, that if a residential care home day centre that is used mainly by older people with mental: intellectual and learning disabilities is also attended by several adults aged 18 to 64 with physical: access and mobility disabilities~~physical or sensory impairment~~, the costs of the residential care home day centre should be apportioned between the two primary support reasons/client groups.
- 2.4 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.
- 2.5 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

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- 3.1 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

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- 4.1 Detailed guidance on accounting for pooled budget arrangements are included in the CIPFA publication *Pooled Budgets: A Practical Guide for Local and Health Authorities* (2001). As the following extract from 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.”*

- 4.2 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.
- 4.3 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.
- 4.4 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

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- 5.1 If authorities identify expenditure in occasional or ancillary services within Adult Social Care service divisions as Supporting People expenditure, then the expenditure should remain in the Adult Social Care division of service and be identified separately – preferably as a discretionary subdivision of service within each division of service. Care will need to be taken to distinguish such expenditure from other grant-aided expenditure such as grants for community care. Supporting People expenditure should be included here; for core Supporting People expenditure, see Housing General Fund.

## 6.0 STATUS AND IMPLEMENTATION

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- 6.1 This SEA for Adult Social Care replaces all previous versions issued by CIPFA and is mandatory for English ~~and Welsh~~ authorities from 1 April 2023. 20123/134 SeRCOP applies to the following statutory disclosures:
  - 20123/134 Budgets
  - 20123/134 Performance Indicators
  - 20123/134 Statement of Accounts.

## 7.0 UPDATING THE GUIDANCE

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- 7.1 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 EACH DIVISION OF SERVICE

Service Divisions and Subdivisions	Includes
Service Strategy	This category has been very narrowly defined for Adult Social Care to ensure that amounts recorded by each authority are comparable. It is important, therefore, to follow the narrow definition below.
Strategic management	This includes the costs of the management team. The relevant director and his or her team are expected to contribute the majority of the strategic input to liaison and joint arrangements with outside and partnership bodies. It is recognised that other staff will also contribute to strategic activity, but making consistent and accurate estimates of their input is difficult and time consuming and the likely impact on comparisons is minor. Therefore, the costs of other staff time involved in strategic planning and partnership arrangements are not included in this definition. Similarly, some operational input by the relevant director and his or her personal staff is inevitable, but it is ignored as its impact is unlikely to be material and accurate quantification is difficult.
Complaints procedures	Include the relevant costs of the complaints procedure required by the National Health Service and Community Care Act 1990.
Older People (Aged 65 or over) including Older Mentally III	Include services to all people aged 65 or over in this category, even where the reason for care is a mental health, physical, sensory, learning or other need or disability.
Assessment and care management	The process of receiving referrals, assessing need, defining eligibility and arranging for packages of care to be provided and reviewing the quality and continued relevance of that care for older people. It includes field social work costs (including hospital social worker), other social care staff based in primary healthcare settings, occupational therapy services to older people and relevant support staff costs.
Nursing care placements	Include all placements (include respite and rehabilitation) in: Care homes with nursing care registered by the health authorities and by definition requiring trained nursing staff to be present Nursing care beds in dual registered homes. Local authorities should record their contribution to nursing care placements in this subdivision of service, even if this contribution is

Service Divisions and Subdivisions	Includes
Residential care placements	<p>residential placement for this care.</p> <p>Include all placements (including respite and rehabilitation) in: Homes registered under Registered Care Homes Act 1984 Residential care beds in dual registered homes.</p>
Supported and other accommodation	<p>Include:</p> <ul style="list-style-type: none"> <li>Adult placement schemes</li> <li>Group homes</li> <li>Unstaffed homes</li> <li>Partially staffed homes</li> </ul> <p>Sheltered housing costs not applicable to the Housing Revenue Account Extra care housing schemes Supported living and community support services.</p> <p>Exclude highly sheltered housing where the warden care amounts to personal care to clients. This should be included as 'Home care', below.</p>
Direct payments	<p>Include the value of direct payments made to older people for the purchase of care services. Also include the costs of administering the payments to clients and grants to voluntary organisations that support direct payments users.</p> <p>Exclude direct payments to carers of older people, which should be included under 'Other services to older people'.</p>
Home care	<p>Include the following services covered by The Information Centre return HH1 and supplied at a client's own home:</p> <ul style="list-style-type: none"> <li>Home helps</li> <li>Night sitters</li> <li>Domiciliary care assistants</li> <li>Home care assistants</li> <li>Others providing non-therapeutic support</li> <li>Personal care in sheltered housing and extra care housing schemes</li> <li>Care attendant schemes</li> <li>Support or payments to voluntary workers/organisations providing home care services</li> </ul> <p>The costs of supervising and administering the above services, including fees to the Post Office for collecting income</p> <p>Rehabilitation, enablement and intermediate care.</p>

Service Divisions and Subdivisions	Includes
Day care/day services	<p>Include activities involving regular attendance at a location (other than the client's own home) for personal, social, therapeutic, training or leisure purposes including any meals at the centre and transport to and from the location. This can also include day care/day services provided within resource centres.</p> <p>Exclude luncheon clubs, included in 'Meals', below.</p>
Equipment and adaptations	<p>Include Social Care's contribution to:</p> <ul style="list-style-type: none"> <li>Adaptations to homes</li> <li>Disability equipment</li> <li>Telephones, alarm and other communication equipment</li> <li>Stores, delivery and other associated costs.</li> </ul> <p>Exclude contributions by the Housing Service.</p>
<p>Meals</p> <p>Note: in rare instances where the cost of meals to client groups other than older people is significant, they should be separately charged to the other client group(s).</p>	<p>Include:</p> <ul style="list-style-type: none"> <li>Meals on wheels</li> <li>Cook-chill meals</li> <li>Meals at luncheon clubs (under RAP, these meals appear under 'Day care/day Services'. However, it is difficult to split the costs except on the basis of a broad estimate).</li> </ul> <p>Exclude meals provided at day centres, included in 'Day care/day services', above.</p>
Other services to older people	<p>Include:</p> <ul style="list-style-type: none"> <li>Peripatetic support staff who supervise people living in the community and liaise with other agencies, CPNs etc, and whose duties do not fit the home care definition given in The Information Centre return HH1, eg community support workers and outreach workers</li> <li>Expenditure, including direct payments, on support for carers rather than clients that is not included in any of the other divisions of service</li> <li>Grants to voluntary organisations that cannot be more specifically placed under another heading.</li> </ul>
Adults Aged Under 65 with a Physical Disability or Sensory Impairment	<p>Include services to adults aged up to 64 where the primary reason for their care is related to a physical disability or sensory impairment.</p>
Assessment and care management	<p>See the definition for Older People above and relate it to adults with a physical disability or sensory impairment.</p>

Service Divisions and Subdivisions	Includes
Nursing care placements	<p>Include all placements (including respite and rehabilitation) in:</p> <ul style="list-style-type: none"> <li>Care homes with nursing care registered by health authorities and by definition requiring trained nursing staff to be present</li> <li>Nursing care beds in dual registered homes.</li> </ul> <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>
Residential care placements	<p>Include all placements (including respite and rehabilitation) in:</p> <ul style="list-style-type: none"> <li>Homes registered under Registered Care Homes Act 1984</li> <li>Residential care beds in dual registered homes.</li> </ul>
Supported and other accommodation	<p>Include:</p> <ul style="list-style-type: none"> <li>Hostels</li> <li>Adult placement schemes</li> <li>Unstaffed homes</li> <li>Partially staffed homes</li> <li>Group homes</li> <li>Supported living and community support services</li> </ul> <p>Sheltered housing costs not applicable to the Housing Revenue Account. Exclude highly sheltered housing where the warden care amounts to personal care to clients. This should be included as 'Home care', below.</p>
Direct payments	<p>Include the value of direct payments made to clients with a physical disability or sensory impairment for the purchase of care services. Also include the costs of administering the payments to clients and grants to voluntary organisations that support direct payments users. Exclude direct payments to carers of adults with a physical disability or sensory impairment, which should be included under 'Other services to adults with a physical disability or sensory impairment'.</p>
Home care	<p>Include the following services covered by The Information Centre return HH1 and supplied at a client's own home:</p> <ul style="list-style-type: none"> <li>Home helps</li> <li>Night sitters</li> <li>Domiciliary care assistants</li> <li>Home care assistants</li> <li>Others providing non-therapeutic support</li> <li>Personal care in sheltered housing</li> </ul>

Service Divisions and Subdivisions	Includes
	<p>Care attendant schemes</p> <p>Support or payments to voluntary workers/organisations providing home-care services</p> <p>The costs of supervising and administering the above services, including Post Office fees for collecting income</p> <p>Rehabilitation, enablement and intermediate care.</p>
Day care/day services	<p>Include:</p> <p>Activities involving regular attendance at a location (other than the client's own home) for personal, social, therapeutic, training or leisure purposes</p> <p>Meals at the centre and transport to the location</p> <p>Supported employment.</p> <p>This can also include day care/day services provided within resource centres.</p> <p>Exclude luncheon clubs, included in 'Meals', below.</p>
Equipment and adaptations	<p>Include Social Care's contribution to:</p> <p>Adaptations to homes</p> <p>Disability equipment</p> <p>Telephones, alarm equipment and other communications equipment</p> <p>Stores, delivery and other associated costs.</p> <p>Exclude tools and equipment grant aided by central government or funded by the authority's Housing Service.</p>
Meals <del>Note: where the cost of meals to client groups other than older people is not significant, include all the costs as Older People.</del>	<p>In rare instances where the cost of providing meals to adults with a physical disability or sensory impairment is material, include them separately here.</p> <p>Include:</p> <p>Meals on wheels</p> <p>Cook-chill meals</p> <p>Meals at luncheon clubs (under RAP, these meals appear under day-care/day services. However, it is difficult to split the costs except on the basis of a broad estimate).</p> <p>Exclude meals provided at day centres, included in 'Day care/day services'.</p>
Other services to adults with a physical disability or sensory impairment	<p>Include:</p> <p>Sensory impairment services</p> <p>Talking books service</p> <p>Expenditure, including direct payments, on support for carers rather than clients that is not included in any of the other divisions of service</p>

Service Divisions and Subdivisions	Includes
	<p>Peripatetic support staff who supervise people living in the community and liaise with other agencies, CPNs, etc, and whose duties do not fit the home care definition given in The Information Centre return III1, eg community support workers and outreach workers</p> <p>Grants to voluntary organisations related to people with a physical disability or sensory impairment not obviously classified under one of the more specific headings above.</p>
Adults Aged Under 65 with Learning Disabilities	<p>Include services to adults aged up to 64 where the primary reason for their care is related to learning disabilities.</p>
Assessment and care management	<p>See the definition for Older People above and relate it to adults with learning disabilities.</p>
Nursing care placements	<p>Include all placements (including respite and rehabilitation) in:</p> <ul style="list-style-type: none"> <li>Care homes with nursing care registered by the health authorities and by definition requiring trained nursing staff to be present</li> <li>Nursing care beds in dual registered homes.</li> </ul> <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>
Residential care placements	<p>Include all placements (including respite and rehabilitation) in:</p> <ul style="list-style-type: none"> <li>Homes registered under Registered Care Homes Act 1984</li> <li>Residential care beds in dual registered homes.</li> </ul>
Supported and other accommodation	<p>Include:</p> <ul style="list-style-type: none"> <li>Hostels</li> <li>Adult placement schemes</li> <li>Unstaffed homes</li> <li>Partially staffed homes</li> <li>Group homes</li> <li>Supported living and community support services</li> </ul> <p>Sheltered housing costs not applicable to the Housing Revenue Account. Exclude highly sheltered housing where the warden care amounts to personal care. This should be included as 'Home care', below.</p>
Direct payments	<p>Include the value of direct payments made to clients with learning disabilities for the purchase of care services. Also include the costs of administering the payments to clients and grants to voluntary</p>

Service Divisions and Subdivisions	Includes
	<p>organisations that support direct payments users.</p> <p><del>Exclude direct payments to carers of adults with a learning disability, which should be included under 'Other services to adults with a learning disability'.</del></p>
Home care	<p>Include the following services covered by The Information Centre return HHI and supplied at a client's own home:</p> <ul style="list-style-type: none"> <li>Home helps</li> <li>Night sitters</li> <li>Domiciliary care assistants</li> <li>Home care assistants</li> <li>Others providing non-therapeutic support</li> <li>Personal care in sheltered housing</li> <li>Care attendant schemes</li> <li>Support or payments to voluntary workers/organisations providing home-care services</li> <li>The costs of supervising and administering the above services, including Post Office fees for collecting income</li> <li>Rehabilitation, enablement and intermediate care.</li> </ul>
Day care/day services	<p>Include:</p> <ul style="list-style-type: none"> <li>Activities involving regular attendance at a location (other than the client's own home) for personal, social, therapeutic, training or leisure purposes</li> <li>Meals at the centre and transport to the location</li> <li>Supported employment.</li> </ul> <p>This care also includes day care/day services provided in resource centres.</p> <p><del>Exclude luncheon clubs, included in 'Meals', below.</del></p>
Equipment and adaptations	<p><del>Include Social Care's contribution to:</del></p> <ul style="list-style-type: none"> <li>Adaptations to homes</li> <li>Disability equipment</li> <li>Telephones, alarm and other communications equipment</li> <li>Stores, delivery and other associated costs.</li> </ul> <p><del>Exclude tools and equipment grant-aided by central government or funded by the authority's Housing Service.</del></p>
Meals <del>Note: where the cost of meals to client groups other than older people is not</del>	<p>In rare instances where the cost of providing meals to adults with learning disabilities is material, include them separately here. Include:</p> <ul style="list-style-type: none"> <li>Meals on wheels</li> <li>Cook-chill meals</li> </ul>



Service Divisions and Subdivisions	Includes
significant, include all the costs as Older People.	<p>Meals at luncheon clubs (under RAP these meals appear under day care/day services. However, it is difficult to split the costs except on the basis of a broad estimate).</p> <p>Exclude meals provided at day centres. Include in 'Day care/day Services'.</p>
Other services to adults with learning disabilities	<p>Include:</p> <p>Peripatetic support staff who supervise people living in the community and liaise with other agencies, CPNs, etc and whose duties do not fit the home care definition given in The Information Centre return HH1, eg community support workers and outreach workers</p> <p>Expenditure, including direct payments, on support for carers rather than clients that is not included in any of the other divisions of service</p> <p>Grants to voluntary organisations that cannot be more specifically placed under another heading.</p>
Adults Aged Under 65 with Mental Health Needs	<p>Include services to adults aged up to 64 where the primary reason for their care is related to mental health needs.</p>
Assessment and care management	<p>See the definition for Older People above and relate it to adults with mental health needs.</p>
Nursing care placements	<p>Include all placements (including respite and rehabilitation) 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>
Residential care placements	<p>Include all placements (including respite and rehabilitation) in:</p> <p>Homes registered under Registered Care Homes Act 1984</p> <p>Residential care beds in dual registered homes.</p>
Supported and other accommodation	<p>Include:</p> <p>Hostels</p> <p>Adult placement schemes</p> <p>Unstaffed and partially staffed homes</p> <p>Group homes</p> <p>Supported living and community support services</p> <p>Sheltered housing costs not applicable to the Housing Revenue Account.</p>

Service Divisions and Subdivisions	Includes
Direct payments	<p><del>Exclude highly sheltered housing where the warden care amounts to personal care. This should be included as 'Home care', below.</del></p> <p>Include the value of direct payments made to clients with mental health needs for the purchase of care services. Also include the costs of administering the payments to clients and grants to voluntary organisations that support direct payments users.</p> <p><del>Exclude direct payments to carers of adults with mental health needs, which should be included under 'Other services to adults with mental health needs'.</del></p>
Home care	<p>Include the following services covered by The Information Centre return HHI and supplied at a client's own home:</p> <ul style="list-style-type: none"> <li>Home helps</li> <li>Night sitters</li> <li>Domiciliary care assistants</li> <li>Home care assistants</li> <li>Others providing non-therapeutic support</li> <li>Personal care in sheltered housing</li> <li>Care attendant schemes</li> <li>Support or payments to voluntary workers/organisations providing home care services</li> <li>The costs of supervising and administering the above services including Post Office fees for collecting income</li> <li>Rehabilitation, enablement and intermediate care.</li> </ul>
Day care/day services	<p>Include:</p> <ul style="list-style-type: none"> <li><del>Activities involving regular attendance at a location (other than the client's own home) for personal, social, therapeutic, training or leisure purposes</del></li> <li><del>Meals at the centre and transport to the location</del></li> <li><del>Supported employment.</del></li> <li><del>This care also includes day care/day services provided in resource centres.</del></li> <li><del>Exclude luncheon clubs, included in 'Meals', below.</del></li> </ul>
Equipment and adaptations	<p>Include Social Care's contributions towards:</p> <ul style="list-style-type: none"> <li>Adaptations to homes</li> <li>Disability equipment</li> <li>Telephones, alarm and other communications equipment</li> <li>Stores, delivery and other associated costs.</li> </ul>

Service Divisions and Subdivisions	Includes
	Exclude tools and equipment grant aided by central government or funded by the authority's Housing Service.
Meals <del>Note: where the cost of meals to client groups other than older people is not significant, include all the costs as Older People.</del>	In rare instances where the cost of providing meals to adults with mental health needs is material, include them separately here. Include: Meals on wheels Cook chill meals Meals at luncheon clubs (under RAP these meals appear under day care/day services. However, it is difficult to split the costs except on the basis of a broad estimate). Exclude meals provided at day centres (see 'Day care/day services', above).
Other services to adults with mental health needs	Include: Peripatetic support staff who supervise people living in the community and liaise with other agencies, CPNs, etc, and whose duties do not fit the home care definition given in The Information Centre return HH1, eg community support workers and outreach workers Expenditure, including direct payments, on support for carers rather than clients that is not included in any of the other divisions of service Grants to voluntary organisations related to people with mental health needs that cannot be easily categorised in a more specific heading.
Other Adult Services	Include the following services to adults not included in the other client groups above.
Assessment and care management	See the definition for Older People above and relate it to Other Adult Services.
HIV/AIDS	Include services to adults where their need for support arises primarily from their having contracted HIV/AIDS. Note: all services to children with HIV/AIDS are included in Children's Services.
Substance abuse (addictions)	Include services to adults where their need for support arises primarily as a result of: Alcohol abuse Drug abuse Other substance abuse, eg solvents. Note: all services to children who abuse substances are included in Children's Services.
Asylum seekers	Since April 2006 no local authority in England and Wales has a statutory

Service Divisions and Subdivisions

Includes

~~duty to provide asylum support. This duty has been transferred to the National Asylum Support Service (NASS). This subdivision should include any residual costs arising from, for example, local authority support for former interim provisions cases while NASS considers their application for transfer to NASS support.~~

~~This subdivision should also include the costs to the local authority of dealing with and supporting those asylum seekers classed as NRPF (No Recourse to Public Funds). These are asylum seekers with no entitlement to benefits and other support such as housing.~~

Other adult services

~~In the unlikely event that an adult does not fit into one of the above client groups (for example, a carer who is not a client in his or her own right, but attends a day centre, receives supported employment, receives home care or is accommodated), the costs of their services should be included here. Also include here any grants to voluntary organisations that are not specific to any of the client groups above.~~

Support Service and Management Costs (optional holding accounts)

Include here all support costs related to social care whether it is provided centrally by another department of the council, externally by a contractor or by staff employed within the social care directorate or department. Support and management costs are likely to include:

- Management and administration costs that cannot be directly allocated 100% to a particular division of service
- Central advisory, policy and development units (including Best Value)
- Information and communications technology
- Training for social care staff
- Transport (other than for clients)
- Catering (other than for clients)
- Personnel and human resources management
- Finance (including internal audit)
- Legal services
- Property services
- Quality assurance (including contracts compliance)
- Contract negotiation
- Welfare rights service to advise clients
- Generic advocacy services to represent clients
- Interpretation and translation
- Any other item not clearly related to a specific client group.

Note: all costs accounted for in these accounts should be allocated directly

Service Divisions and Subdivisions	Includes
	<p>or apportioned to the service divisions above before the accounts are closed. Apportionment bases should be determined in accordance with the guidance in Section 2 of SaRCOP.</p>
<p><u>Physical: Access and Mobility Only</u></p>	<p>Include services attributable to adults where the primary support reason for their care is related to physical: access and mobility only.</p> <p>Costs should be analysed according to the following age groups:</p> <ul style="list-style-type: none"> <li>• <u>adults 18 to 64</u></li> <li>• <u>older people 65 and over.</u></li> </ul>
<p><u>Long term support - Community: Direct Payments</u></p>	<p><u>Long Term support encompasses any service or support which is provided with the intention of maintaining quality of life for an individual on an on-going basis, and which have been allocated on the basis of eligibility criteria/policies (i.e. an assessment of need has taken place) and is subject to regular review.</u></p> <p>Costs should be analysed according to age:</p> <ul style="list-style-type: none"> <li>• <u>adults (18 to 64)</u></li> <li>• <u>older people (65+).</u></li> </ul> <p><u>Include the value of direct payments made to clients with physical: access and mobility only needs for the purchase of care services.</u></p> <p><u>Include the costs of administering the payments to clients and grants to voluntary organisations that support direct payments users.</u></p> <p><u>Exclude direct payments to support carers of adults with physical: access and mobility only needs, which should be included under 'Social: Carer Support'.</u></p>
<p><u>Long term support - Community: LA managed personal budget (including payment schemes)</u></p>	<p><u>Long Term support encompasses any service or support which is provided with the intention of maintaining quality of life for an individual on an on-going basis, and which have been allocated on the basis of eligibility criteria/policies (i.e. an assessment of need has taken place) and is subject to regular review.</u></p> <p>Costs should be analysed according to age:</p> <ul style="list-style-type: none"> <li>• <u>adults (18 to 64)</u></li> <li>• <u>older people (65+).</u></li> </ul>
<p><u>Long term support - Community: LA commissioned services</u></p>	<p><u>Long Term support encompasses any service or support which is provided with the intention of maintaining quality of life for an individual on an on-going basis, and which have been allocated on the basis of eligibility criteria/policies (i.e. an assessment of need has taken place) and is subject to regular review.</u></p>

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Costs should be analysed according to age:

- adults (18 to 64)
- older people (65+).

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Long term support -  
Community: Residential

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

Costs should be analysed according to age:

- adults (18 to 64)
- older people (65+).

Include long term placements in:

- Homes registered under Registered Care Homes Act 1984
- Residential care beds in dual registered homes.

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Long term support -  
Community: Nursing

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

Costs should be analysed according to age:

- adults (18 to 64)
- older people (65+).

Include long term placements in:

- Care homes with nursing care registered by health authorities and by definition requiring trained nursing staff to be present
- Nursing care beds in dual registered homes.

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

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Short term support (which may include equipment as part of the care package)

All/any episodes of support provided that is intended to be time-limited and at the end of which a formal assessment or review has been undertaken to determine what will follow. Such an assessment or review will need to have taken place at any point before 10 weeks of the start of the episode: this may not mean that they actual service has ceased, but that a review has been held, the support need 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 to 64)
  - older people (65+).
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<a href="#">Physical: Personal Care Support</a>	<p>Include services attributable to adults where the primary support reason for their care is related to <a href="#">Physical: Personal Care Support</a>.</p> <p>Costs should be analysed according to the following age groups:</p> <ul style="list-style-type: none"> <li>• <a href="#">adults 18 to 64</a></li> <li>• <a href="#">older people 65 and over</a>.</li> </ul>
<a href="#">Long term support - Community: Direct Payments</a>	See the definition above for <a href="#">Physical: Access and Mobility Only</a> and relate it to <a href="#">Physical: Personal Care Support</a>
<a href="#">Long term support - Community: LA managed personal budget (including payment schemes)</a>	See the definition above for <a href="#">Physical: Access and Mobility Only</a> and relate it to <a href="#">Physical: Personal Care Support</a>
<a href="#">Long term support - Community: LA commissioned services</a>	See the definition above for <a href="#">Physical: Access and Mobility Only</a> and relate it to <a href="#">Physical: Personal Care Support</a>
<a href="#">Long term support - Community: Residential</a>	See the definition above for <a href="#">Physical: Access and Mobility Only</a> and relate it to <a href="#">Physical: Personal Care Support</a>
<a href="#">Long term support - Community: Nursing</a>	See the definition above for <a href="#">Physical: Access and Mobility Only</a> and relate it to <a href="#">Physical: Personal Care Support</a>
<a href="#">Short term support (which may include equipment as part of the care package)</a>	See the definition above for <a href="#">Physical: Access and Mobility Only</a> and relate it to <a href="#">Physical: Personal Care Support</a>
<a href="#">Sensory: Visual</a>	<p>Include services attributable to adults where the primary support reason for their care is related to <a href="#">Sensory: Visual</a>.</p> <p>Costs should be analysed according to the following age groups:</p> <ul style="list-style-type: none"> <li>• <a href="#">adults 18 to 64</a></li> <li>• <a href="#">older people 65 and over</a>.</li> </ul>
<a href="#">Long term support - Community: Direct Payments</a>	See the definition above for <a href="#">Physical: Access and Mobility Only</a> and relate it to <a href="#">Sensory: Visual</a>
<a href="#">Long term support - Community: LA managed personal budget (including payment schemes)</a>	See the definition above for <a href="#">Physical: Access and Mobility Only</a> and relate it to <a href="#">Sensory: Visual</a>
<a href="#">Long term support -</a>	See the definition above for <a href="#">Physical: Access and Mobility Only</a> and relate it

<a href="#">Community: LA commissioned services</a>	<a href="#">to Sensory: Visual</a>
<a href="#">Long term support - Community: Residential</a>	<a href="#">See the definition above for Physical: Access and Mobility Only and relate it to Sensory: Visual</a>
<a href="#">Long term support - Community: Nursing</a>	<a href="#">See the definition above for Physical: Access and Mobility Only and relate it to Sensory: Visual</a>
<a href="#">Short term support (which may include equipment as part of the care package)</a>	<a href="#">See the definition above for Physical: Access and Mobility Only and relate it to Sensory: Visual</a>
<a href="#">Sensory: Hearing</a>	<p><a href="#">Include services attributable to adults where the primary support reason for their care is related to Sensory: Hearing.</a></p> <p><a href="#">Costs should be analysed according to the following age groups:</a></p> <ul style="list-style-type: none"> <li>• <a href="#">adults 18 to 64</a></li> <li>• <a href="#">older people 65 and over.</a></li> </ul>
<a href="#">Long term support - Community: Direct Payments</a>	<a href="#">See the definition above for Physical: Access and Mobility Only and relate it to Sensory: Hearing</a>
<a href="#">Long term support - Community: LA managed personal budget (including payment schemes)</a>	<a href="#">See the definition above for Physical: Access and Mobility Only and relate it to Sensory: Hearing</a>
<a href="#">Long term support - Community: LA commissioned services</a>	<a href="#">See the definition above for Physical: Access and Mobility Only and relate it to Sensory: Hearing</a>
<a href="#">Long term support - Community: Residential</a>	<a href="#">See the definition above for Physical: Access and Mobility Only and relate it to Sensory: Hearing</a>
<a href="#">Long term support - Community: Nursing</a>	<a href="#">See the definition above for Physical: Access and Mobility Only and relate it to Sensory: Hearing</a>
<a href="#">Short term support (which may include equipment as part of the care package)</a>	<a href="#">See the definition above for Physical: Access and Mobility Only and relate it to Sensory: Hearing</a>
<a href="#">Sensory: Dual</a>	<p><a href="#">Include services attributable to adults where the primary support reason for their care is related to Sensory: Dual.</a></p> <p><a href="#">Costs should be analysed according to the following age groups:</a></p> <ul style="list-style-type: none"> <li>• <a href="#">adults 18 to 64</a></li> </ul>



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- older people 65 and over.
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Long term support - Community: Direct Payments      See the definition above for Physical: Access and Mobility Only and relate it to Sensory: Dual

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Long term support - Community: LA managed personal budget (including payment schemes)      See the definition above for Physical: Access and Mobility Only and relate it to Sensory: Dual

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Long term support - Community: LA commissioned services      See the definition above for Physical: Access and Mobility Only and relate it to Sensory: Dual

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Long term support - Community: Residential      See the definition above for Physical: Access and Mobility Only and relate it to Sensory: Dual

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Long term support - Community: Nursing      See the definition above for Physical: Access and Mobility Only and relate it to Sensory: Dual

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Short term support (which may include equipment as part of the care package)      See the definition above for Physical: Access and Mobility Only and relate it to Sensory: Dual

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Mental: Memory and Cognition      Include services attributable to adults where the primary support reason for their care is related to Mental: Memory and Cognition.  
Costs should be analysed according to the following age groups:

- adults 18 to 64
- older people 65 and over.

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Long term support - Community: Direct Payments      See the definition above for Physical: Access and Mobility Only and relate it to Mental: Memory and Cognition

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Long term support - Community: LA managed personal budget (including payment schemes)      See the definition above for Physical: Access and Mobility Only and relate it to Mental: Memory and Cognition

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Long term support - Community: LA commissioned services      See the definition above for Physical: Access and Mobility Only and relate it to Mental: Memory and Cognition

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Long term support - Community: Residential      See the definition above for Physical: Access and Mobility Only and relate it to Mental: Memory and Cognition

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<u>Long term support - Community: Nursing</u>	<u>See the definition above for Physical: Access and Mobility Only and relate it to Mental: Memory and Cognition</u>
<u>Short term support (which may include equipment as part of the care package)</u>	<u>See the definition above for Physical: Access and Mobility Only and relate it to Mental: Memory and Cognition</u>
<u>Mental: Intellectual and Learning</u>	<p><u>Include services attributable to adults where the primary support reason for their care is related to Mental: Intellectual and Learning.</u></p> <p><u>Costs should be analysed according to the following age groups:</u></p> <ul style="list-style-type: none"> <li>• <u>adults 18 to 64</u></li> <li>• <u>older people 65 and over.</u></li> </ul>
<u>Long term support - Community: Direct Payments</u>	<u>See the definition above for Physical: Access and Mobility Only and relate it to Mental: Intellectual and Learning</u>
<u>Long term support - Community: LA managed personal budget (including payment schemes)</u>	<u>See the definition above for Physical: Access and Mobility Only and relate it to Mental: Intellectual and Learning</u>
<u>Long term support - Community: LA commissioned services</u>	<u>See the definition above for Physical: Access and Mobility Only and relate it to Mental: Intellectual and Learning</u>
<u>Long term support - Community: Residential</u>	<u>See the definition above for Physical: Access and Mobility Only and relate it to Mental: Intellectual and Learning</u>
<u>Long term support - Community: Nursing</u>	<u>See the definition above for Physical: Access and Mobility Only and relate it to Mental: Intellectual and Learning</u>
<u>Short term support (which may include equipment as part of the care package)</u>	<u>See the definition above for Physical: Access and Mobility Only and relate it to Mental: Intellectual and Learning</u>
<u>Mental: Psychological and Emotional</u>	<p><u>Include services attributable to adults where the primary support reason for their care is related to Mental: Psychological and Emotional.</u></p> <p><u>Costs should be analysed according to the following age groups:</u></p> <ul style="list-style-type: none"> <li>• <u>adults 18 to 64</u></li> <li>• <u>older people 65 and over.</u></li> </ul>
<u>Long term support - Community: Direct Payments</u>	<u>See the definition above for Physical: Access and Mobility Only and relate it to Mental: Psychological and Emotional</u>

<a href="#"><u>Long term support - Community: LA managed personal budget (including payment schemes)</u></a>	<a href="#"><u>See the definition above for Physical: Access and Mobility Only and relate it to Mental: Psychological and Emotional</u></a>
<a href="#"><u>Long term support - Community: LA commissioned services</u></a>	<a href="#"><u>See the definition above for Physical: Access and Mobility Only and relate it to Mental: Psychological and Emotional</u></a>
<a href="#"><u>Long term support - Community: Residential</u></a>	<a href="#"><u>See the definition above for Physical: Access and Mobility Only and relate it to Mental: Psychological and Emotional</u></a>
<a href="#"><u>Long term support - Community: Nursing</u></a>	<a href="#"><u>See the definition above for Physical: Access and Mobility Only and relate it to Mental: Psychological and Emotional</u></a>
<a href="#"><u>Short term support (which may include equipment as part of the care package)</u></a>	<a href="#"><u>See the definition above for Physical: Access and Mobility Only and relate it to Mental: Psychological and Emotional</u></a>
<a href="#"><u>Social: Substance Misuse</u></a>	<p><a href="#"><u>Include services attributable to adults where the primary support reason for their care is related to Social: Substance Misuse. Include services where the need for support arises primarily as a result of:</u></a></p> <ul style="list-style-type: none"> <li><a href="#"><u>• Alcohol abuse</u></a></li> <li><a href="#"><u>• Drug abuse</u></a></li> <li><a href="#"><u>• Other substance abuse, eg solvents.</u></a></li> </ul> <p><a href="#"><u>Costs should be analysed according to the following age groups:</u></a></p> <ul style="list-style-type: none"> <li><a href="#"><u>• adults 18 to 64</u></a></li> <li><a href="#"><u>• older people 65 and over.</u></a></li> </ul>
<a href="#"><u>Long term support - Community: Direct Payments</u></a>	<a href="#"><u>See the definition above for Physical: Access and Mobility Only and relate it to Social: Substance Misuse</u></a>
<a href="#"><u>Long term support - Community: LA managed personal budget (including payment schemes)</u></a>	<a href="#"><u>See the definition above for Physical: Access and Mobility Only and relate it to Social: Substance Misuse</u></a>
<a href="#"><u>Long term support - Community: LA commissioned services</u></a>	<a href="#"><u>See the definition above for Physical: Access and Mobility Only and relate it to Social: Substance Misuse</u></a>
<a href="#"><u>Long term support - Community: Residential</u></a>	<a href="#"><u>See the definition above for Physical: Access and Mobility Only and relate it to Social: Substance Misuse</u></a>

<u>Long term support - Community: Nursing</u>	<u>See the definition above for Physical: Access and Mobility Only and relate it to Social: Substance Misuse</u>
<u>Short term support (which may include equipment as part of the care package)</u>	<u>See the definition above for Physical: Access and Mobility Only and relate it to Social: Substance Misuse</u>
<u>Social: Asylum Seeker</u>	<p><u>Include services attributable to adults where the primary support reason for their care is related to Social: Asylum Seeker.</u></p> <p><u>Costs should be analysed according to the following age groups:</u></p> <ul style="list-style-type: none"> <li>• <u>adults 18 to 64</u></li> <li>• <u>older people 65 and over.</u></li> </ul>
<u>Long term support - Community: Direct Payments</u>	<u>See the definition above for Physical: Access and Mobility Only and relate it to Social: Asylum Seeker</u>
<u>Long term support - Community: LA managed personal budget (including payment schemes)</u>	<u>See the definition above for Physical: Access and Mobility Only and relate it to Social: Asylum Seeker</u>
<u>Long term support - Community: LA commissioned services</u>	<u>See the definition above for Physical: Access and Mobility Only and relate it to Social: Asylum Seeker</u>
<u>Long term support - Community: Residential</u>	<u>See the definition above for Physical: Access and Mobility Only and relate it to Social: Asylum Seeker</u>
<u>Long term support - Community: Nursing</u>	<u>See the definition above for Physical: Access and Mobility Only and relate it to Social: Asylum Seeker</u>
<u>Short term support (which may include equipment as part of the care package)</u>	<u>See the definition above for Physical: Access and Mobility Only and relate it to Social: Asylum Seeker</u>
<u>Social: Carer Support</u>	<p><u>Include services attributable to adults where the primary support reason for their care is related to Social: Carer Support.</u></p> <p><u>Costs should be analysed according to the following age groups:</u></p> <ul style="list-style-type: none"> <li>• <u>adults 18 to 64</u></li> <li>• <u>older people 65 and over.</u></li> </ul>
<u>Long term support - Community: Direct Payments</u>	<p><u>Costs should be analysed according to age: adults (18 to 64) and older people (65+).</u></p> <p><u>Include the value of direct payments made to support carers.</u></p>

	<u>Include the costs of administering the payments to carers and grants to voluntary organisations that support direct payments users.</u>
<u>Long term support - Community: LA managed personal budget (including payment schemes)</u>	<u>See the definition above for Physical: Access and Mobility Only and relate it to Social: Carer Support</u>
<u>Long term support - Community: LA commissioned services</u>	<u>See the definition above for Physical: Access and Mobility Only and relate it to Social: Carer Support</u>
<u>Long term support - Community: Residential</u>	<u>See the definition above for Physical: Access and Mobility Only and relate it to Social: Carer Support</u>
<u>Long term support - Community: Nursing</u>	<u>See the definition above for Physical: Access and Mobility Only and relate it to Social: Carer Support</u>
<u>Short term support (which may include equipment as part of the care package)</u>	<u>See the definition above for Physical: Access and Mobility Only and relate it to Social: Carer Support</u>
<u>Equipment and Tele-care (only)</u>	<p><u>Costs should be analysed according to age:</u></p> <ul style="list-style-type: none"> <li>● <u>adults (18 to 64)</u></li> <li>● <u>older people (65+).</u></li> </ul> <p><u>Include costs attributable to all adults regardless of their primary support reason.</u></p> <p><u>Includes:</u></p> <ul style="list-style-type: none"> <li>● <u>Prevention Services</u></li> <li>● <u>Assistive Equipment/Minor Adaptations and Technology.</u></li> </ul> <p><u>Exclude equipment grant-aided by central government or funded by the authority's Housing Service.</u></p>
<u>Social Work Activities (non-attributable costs)</u>	<p><u>Includes any staff or other revenue expenditure associated with social work practise in relation to supporting individuals through some form of referral, assessment or care management process.</u></p> <p><u>Exclude any expenditure associated with Commissioning or Infrastructure.</u></p> <p><u>Exclude expenditure associated with the resulting care, support and daily living solutions themselves, whether low-level preventative: short or longer-term.</u></p>
<u>Assessment</u>	<p><u>Front-line assessment of clients, including:</u></p> <ul style="list-style-type: none"> <li>● <u>through any initial screening/allocation work or intake teams.</u></li> </ul>
<u>Review</u>	<u>Front-line reviews of clients, including:</u>

- through reviewing activities or teams.

Care Management

Providing other care management activities with clients, such as detailed planning of their support to meet their eligible needs, in-house brokerage and navigation; 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.

Includes support provided to other agencies in the safeguarding process.

Exclude expenditure incurred by other agencies in this process (unless specifically commissioned to do so by the Council, eg an advocacy service).

Social Care Universal Services (non-attributable costs)

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

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

Exclude any expenditure associated with Commissioning or Infrastructure.

Exclude expenditure associated with the resulting care, support and daily living solutions themselves, whether low-level preventative; short or longer-term.

Information and Advice

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

Screening and signposting (contact centre)

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).

Advocacy

Costs of supporting advocacy and associated functions.

Development and Infrastructure (non-attributable costs)

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

Exclude front-line facilitation of access of clients 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 or longer-term.

Commissioning or commissioning-related functions

Includes:

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

- 
- business planning (including business development, performance and budget planning and monitoring);
  - commissioning, procurement and management (including market management, contract procurement and provider monitoring);
  - communications
  - governance and support - (eg admin, finance, IT and information management support, legal, non-front line quality assurance, audit and risk management);
  - responding to complaints and complaint management.
- 

Infrastructure

Includes:

- building and premises management;
  - IT
- 

Note 1: The Health and Social Care Information Centre (HSCIC) will not require the analysis of Social Work Activities: Social Care Universal Services and Development and Infrastructure in 2013/14 but it will be mandatory in 2014/15

Note 2: The HSCIC intend to request additional financial data for each category relating to older people (65+) analysed on a voluntary basis for 2013/14. The additional voluntary analysis will be for older people aged 65 to 74 and older people aged 75+. This voluntary analysis is expected to become a mandatory requirement in 2014/15.

Note 3: The HSCIC intend to collect some data comparable to that collected in previous years for one or two bridging years in order to maintain a minimum time series (in 2013/14 and possibly 2014/15). The proposed data items would be collected for two age groups 18-64 and 65+ only and including the apportionment of overheads. The required analysis will be as follows:

- Total gross and net expenditure on residential services;
- Total gross and net expenditure on community services;
- Total gross and net expenditure on direct payments;
- Total gross and net expenditure on assessment and care management;
- Other gross and net expenditure;
- Grand total of gross and net expenditure (which should be available from the new data collection).

Note 4: The HSCIC will also require a subset of long term and short term attributable data to be analysed according to health condition or cognitive disability in 2014/15. The categories are:

- Long term condition - Physical:
  - Chronic Obstructive Pulmonary Disease (COPD)
  - Cancer

- o Acquired Physical Injury
  - o Other
- Long term condition - Neurological:
  - o Stroke
  - o Parkinsons
  - o Motor Neurone
  - o Acquired Brain Injury
  - o Other
- Sensory impairment
  - o Registered Blind
  - o Deaf
  - o Other
- Learning or Intellectual Disability
  - o Learning Disabled
  - o Autism
  - o Ausbergers
  - o Other
- Mental Health condition
  - o Dementia
  - o Other



# Adult Social Care (Wales)

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

\*SAME AS PREVIOUS 2012/13 ADULT SOCIAL CARE FOR ENGLAND AND WALES\*

# 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 FIVE:  
OTHER OPERATING INCOME AND EXPENDITURE

## PART ONE: SERVICE EXPENDITURE ANALYSIS FOR CENTRAL SERVICES

### 1.0 INTRODUCTION

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- 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  
Part Five: Other Operating Income and Expenditure.

### 2.0 STATUS AND IMPLEMENTATION

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- 2.1 This SEA for Central Services replaces all previous versions issued by CIPFA and is mandatory for English and Welsh authorities from 1 April 201~~32~~<sup>32</sup>. 201~~32~~/~~14~~<sup>32</sup>/~~14~~<sup>32</sup> SeRCOP applies to the following statutory disclosures:  
201~~32~~/~~14~~<sup>32</sup> Budgets  
201~~32~~/~~14~~<sup>32</sup> Performance Indicators  
201~~32~~/~~14~~<sup>32</sup> Statement of Accounts.

### 3.0 UPDATING THE GUIDANCE

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- 3.1 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 SeRCOP 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, SeRCOP)

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, SeRCOP)

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	(a) <b>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 5.1.1).</b>

- 
- (b) The costs associated with local government reorganisation (see paragraph 5.1.1).
  - (c) The costs associated with officer time spent on appropriate advice and support activities (see paragraph 5.1.2).
  - (d) Subscriptions to local authority associations and provincial councils.
- 

Corporate  
Management

- (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.
  - (b) Maintaining statutory registers, eg of politically sensitive **posts, unused land, payments to members and members' interests**.
  - (c) Providing information required by members of the public in the exercise of statutory rights (other than about specific services).
  - (d) Completing and submitting and/or publishing all service staffing returns, Statements of Accounts, annual reports, public performance reports and Best Value performance plans.
  - (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.
  - (f) The costs of statutory external audit.
  - (g) The costs of external inspections.
  - (h) The costs of treasury management.
  - (i) Bank charges, other than those that relate to accounts operated on a decentralised basis.
  - (j) The costs associated with supporting a local strategic partnership.
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(Section 2, S~~e~~R~~C~~O~~P~~)

## 5.0 GUIDANCE ON WHAT TO INCLUDE IN CDC COSTS

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### 5.1 Democratic Representation and Management

5.1.1 Section 2 of S~~e~~R~~C~~O~~P~~ 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 ceremonies, 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 section 114 of the Local Government Finance Act 1988 and section 5 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

### 5.2.1 Section 2 of SeRCOP 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

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6.1 Section 2 of SeRCOP 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, SeRCOP)

6.2 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 SeRCOP 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.”*

6.3 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

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7.1 The definition of total cost in Section 2 SeRCOP 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, SeRCOP)

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. SeRCOP, 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) curtailments (if any)*

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

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

*(ef) impairment losses relating to assets under construction, non-current assets held for sale, 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*

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

(Paragraph 2.45, Section 2, SeRCOP)

**Comment [LD1]:** Changed in accordance with amendments to IAS 19 introduced by the 2013/14 Code (see paragraph 2.45 of Section 2)

## 8.0 GUIDANCE ON WHAT TO INCLUDE IN NON DISTRIBUTED COSTS

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

### Retirement Benefits

- 8.2 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 and curtailments~~) will be excluded from the definition of total costs of services and are defined as Non Distributed Costs (NDC).

**Comment [LD2]:** Changed in accordance with amendments to IAS 19 introduced by the 2013/14 Code (see paragraph 2.45 of Section 2)

### The Costs of Unused Shares of IT Facilities and Other Assets

- 8.3 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.
- 8.4 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.
- 8.5 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

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- 9.1 The argument given in Section 2 of SeRCOP that accounts such as the HRA should make a contribution to CDC costs is also extended to NDC (see paragraph 6.1 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 and curtailments) 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.

9.3 Such contributions will need to comply with the definition of NDC at Section 2 of S&RCOP.

**Comment [LD3]: Changed in accordance with amendments to IAS 19 introduced by the 2013/14 Code (see paragraph 2.45 of Section 2)**

## 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 <del>Support</del> benefits administration Council tax discounts <a href="#">Local Council Tax Support Scheme</a> <del>Council tax</del> <del>benefits</del> 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	
<a href="#">Local Welfare Assistance Schemes</a>	
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

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### 11.1 Local Tax Collection

11.1.1 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, ~~council tax benefits~~ 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~~.

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

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

11.1.4 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.

11.1.5 The following service subdivisions are recommended:

Council tax collection

Council tax ~~benefits support~~ administration

Council tax discounts

~~Council tax benefits~~ Local council tax support scheme (see Note 1)

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 1: ~~Since 2006/07, the DWP notifies authorities of individual separate amounts of housing and council tax benefits administration subsidy. Instead, an overall total 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 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 Circular HB/CTB/S2/2006 for further background to this change.~~

~~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~~

~~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

11.2.1 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 SeRCOP is that the gross costs and gross income should each be shown. They should not be netted off against each other.

## 11.3 Elections

11.3.1 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.

- 11.3.2 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.
- 11.3.4 Within the Elections service division, there are two subdivisions:
- Registration of electors
  - Conducting elections.

## 11.4 Emergency Planning

- 11.4.1 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

- 11.5.1 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.

## 11.6 General Grants, Bequests and Donations

- 11.6.1 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**

**11.7.1** 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

**11.8.1** 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.



## PART FIVE: OTHER OPERATING INCOME AND EXPENDITURE

### 12.0 INTRODUCTION

12.1 Other Operating Income and Expenditure covers all those cost and income items that arise as a result of running a local authority service that do not form part of the costs of any one service. They are costs that fall within the determination of Surplus or Deficit on the Provision of Services, but not within Net Cost of Services as defined by Section 2 of SeRCOP. Table 3 below illustrates the standard classification for this heading.

Table 3: Other Operating Income and Expenditure

Division of Service- (Mandatory)	Subdivision of Service- (Discretionary)
Precepts and Levies	Individual precepting authorities and levying bodies
Trading Account Surpluses and Deficits	Individual trading accounts
External Interest Payable	
Interest and Investment Income	
Pensions Interest Cost and Expected Return on Assets	

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### 13.0 GUIDANCE ON WHAT TO INCLUDE IN EACH DIVISION OF SERVICE

#### 13.1 Precepts and Levies

13.1.1 This includes precepts of local precepting authorities, such as parish councils, and levies by bodies such as the National Rivers Authority, which are not a charge on the collection fund. It is good practice to have a separate subdivision of service for each precepting authority or levying body.

## 13.2 Trading Account Surpluses and Deficits

~~13.2.1 Profits, such as dividends from subsidiary and associated companies, may be passed on to parent authorities. Relevant losses may have to be borne by them if not met from the company's reserves. All such income and expenditure should be included within other operating costs, alongside any surpluses and deficits that relate to expenditure that cannot be allocated to any of the other divisions or subdivisions of service in the SEA in Section 3 (see paragraph 2.39 of SeRCOP).~~

~~13.2.2 For further guidance on accounting for trading account surpluses and deficits, see paragraphs 2.31– 2.39 of SeRCOP.~~

## 13.3 External Interest Payable

~~13.3.1 This includes all external interest payable and similar charges whether on loan debt or other long term liabilities such as finance leases and includes the write-off and amortisation of premiums and discounts.~~

## 13.4 Interest and Investment Income

~~13.4.1 General Fund and County Fund balances often contribute significantly to interest-receivable and payable. It would, however, be laborious to apportion this interest to each service, and it would in any case be found to be attributable to many causes which are not related to the provision of services, such as council tax collection and uncleared cheques. Along with investment income, this interest is, therefore, treated as Other Operating Income and Expenditure.~~

## 13.5 Pensions Interest Costs and Expected Return on Assets

~~13.5.1 Pensions interest costs and expected return on assets should be recognised in the financing and investment income and expenditure section of the Comprehensive Income and Expenditure Statement. For further detail, see the current *Code of Practice on Local Authority Accounting in the United Kingdom*.~~

# Children's and Education Services

PART ONE:

SERVICE EXPENDITURE ANALYSIS FOR CHILDREN'S AND EDUCATION SERVICES – EDUCATION SERVICES

PART TWO:

SERVICE EXPENDITURE ANALYSIS FOR CHILDREN'S AND EDUCATION SERVICES – CHILDREN'S SOCIAL CARE

PART THREE:

GUIDANCE NOTE: COMPLETING THE SERVICE EXPENDITURE ANALYSIS FOR CHILDREN'S AND EDUCATION SERVICES

PART FOUR:

GUIDANCE NOTE: WHAT TO INCLUDE IN EACH DIVISION OF SERVICE – EDUCATION SERVICES

PART FIVE:

GUIDANCE NOTE: WHAT TO INCLUDE IN EACH DIVISION OF SERVICE – CHILDREN'S SOCIAL CARE

## PART TWO: SERVICE EXPENDITURE ANALYSIS FOR CHILDREN'S AND EDUCATION SERVICES – CHILDREN'S SOCIAL CARE

Divisions of Service (Mandatory)	Subdivisions of Service (Discretionary)
Service Strategy	<ul style="list-style-type: none"> <li>Children's and young people's plan</li> <li>Partnership costs</li> <li>Central commissioning function</li> <li><a href="#">Strategic management</a></li> <li><a href="#">Complaints procedures-</a></li> </ul>
Commissioning and Social Work	
Children Looked After	<ul style="list-style-type: none"> <li>Residential care</li> <li>Secure accommodation (welfare)</li> <li>Fostering services</li> <li>Short breaks (respite) for <a href="#">disabled</a> children looked after</li> <li>Children placed with family and friends</li> <li>Advocacy services for children looked after</li> <li>Education of children looked after</li> <li>Leaving care support services</li> <li>Other children looked after services.</li> </ul>
Family Support Services	<ul style="list-style-type: none"> <li>Direct payments</li> <li>Home care</li> <li>Equipment and adaptations</li> <li>Short breaks (respite) for disabled children</li> <li><a href="#">Substance misuse service</a></li> <li>Contribution to health care of individual children</li> <li>Teenage pregnancy services (<a href="#">other than the cost of implementing and co-ordinating local teenage pregnancy strategies to reduce under-18 conceptions.</a>)</li> <li>Other <a href="#">Children's and Education</a> family support services.</li> </ul>
Youth Justice	<ul style="list-style-type: none"> <li>Secure accommodation (youth justice)</li> <li>Youth offender teams</li> <li>Other youth justice services.</li> </ul>

Divisions of Service (Mandatory)	Subdivisions of Service (Discretionary)
Children's and Young People's Safety	Child death review process Preventative services LA functions in relation to child protection Local safeguarding children board.
Asylum Seekers	Assessment and case management Unaccompanied children Families.
<b>Other Children's and Families' Services</b>	Adoption services <a href="#">Teenage pregnancy services (the cost of implementing and co-ordinating local teenage pregnancy strategies to reduce under-18 conceptions.)</a> Special guardianship support <a href="#">Substance misuse services</a> <b>Other children's and families' services.</b>
Support Service and Management Costs (optional holding accounts) Note: all costs accounted for in these accounts should be allocated directly or apportioned to the service divisions above before the accounts are closed. Apportionment bases should be determined in accordance with the guidance in Chapter 2, Section 4 of SeRCOP.	Management and administration Central advisory, policy and development units (including BV) Information and communication technology Training Transport (other than for clients) Catering (other than for clients) Personnel/HRM Finance (including internal audit) Legal services Property services Quality assurance Contract negotiation Welfare rights service Generic advocacy services Others not specified above.

Note 1: It is the intention of the Children's and Education Services SEA (introduced in the 2007 BVACOP SEA) to reflect 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 also between England and Wales. However, by retaining the mandatory

**divisions for Education Services and Children's Social Care set out in the 2006 BVACOP**, authorities should be able to account for these services on a basis 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: SeRCOP 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 above services between in-house and bought-in provision.

Note 5: Apportionment bases should be determined in accordance with the guidance in Section 2 of SeRCOP.

PART FIVE:  
GUIDANCE NOTE:  
WHAT TO INCLUDE IN EACH DIVISION OF SERVICE – **CHILDREN'S  
SOCIAL CARE**

Service Divisions and Subdivisions	Includes
Service Strategy	
<b>Children's and young people's plan</b>	This should include costs of developing, conducting and analysing the results of a needs assessment against the five Every Child Matters outcomes, consulting the full range of partners, including schools, as required. It also includes production, publication and distribution of the CYPP and all work associated with annual reviews.
Partnership costs	Includes multi-agency working – contributions from the local authority to partnership manager and other costs. It would not include pooled budget contributions for specific front-line services.
Central commissioning function	<p>This should include the costs of the following commissioning processes:</p> <ul style="list-style-type: none"> <li>Understanding and assessing needs such as the collection and analysis of relevant data, participation with stakeholders (particularly children, young people and families) and development of needs assessments (including joint strategic needs assessments)</li> <li>Service planning and design, including engagement with providers and market development activity</li> <li>Procurement and contracting of services</li> <li>Reviewing and monitoring of services in order to support better commissioning going forwards.</li> </ul> <p>Also include any costs of services that are bought in from outside the local authority to support the central commissioning function.</p>
<u>Strategic management</u>	<p><u>The relevant director of children's services (such part as attributed to children's social services function) and his or her personal administrative support. The relevant director and his or her staff are expected to contribute the majority of the strategic input to liaison and joint arrangements with outside and partnership bodies.</u></p> <p><u>It is recognised that other staff will also contribute to strategic activity, but making consistent and accurate estimates of their input is difficult and time consuming and the likely impact on comparisons is minor. Therefore, the costs of other staff time involved in strategic planning and partnership</u></p>

Service Divisions and Subdivisions	Includes
	<p><u>arrangements are not included in this definition. Similarly, some operational input by the relevant director and his or her personal staff is inevitable, but it is ignored as its impact is unlikely to be material and accurate quantification is difficult.</u></p>
<u>Complaints procedures</u>	<p><u>Include the relevant costs of the complaints procedure required by the Children Act 1989.</u></p>
Commissioning and Social Work	<p>Social workers are directly involved with the care of children and with the commissioning of services for children. Include most of the direct social <b>work costs and the commissioning costs for children's services here.</b></p> <p>Include the processes for assessing need, determining and defining the service to be provided and reviewing the quality of and continued relevance of that care for children. Also include:</p> <p>Field social work costs (including hospital social workers)</p> <p><b>Children's and adolescents' mental health services</b></p> <p>Occupational therapy services to children</p> <p>Relevant support staff costs</p> <p>The costs of attending, administering and facilitating the work of the local safeguarding children board</p> <p>Child protection social work costs.</p> <p>Exclude social work costs in support of foster carers and adoptive families <b>and with asylum seekers' children.</b></p>
Children Looked After	<p>Include the costs of looking after children for continuous periods of more than 24 hours.</p>
Residential care	<p>Include expenditure on residential care in voluntary children's and registered children's homes as defined in the Children Act 1989. It includes:</p> <p>Community homes</p> <p><b>Respite care in children's homes</b></p> <p>Associated independent visitor costs and relevant contact payments under sections 20 to 34 of the Children Act 1989</p> <p>Homes where education is provided, but does not attract schools budget funds</p> <p>Boarding schools. Include the social care share of the costs of community homes with education provision and the social care element of accommodating children with special education needs in schools where the education element is chargeable against schools budget.</p>



Service Divisions and Subdivisions	Includes
	<p>Exclude mother and baby homes (included in Other children looked after services) and secure units attached to community homes (included in Secure accommodation (welfare) below or the Secure accommodation (justice) subdivision of Youth Justice). Exclude also respite care for those children not meeting the definition of Children Looked After.</p>
Secure accommodation (welfare)	<p>Include the costs of providing or purchasing secure accommodation for children who pose a risk to themselves or to others or have a secure accommodation requirement for welfare, rather than youth justice reasons, under the Children Act 1989.</p>
Fostering services	<p>Include all fees and allowances paid to foster carers and the costs of social worker and other support staff who support foster carers. Include:</p> <ul style="list-style-type: none"> <li>Training for foster carers</li> <li>Mainstay placements</li> <li>Link placements</li> <li>Permanence placements</li> <li>Temporary/respite fostering</li> </ul> <p>Placements with relatives/friends, other than a parent, under foster care <b>arrangements (see 'Other children looked after services', below)</b></p> <p>Placed pending adoption under s13(1) of the Adoption Act 1976</p> <p>Associated independent visitor costs and relevant contact payments under sections 20 to 34 of the Children Act 1989.</p> <p>Exclude remand fostering (Other youth justice services, below) and social <b>work costs related directly to the fostered children (Children's Services – Commissioning and Social Work, above).</b></p>
Short breaks (respite) for <a href="#">disabled</a> children looked after	<p>Include all provision for short breaks (respite) services for disabled children who are deemed looked after. Include:</p> <ul style="list-style-type: none"> <li>short breaks utilising a residential setting</li> <li>family-based overnight and day care short-break services – including those provided through contract and family link carers</li> <li>sitting or sessional <b>short-break services in the child's home, or supporting the child to access activities in the community.</b></li> </ul> <p><b>Exclude any break exceeding 28 days' continuous care and costs associated with providing disabled children's access to residential universal services.</b></p>
Children placed with family and friends	<p><b>Includes costs on the authority's children placed with family and friends functions under the Children Act 1989.</b></p>

Service Divisions and Subdivisions	Includes
Advocacy services for children looked after	Include advocacy services for children looked after.
Education of looked after children	Include costs on the services provided to promote the education of children looked after by the authority (eg looked after children education service teams and training for designated teachers). Individual support for children looked after should not be included here – include within Secure Accommodation (Welfare). Exclude any funding delegated to schools for looked after children.
Leaving care support services	<b>Include here the authority's leaving care support services functions under the Children (Leaving Care) Act 2000.</b>
Other children looked after services	<p>Include support to looked after young people:</p> <ul style="list-style-type: none"> <li>In NHS/other establishments providing nursing/medical care</li> <li>Residential, respite and emergency nights in residential beds at family centres</li> <li>In lodgings or hostels</li> <li>In mother and baby homes</li> <li>Living independently in flats, bed and breakfast establishments or with friends</li> <li>In residential employment</li> <li>Placed with their parent or person with parental responsibility</li> <li>Independent visitor costs and relevant contact payments under sections 20 to 34 of the Children Act 1989 not included under 'Children's homes' or 'Fostering services', above.</li> </ul>
Family Support Services	Include statutory services provided to children in need and voluntary aid to other children.
Direct payments	Include the value of direct payments made to 16- and 17-year-olds who are disabled under s17(10) of the Children Act 1989, payments made to the carers (eg parents) of disabled children aged under 18 and payments made to 16- and 17-year-olds who act as carers for the purchase of care services. Also include the costs of administering the payments.
Home care	<p>Include home care provided to help a carer look after a child at home. For example:</p> <ul style="list-style-type: none"> <li>Home helps</li> <li>Domiciliary care assistants</li> <li>Home care assistants</li> </ul>

Service Divisions and Subdivisions	Includes
	<p>Others providing non-therapeutic support</p> <p>Support or payments to voluntary workers/organisations providing home care services</p> <p>The costs of the administration of home care for children.</p>
Equipment and adaptations	<p>Include the local authority's contribution to:</p> <p>Adaptations to homes to help children remain at home</p> <p>Disability equipment for children</p> <p>Special telephones for the use of children</p> <p>Other communications equipment</p> <p>Stores, delivery and other associated costs.</p> <p>Exclude contributions by the Housing Service.</p>
Short breaks (respite) for disabled children	<p>Include all provision for short-breaks (respite) services for disabled children in need but not looked after. Include the costs of:</p> <p>Short breaks utilising a residential setting – including overnight stays, day care and sessional visits to the setting</p> <p>Family-based overnight and day care short-break services – including those provided through contract and family link carers</p> <p>Sitting or sessional short break services in the child's home, or supporting the child to access activities in the community.</p>
<del>Substance misuse services-</del>	<p><del>Includes the costs of implementing local young people's substance misuse strategies, to include the cost of specialist substance misuse treatment services and placements for under 18s, and targeted prevention initiatives.</del></p>
Contribution to health care of individual children	<p>Includes the cost of healthcare where there is a need to support a child. This includes non-statutory innovative initiatives or pilot programmes, eg family nurse partnerships. These could be initiatives funded solely by the local authority or jointly by the local authority and the primary care trust.</p>
Teenage pregnancy services	<p>Includes <del>the cost of implementing and co-ordinating local teenage pregnancy strategies to reduce under-18 conceptions and to improve</del> outcomes for teenage parents and their children reflecting the DfES planning guidance <i>Teenage Pregnancy Next Steps: Guidance for Local Authorities and Primary Care Trusts on Effective Delivery of Local Strategies</i> (July 2006) and the DCSF and DH planning guidance <i>Teenage Parents Next Steps: Guidance for Local Authorities and Primary Care Trusts</i> (July 2007).</p> <p><del>Do not include the cost of implementing and co-ordinating local teenage pregnancy strategies to reduce under-18 conceptions – this should be</del></p>

Service Divisions and Subdivisions

Includes

[shown under Other Children's and Families' Services.](#)

Other family support services

Include:

Children Act 1989 section 17 payments or gifts in kind to safeguard and promote the welfare of children in need

Community support workers (peripatetic support staff who supervise children living in the community and liaise with other agencies, CPNs, etc), outreach workers, family support or aid workers and others whose duties do not fit the home care definition

Expenditure on support for carers rather than clients (including young carers) that is not included in any of the other divisions of service

Family contact supervision

Residence orders paid for

**Respite care in children's homes for those** children not meeting the definition of Children Looked After.

Youth Justice

Include the costs of services related to young offenders.

Secure accommodation (youth justice)

Include the costs of providing or purchasing secure accommodation (except remand foster care in 'Other youth justice services', below) for children who pose a risk to themselves or to others, or have a security requirement placed on them for youth justice reasons under s53 of the Children and Young Persons Act 1933. Include all other remand facilities for a young offender, eg under s97 of the Crime and Disorder Act 1998.

Youth offender teams

Include the costs of social care staff and support facilities for youth offender teams under the Crime and Disorder Act 1998.

Other youth justice services

Include:

Community service costs

Remand fostering costs, ie payments to carers and supervision costs where a court has made an order that an alleged young offender should be held securely in the community rather than being placed in an institution

Bail support schemes

Other youth justice costs.

Children and Young

**People's Safety**

Child death review processes

Service Divisions and Subdivisions	Includes
Preventative services	Includes the costs of preventative services for children aged 5–13 years.
LA functions in relation to child protection	<b>Planned expenditure on carrying out the authority's functions under the Children Act 1989 and under section 175 of the Education Act 2002 and other functions relating to child protection.</b>
Local safeguarding children board	<b>Includes costs of the authority's local safeguarding children board functions under the Children Act 2004 and the Local Safeguarding Children Boards Regulations 2006.</b>
Asylum Seekers	Include services to unaccompanied children and families.
Assessment and care management	The process of receiving referrals, assessing need, defining eligibility and arranging for packages of care to be provided and reviewing the quality and continued relevance of that care for unaccompanied children and families. It includes field social work costs (including hospital social worker), other social care staff based in primary healthcare settings, occupational therapy services to unaccompanied children and families and relevant support staff costs.
Unaccompanied children	Include the costs of finding accommodation, ensuring education, etc, including the costs of peripatetic support workers and grants to voluntary organisations that support unaccompanied children. (NB this excludes unaccompanied asylum-seeking children who meet the definition of Children Looked After.)
Families	Include giving advice and assisting with accommodation, including the costs of peripatetic support workers and grants to voluntary organisations that support asylum-seeking families.
<b>Other Children's and Families' Services</b>	<b>Include children's and families' services not covered above. Specifically include the following.</b>
Adoption services	<p>Include adoption allowances paid and other staff and overhead costs associated with adoption including the costs of social workers seeking new and supporting existing adoptive parents.</p> <p>Exclude the costs of children placed for adoption (see Fostering services, above) and social work costs directly relating to the adopted children (see Commissioning and Social Work, above).</p>
<u>Teenage pregnancy services</u>	<p><u>The cost of implementing and co-ordinating local teenage pregnancy strategies to reduce under-18 conceptions.</u></p> <p><u>Do not include: improving outcomes for teenage parents and their children</u></p>

Service Divisions and Subdivisions	Includes
	<p><u>reflecting the DfES planning guidance <i>Teenage Pregnancy Next Steps: Guidance for Local Authorities and Primary Care Trusts on Effective Delivery of Local Strategies</i> (July 2006) and the DCSF and DH planning guidance <i>Teenage Parents Next Steps: Guidance for Local Authorities and Primary Care Trusts</i> (July 2007). This should be shown under Family support services.</u></p>
Special guardianship support	<p>Include financial support paid to special guardianship families under the Special Guardianship Regulations 2005 and other staff and overhead costs associated with Special Guardianship Orders.</p>
<u>Substance misuse services</u>	<p><u>Includes the costs of implementing local young people's substance misuse strategies, to include the cost of specialist substance misuse treatment services and placements for under 18s, and targeted prevention initiatives.</u></p>
Other children's and families' services	<p>Include:</p> <ul style="list-style-type: none"> <li>Grants to voluntary organisations that cannot be specifically placed under <b>another children's heading</b></li> <li>Counselling services</li> <li>Services to children under 18 where their need for support arises primarily from their having contracted HIV/AIDS.</li> </ul>
Support Service and Management Costs (optional holding account)	<p><b>Include here all support costs related to children's</b> social care, whether it is provided centrally by another department of the council, externally by a contractor or by staff employed within the social care directorate or department. Support and management costs are likely to include:</p> <ul style="list-style-type: none"> <li>Management and administration costs that cannot be directly allocated 100% to a particular division of service</li> <li>Central advisory, policy and development units (including Best Value)</li> <li>Information and communications technology</li> <li>Training for social care staff</li> <li>Transport (other than for clients)</li> <li>Catering (other than for clients)</li> <li>Personnel and human resources management</li> <li>Finance (including internal audit)</li> <li>Legal services</li> <li>Property services</li> <li>Quality assurance (including contracts compliance)</li> <li>Contract negotiation</li> <li>Welfare rights service to advise clients</li> </ul>

Service Divisions and  
Subdivisions

Includes

Generic advocacy services to represent clients

Interpretation and translation

Any other item not clearly related to a specific client group.

Note: all costs accounted for in these accounts should be allocated directly or apportioned to the service divisions above before the accounts are closed. Apportionment bases should be determined in accordance with the guidance in Section 2 of SeRCOP.

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# Cultural and Related Services

PART ONE:  
SERVICE EXPENDITURE ANALYSIS FOR CULTURAL AND RELATED SERVICES

PART TWO:  
GUIDANCE NOTE: COMPLETING THE SERVICE EXPENDITURE ANALYSIS FOR CULTURAL AND RELATED SERVICES

PART THREE:  
GUIDANCE NOTE: WHAT TO INCLUDE IN CULTURAL AND RELATED SERVICES



## PART THREE: GUIDANCE NOTE: WHAT TO INCLUDE IN CULTURAL AND RELATED SERVICES

### 1.0 INTRODUCTION

1.1 This guidance note covers expenditure on Cultural and Related Services. The Department for Culture Media and Sport (DCMS) defines culture as:

*“Culture has both a material and a value dimension and includes a wide range of activities including arts, media, sports, parks, museums, libraries, the built heritage, the countryside, playgrounds and tourism.”*

(Source: *Local Cultural Strategies*, DCMS, June 1999)

Service Divisions and Subdivisions	Includes
Culture and Heritage	Include here expenditure related to the arts and local history.
Archives	<p>Include here the cultural elements of local authority expenditure on the records in their custody under s224 of the Local Government Act 1972 and on promotion of the use of records of local interest under the Local Government (Records) Act 1962. The Act enables local authorities to promote the use of records held under the 1962 Act. Include all costs of the archive services provided under the 1962 Act here.</p> <p>Note: similar services provided under the Public Libraries and Museums Act 1964 should be included in the Library Service division, below.</p>
Arts development and support	<p>Include direct expenditure on the arts and grants or other contributions to individuals or voluntary organisations.</p> <p>Include expenditure on arts and crafts fairs and other events, <a href="#">arts development and support expenditure that takes place in community centres and halls (for libraries this cost derives from space in shared community facilities, the costs should be apportioned between the services as appropriate)</a>.</p>
Heritage	<p>Include expenditure on initiatives or services designed to develop/maintain an awareness of local history. Some grants to voluntary groups will be included here. Special events to celebrate historical events should also be included.</p>
Museums and galleries	<p>S12 of the Public Libraries and Museums Act 1964 empowers authorities to provide museums. Include the gross costs of running the museums and galleries here. <a href="#">This should include both the costs of museums directly provided by the authority, and those independent museums which are in receipt of a regular revenue subsidy</a>.</p>

Service Divisions and Subdivisions	Includes
	<p><u>from the authority.</u></p> <p>Income earned from visitors should be shown as gross income, not netted off against expenditure.</p>
Theatres and public entertainment	<p>Local authority entertainment powers are contained in s132 of the Local Government Act 1948 and s145 of the Local Government Act 1972. Include here expenditure on and income from:</p> <ul style="list-style-type: none"> <li>Theatres</li> <li>Concert halls</li> <li>Dance halls</li> <li>Other entertainment premises</li> <li>Holding dances</li> <li>Maintaining a band/orchestra</li> <li>Arranging events, eg concerts, pantomimes, etc</li> <li>Promoting events</li> <li>Providing refreshments at events</li> <li>Making grants to others who provide entertainment.</li> </ul>
Recreation and Sport	<p>S19 of the Local Government (Miscellaneous Provisions) Act 1976 empowers councils to provide or support recreation facilities. Include these expenses in this division of service.</p>
Community centres and public halls	<p>Include expenditure on premises provided for residents of an area to use, normally, in return for a hire charge. For example, include general purpose public halls that offer the following types of services: wedding receptions, local drama group plays, badminton, etc.</p> <p>Exclude premises used mainly for arts events, eg exhibitions, concerts etc, and those mainly for the use of council housing tenants that relate to the HRA.</p> <p>Exclude premises for hire which are integral with libraries, as this expenditure should be included under the Library Service.</p>
Foreshore	<p>Expenditure on the foreshore (land between the high water limit and the coastline proper) and associated promenade and piers. Include all expenditure on this area that cannot be placed in another division of service. For example, toilets will be <b>recorded as 'Public conveniences', and cleaning as 'Street cleansing', not 'Foreshore'.</b></p>
Sports development and community recreation	<p>Include development and outreach teams. Also include holiday play schemes for children.</p> <p>Specific grants to voluntary or other groups should also be recorded here.</p>

Service Divisions and Subdivisions	Includes
Indoor sports and recreation facilities	<p>Include indoor pools, sports halls and leisure centres, and any attached slipper baths, laundry services, hydrotherapy pools, etc.</p> <p>Note: where an indoor facility has some outdoor provision, eg a five-a-side football area, include all costs as Indoor.</p>
Outdoor sports and recreation facilities	<p>Include outdoor pools or lidos, running tracks, football pitches, pitch and putt courses, etc unless they are within the boundary of a larger community park (see below) or attached to an indoor facility. In such cases, code the full cost to the main facility, ie to the park or sports facility. Only grounds for which the only or primary use is as a sports ground should be costed here. Public parks that have common sporting facilities (football pitches, tennis courts, etc) but are otherwise used just as public parks should be fully costed to 'Community parks and open spaces' (below). Apportionments of cost in such cases are not necessary (unless there is a large and discrete sporting element in the park).</p>
Golf courses	<p>Golf courses are potentially large and material operations in their own right. They could easily distort comparisons, so they need to be shown separately. Include gross expenditure and gross income from players, refreshments sales, etc here.</p>
Open Spaces	<p>Include here expenditure on open spaces, parks, etc.</p>
Community parks and open spaces	<p>Include all public open spaces within the boundaries of a city, town or village, including the costs associated with play areas, nature corners and sports facilities that are an integral part of the park. Public parks that have common sporting facilities (football pitches, tennis courts, etc) but are otherwise used just as public parks should normally be fully costed here rather than under 'Outdoor sports and recreation facilities' (above). Apportionments of cost in such cases are not necessary (unless there is a large and discrete sporting element in the park).</p>
Countryside recreation and management	<p>Include facilities in country areas that are aimed at visitors but provide recreation facilities for residents as well, including:</p> <ul style="list-style-type: none"> <li>Country parks</li> <li>Camping/caravan parks (exclude travellers' sites – they are included in Housing General Fund expenses)</li> <li>Picnic areas</li> <li>Nature reserves</li> <li>Canal work</li> <li>Footpaths, bridleways and towpaths (including maintaining a map of, and enforcing, public rights of way).</li> </ul>
Allotments	<p>Include expenditure on allotments and rents collected from tenants here. S14 of the Agricultural Land Act 1931 empowers councils to provide allotments. Where</p>

Service Divisions and Subdivisions	Includes
	they do this, separate accounts showing the expenditure incurred and the rents collected are to be maintained under s14(6) of the Act.
Tourism	Include expenditure to encourage people to visit the area as allowed by s14(4) of the Development of Tourism Act 1969.
Tourism policy, marketing and development	<p>Include the costs of:</p> <ul style="list-style-type: none"> <li>Drawing up policies and strategies to develop and promote tourism in the area</li> <li>Undertaking qualitative and quantitative tourism research</li> <li>Promoting and advertising the area to potential visitors</li> <li>Developing and managing public/private tourism partnership</li> <li>Managing conference facilities and conference promotion</li> <li>Contributions to regional tourist boards, area tourism partnerships and destination management organisations</li> <li>Grants and loans given to support organisations offering attractions or other tourist-related facilities.</li> </ul>
Visitor information	Include the costs of information provided for visitors, eg maps, tourist guides, <b>what's on leaflets</b> , etc.
Visitor centres	Local authorities normally provide information offices, bureaux, etc for the provision of information to visitors. Include the costs of these offices here.
Library Service	<p>Libraries are a statutory service under the Public Libraries and Museums Act 1964. Include expenditure on this statutory service here.</p> <p><u>When local authorities are providing their statutory duties through a third party, be it through a contractual or a commissioned relationship, and be it with a private contractor or a community owned facility, this needs to be reflected within the costs of the service.</u></p>
Library buildings	<p>Include here the premises, staff and other costs associated with the provision of permanent libraries. Include any fees for overdue books or other services for which a fee is allowed here as gross income.</p> <p>Most permanent libraries provide a wealth of reference materials to assist users with all manner of needs, including research by local students, contact points for local clubs, etc. The costs of archives and records not kept under the Local Government (Records) Act 1962 should also be charged here.</p> <p>Building on the theme of cross-cutting issues, libraries are increasingly seen as local, multi-purpose resource centres. They can contribute to the local community in its widest sense. Hence, libraries hire out rooms for local clubs and meetings, offer drop-in centres, host community events like exhibitions and bring-and-buy</p>

Service Divisions and Subdivisions	Includes
	<p>fetes, etc. Expenditure on such community services and any income earned (eg room hire fees) should be recorded here.</p> <p>Where libraries occupy space in shared community facilities, the costs should to be apportioned between the services.</p>
Mobile and housebound library services	<p>Include expenditure on libraries that operate from vans, buses, trailers or any other mobile base. Also include here services to housebound library service users.</p> <p>Include any fees for overdue books or other services here as gross income.</p>
Service Management and Support Services (SMSS)	<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 <b>be allocated directly to the most appropriate service division, eg officers' time on the preparation of updates to and monitoring of:</b></p> <p>Local cultural plans should be charged to Culture and Heritage</p> <p>Sports and recreation strategies should be charged to Recreation and Sport.</p> <p>Other support services such as finance, IT, personnel, procurement, etc may need in part to be apportioned. Apportionment bases should be determined in accordance with the guidance in Section 2 of SeRCOP.</p>

# 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 THREE: GUIDANCE NOTE: WHAT TO INCLUDE IN EACH DIVISION OF SERVICE

Service Divisions and Subdivisions	Includes
<p>Transport Planning, Policy and Strategy</p>	<p>This division of service includes those costs associated with:</p> <ul style="list-style-type: none"> <li>Formulating transport, highways plans and policy including the associated research</li> <li>Working with developers to assess the impacts of developments on highways</li> <li>Highway/road issues relating to planning applications</li> <li>Highway adoptions</li> <li>Monitoring street works.</li> <li>Include network-related issues such as:               <ul style="list-style-type: none"> <li>Maintenance of a road network plan</li> <li>Information published to promote the road network.</li> </ul> </li> <li>Include the preparation of annual plans such as:               <ul style="list-style-type: none"> <li>The local transport plan</li> <li>The road safety plan</li> </ul> </li> <li>Contributing to unitary development plans</li> <li>Contributing to the regional transport strategy</li> <li>Contributing to structure plans.</li> <li>Include the following planning-related work:               <ul style="list-style-type: none"> <li>Giving a transport view of planning applications</li> <li>Assisting with searches</li> <li>The formal adoption of roads</li> </ul> </li> <li>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.</li> <li>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.</li> </ul> <p>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.</p>

Service Divisions and Subdivisions	Includes
Structural Maintenance	<p>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 roads.</p> <p><b>The 'Structural maintenance (principal roads and other roads)' subdivisions</b> of service do not include the structural maintenance and strengthening of bridges, for which there is a separate subdivision.</p> <p>The following subdivisions of service are included:</p> <ul style="list-style-type: none"> <li>Structural maintenance (principal roads)</li> <li>Structural maintenance (other roads)</li> <li>Bridges.</li> </ul>
Structural maintenance (principal roads)	<p>Structural maintenance includes:</p> <ul style="list-style-type: none"> <li>Reconstruction</li> <li>Overlay</li> <li>Resurfacing (including integral patching and minor repairs)</li> <li>Surface dressing (including integral patching and minor repairs)</li> <li>Remedial earthworks</li> <li>Drainage structures</li> <li>Fencing, walls and barriers</li> <li>Costs of third party liability claims related to structural defects on roads, footpaths, etc.</li> </ul> <p>Taking each element of structural maintenance in turn:</p> <p><i>Reconstruction</i> 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.</p> <p><i>Overlay</i> 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.</p> <p><i>Resurfacing</i> 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</p>



Service Divisions and Subdivisions	Includes
	<p>minor works.</p> <hr/> <p><i>Surface dressing</i>, 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 repairs or patching to prepare the road for resurfacing.</p> <p><i>Remedial earthworks</i> refers to the repair of earth slips and the provision of any necessary drainage and new retaining systems.</p> <p><i>Drainage structures</i> 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.</p> <p><i>Fences, walls and barriers</i> 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.</p> <hr/> <p><i>Third party liability claims</i> 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).</p> <p>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.</p> <hr/>
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

Service Divisions and Subdivisions

Includes

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 [GLGDCLG's RO2 form](#) and to avoid the 'distorting' impact of capital charges on the maintenance of roads.

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Capital charges relating to construction projects (principal roads)

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Capital charges relating to construction projects (other roads)

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Capital charges relating to construction projects (bridges)

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Capitalised scheme design and/or site supervision costs

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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

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Service Divisions and Subdivisions

Includes

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).  
Routine maintenance includes:  
Ad hoc, unplanned patching and minor repairs  
Drainage cleaning  
Cleaning of fencing, walls, barriers, etc  
Culverts and subways cleaning  
Routine inspections.

Environmental, Safety and Routine Maintenance (continued)

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 [GLDCLG](#) R02 return.

Service Divisions and Subdivisions	Includes
	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 <a href="#">CLDCLG</a> R02 form.
Traffic Management and Road Safety	The following subdivisions of service are included. Each is described further below: Traffic management 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.
Road safety education and safe routes (including school	This includes publicity, training and other initiatives to improve road safety including:

Service Divisions and Subdivisions	Includes
crossing patrols)	<p>Contributions to the Royal Society for the Prevention of Accidents (RoSPA)</p> <p>Cycling <del>training</del>proficiency/motorcycle proficiency</p> <p>Schools liaison</p> <p>Road safety literature</p> <p>Rehabilitation courses for motor offenders.</p> <p>Historically, school crossing patrols have sometimes been included within <b>authorities' Highways budgets and sometimes within Education budgets.</b> For ease of comparison, reported spending should now be consistently recorded in Highways not Education.</p> <p>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.</p>
Congestion charging	<p>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.</p>
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><b>Residents' parking permit schemes</b></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>

Service Divisions and Subdivisions	Includes
	<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> <p>Co-ordination.</p>
Statutory concessionary fares	<p>Costs (including administration) of providing the statutory National Concessionary Travel Scheme for Older People and for eligible disabled people.</p>
Discretionary concessionary fares	<p>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.</p> <p><a href="#">Please note that Education Travel should be included under the Children's and Education Services SEA.</a></p>
Support to operators	<p>This should include the third party payments made to:</p> <p>Public transport operators</p> <p>Park and ride operators</p> <p>Passenger transport executives as levies</p> <p>Voluntary groups providing quasi public transport, eg dial a ride schemes.</p> <p>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 SeRCOP.</p> <p>It is probable that authorities will wish to analyse each type of support</p>

Service Divisions and Subdivisions	Includes
	<p>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.</p>
Co-ordination	<p>This should include costs associated with the co-ordination of public transport services, including the:</p> <ul style="list-style-type: none"> <li>Provision of general information to the travelling public</li> <li>Revenue costs of investing in the public transport infrastructure, eg bus stations and bus shelters</li> <li>Costs of liaison with transport providers and the travelling public.</li> </ul>
Airports, Harbours and Toll Facilities	<p>This division of service includes expenditure and income related to directly owned facilities in the following categories:</p> <ul style="list-style-type: none"> <li>Airports</li> <li>Harbours, ports and docks</li> <li>Piers and jetties</li> <li>Toll roads/tunnels.</li> </ul> <p>Include expenditure and income from directly owned facilities here.</p> <p>Many of the items under this section will be trading units reported annually to the <a href="#">CLC/DCLG</a> on its form TSR (Trading Services). In each case, include gross costs on the total cost basis defined in Section 2 of SeRCOP, eg include capital charges and overheads and ensure that all income (such as toll payments) is recorded in full.</p> <p>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.</p>
Airports	<p>Note that where an authority owns or part-owns an airport company, its <b>share of the airport company's receipts and any revenue support given</b> should also be recorded here.</p>
Harbours/ports/docks	<p>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.</p>
Piers and jetties	
Toll roads/tunnels	

Service Divisions and Subdivisions

Includes

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.

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The following subdivisions of service are suggested and a brief description of their coverage is given below:

Management and administration

Professional and engineering

Highways properties.

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 SeRCOP.**

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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

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Service Divisions and Subdivisions	Includes
	<p>other MSS divisions or subdivisions of service (for example, the secretaries of engineering staff).</p> <p>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.</p> <p>Premises used exclusively for administration should be accounted for <b>under the 'Administration' subdivision, but where shared premises are involved, 'Administration' should only bear a proportion of the total cost</b> calculated on an appropriate basis. This same principle applies to other <b>subjective heads of expenditure covered by the 'Administration' subdivision of service. This also applies to 'Professional and engineering services', below.</b></p>
Professional and engineering services	<p>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.</p> <p>The previous standard form of accounts included a division of service called <b>'Professional and engineering services'. It contained a range of different</b> 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.</p>
Highways properties	<p>All income and expenditure associated with highways properties should be accounted for under this heading before being allocated to the most appropriate service division.</p>



# 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 and improvement orders 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/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 <b>Accommodation within the authority's own stock</b> (non-HRA) Accommodation within RSL stock Other temporary accommodation Prevention

Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
		Administration Support.
	Housing Benefits Payments (Note 3)	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	<b>Travellers' sites</b> Non-HRA council property.
	Supporting People (Note 4)	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: SeRCOP 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 3.1 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)

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- 2.1 Respondents in authorities with an HRA will be aware that the 2012/13 financial year is likely to see significant changes to the HRA in England. In February 2011, the DCLG set out its plans for the replacement of the Housing Revenue Account Subsidy System in England in the policy document *Implementing Self-Financing for Council Housing on the future financial arrangements for council housing*. The Localism Bill published in December 2010 includes measures to repeal the existing subsidy system and replace it with powers for the Secretary of State to introduce the self-financing system.
- 2.2 The self-financing system will be implemented through a one-off settlement payment to replace the subsidy system, leaving authorities with a level of HRA debt deemed affordable from rental income.
- 2.3 Also in February 2011, CIPFA issued the *Consultation on Proposed Capital Finance Arrangements under the New Housing Finance System*. This paper consulted on changes to the capital financing arrangements and included proposals on two areas: debt management arrangements and depreciation. The proposals discussed depreciation and impairment charges which would both need to be charged to the Housing Revenue Account (HRA) in accordance with the proper practice requirements specified by the Code. The consultation sought practitioners' views on the impact on the HRA in relation to depreciation of HRA assets not funded from borrowing and any impairment loss recognised on HRA assets. CIPFA issued further consultation on the calculation of the depreciation charge, to be applied to the HRA, in August 2011. This will be followed by a comprehensive guide to implementing the new self-financing system due to be published by CIPFA in December 2011.
- 2.4 On implementation of the new regime there are likely to be changes to the statutory accounting requirements for the HRA in England. However, as the Localism Bill is not expected to be enacted until late 2011, any use of the new powers for the Secretary of State to introduce the self-financing system would be subject to the passage of the Bill. The timescale for the introduction of these changes is likely to be outside the timetable for the production of the 2012/13 SeRCOP. Any changes to SeRCOP as a result of the introduction of the self-financing regime will therefore need to be implemented via a 2012/13 SeRCOP Update. It should be noted that this would not impact on the ability of housing authorities in England to implement any statutory accounting requirements introduced by the new self-financing system.

## 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.
	Non-dwelling Rents (Gross)	Garages Shops Land Other (eg pubs, telephone masts, wayleaves).
	<b>Tenants' Charges for Services and Facilities</b>	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> ).
	<b>Leaseholders' Charges for Services and Facilities</b>	
	Other Charges for Services and Facilities	Community centres Public houses.
	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.
	Reimbursement of Costs	Court costs, insurance and other income.



Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
	<b>HRA Subsidy Receivable (Note 4)</b>	
	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 (Note 45).
	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.
	<b>Subsidy Limitation Transfer to the GF (Note 56)</b>	
	Transfer of HRA Surplus to the General Fund	
	<b>Transfer of HRA Subsidy Surplus to CLG (Note 4)</b>	

Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
	Increase/(decrease) in Impairment of Debtors	
	Depreciation and Impairments of Fixed Assets ( <i>Note 567</i> )	Depreciation and impairment – dwellings Depreciation and impairment – all other HRA assets.
	<del>Amortisation of Deferred Charges and</del> Intangible Assets ( <i>Note 678</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		
	<b>HRA services' share of Corporate and Democratic Core</b>	
	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 <del>net interest on the net defined benefit liability (asset) pensions interest cost and expected return on pensions assets</del> ( <i>Note 789</i> )	
	HRA Investment Income ( <i>Note 8109</i> )	Mortgage interest on HRA properties sold under RTB

**Comment [LD4]: In accordance with amendments to IAS 19 introduced by the 2013/14 Code**

Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
		Interest on capital cash balances
		Interest on revenue cash balances.
	HRA share of capital grants and contributions receivable	
Surplus or deficit for the year on HRA Income and Expenditure Statement		
<u>Statement of Movement on the Housing Revenue Account Statement (England)</u>		
<u>Increase/(decrease) in the Housing Revenue Account Balance comprising:</u>		
	Surplus or deficit for the year on the HRA Income and Expenditure Statement	
	Difference between interest payable and similar charges including amortisation of premiums and discounts determined in accordance with the Code and those determined in accordance with statute	
	Difference between any other item of income and expenditure determined in accordance with the Code and those determined in accordance with statutory HRA requirements (if any)	
	Gain or loss on sale of HRA non-current assets (proceeds and carrying value adjusted against the Capital Receipts Reserve and the Capital Adjustment Account respectively)	
	HRA share of contributions to or from the Pension Reserve (Note 9)	
	Capital expenditure funded by the Housing Revenue Account (adjusted against the Capital Adjustment Account)	

Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
	Other transfers to/from the Capital Adjustment Account: examples include: Depreciation and impairment Capital grants and contributions HRA share of the Minimum Revenue Provision (Note 11)	
	Transfer to/from Major Repairs Reserve (Note 10)	
	Transfers to/from Housing Repairs Account	
	Sums directed by the Secretary of State to be debited or credited to the HRA that are not income or expenditure in accordance with IFRS	
	Sub total: Increase/(decrease) in the Housing Revenue Account Balance for the year	
	Housing Revenue Account Balance Brought Forward	
	Housing Revenue Account Balance Carried Forward	

Note 1: Since 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: 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. Specifically, authorities assumed to make a surplus on their HRA would account for the amount of that assumed surplus as an expenditure item, under transfer to CLG. Those that receive subsidy would account for this as an income figure.~~

Note 45: As detailed in the table in Part Four, paragraph 4.2, 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 56: 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 ~~567~~: 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 ~~678~~: This denotes the value of any charge calculated in accordance with proper practices in respect of ~~amortisation of deferred charges and~~ intangible assets attributable to the HRA. This should be disclosed in notes to the account.

Note ~~789~~: These are lines to accommodate pensions accounting within the HRA in accordance with IAS 19.

Note ~~894~~: Calculated in accordance with the item 8 determination.

Note ~~11~~: ~~The Housing Revenue Account — statutory Minimum Revenue Provision was abolished in 2004; however authorities' MRP policies may require debt repayment for certain types of borrowing.~~

## 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).
	<b>Tenants' Charges for Services and Facilities</b>	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> ).
	<b>Leaseholders' Charges for Services and Facilities</b>	
	Other Charges for Services and Facilities	Community centres Public houses.
	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 Expenditure	Repairs and Maintenance	Responsive Planned

Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
		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 <del>Deferred Charges</del> and Intangible Assets ( <i>Note 8</i> )	
	Debt Management Costs	

Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
	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 <a href="#">net interest on the net defined benefit liability (asset)</a> , <a href="#">pensions interest cost and expected return on pensions assets</a> (Note 9)	
	Transfers from the Council Fund as directed by Welsh Ministers (Note 10)	
	HRA Investment Income (Note 11)	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		
<a href="#">Statement of Movement on the Housing Revenue Account Statement (Wales)</a>		

**Comment [LD5]:** In accordance with amendments to IAS 19 introduced by the 2013/14 Code



Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
<del>Increase/decrease in the Housing Revenue Account Balance comprising:</del>		
<del>Surplus or deficit for the year on the HRA Income and Expenditure Statement</del>		
<del>Difference between interest payable and similar charges including amortisation of premiums and discounts determined in accordance with the Code and those determined in accordance with statutory HRA requirements</del>		
<del>Difference between any other item of income and expenditure determined in accordance with the Code and those determined in accordance with statutory HRA requirements</del>		
<del>Gain or loss on sale of HRA non-current assets (proceeds and carrying value adjusted against the Capital Receipts Reserve and the Capital Adjustment Account respectively)</del>		
<del>HRA share of contributions to or from the Pension Reserve (Note 8)</del>		
<del>Capital expenditure funded by the Housing Revenue Account (adjusted against the Capital Adjustment Account)</del>		
<del>Other transfers to/from the Capital Adjustment Account- examples include: Depreciation and impairment Capital grants and contributions Debit for Minimum Revenue Provision specified in the Item 8</del>		

Service	Division of Service (Mandatory)	Subdivision of Service (Discretionary)
	Determination	
	Transfer to/from Housing Repairs Account	
	Sums directed by Welsh Ministers that are not income or expenditure in accordance with IFRS	
	Transfer to/from the Council Fund	
	Sub total: Increase/(decrease) in the Housing Revenue Account Balance for the year	
	Housing Revenue Account Balance Brought Forward	
	Housing Revenue Account Balance Carried Forward	

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 4.2, 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 ~~deferred charges and~~ 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.

## PART FOUR: GUIDANCE NOTE: COMPLETING THE SERVICE EXPENDITURE ANALYSIS FOR HOUSING SERVICES

### 1.0 INTRODUCTION

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- 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

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#### 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.
- 2.2 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

- 2.3 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.
- 2.4 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 [GLGDLG](#) research have shown exist between different local authorities.

2.5 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 [GLGDCLG Housing Revenue Account Manual](#) advises what to credit to the HRA in England (latest revision 2007).

Chapter 6 of the [GLGDCLG 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/hrmanual0607](http://www.communities.gov.uk/publications/housing/hrmanual0607)).

The *Local Authority Housing* information stream provided by the CIPFA Technical Information Service ([www.tisonline.net](http://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

2.6 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.

2.7 Repairs and Maintenance is further split as follows:

#### Repairs and Maintenance Subdivisions

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.

- 2.8 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.
- 2.9 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.
- 2.10 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	<ul style="list-style-type: none"> <li>Include the costs of:</li> <li>HRA share of strategic management costs</li> <li>ALMO liaison</li> <li>PFI management</li> <li>Keeping registers and records of: <ul style="list-style-type: none"> <li>Dwellings and property</li> <li>Tenants</li> <li>Repairs work undertaken</li> </ul> </li> <li>Voids management and reduction</li> <li>Receipt and transmission of requests for repairs</li> <li>Management of improvement and modernisation</li> <li>Management of planned/programme maintenance</li> <li>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)</li> </ul>

Supervision and Management Subdivisions	<p>Includes</p> <ul style="list-style-type: none"> <li>Option appraisals</li> <li>Consultation with tenants under s105 of HA 1985</li> <li>Reviewing and setting rent levels, service charges and Supporting People charges.</li> </ul>
Managing tenancies	<p>Include the cost of:</p> <ul style="list-style-type: none"> <li>Giving information and advice on tenancy matters</li> <li>Statutory consultation with tenants about large-scale voluntary transfers of council housing stock (LSVT)</li> <li>Receiving tenancy applications/accessing eligibility</li> <li>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)</li> <li>Transfers and exchanges</li> <li>Tenancy regulations and agreements</li> <li>Advising tenants groups</li> <li>Facilitation of tenant participation</li> <li>Support to tenant management organisations formed under right to manage provisions of the Leasehold Reform, Housing and Urban Development Act 1993</li> </ul> <p><b>Producing/distributing tenants' reports</b></p> <ul style="list-style-type: none"> <li>Anti-social behaviour</li> <li>Community wardens.</li> </ul>
Rent collection, recovery and accounting	<p>Include the costs of:</p> <ul style="list-style-type: none"> <li>Preparation of the rent roll</li> <li>Rent collection</li> <li>Recovery of arrears, court action and evictions</li> <li>Advising tenants on benefit entitlement to minimise risk of arrears</li> <li>Rent accounting including internal audit activity.</li> </ul>
HRA contribution towards Corporate and Democratic Core (CDC) and Non Distributed Costs (NDC)	<p>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 SeRCOP for CDC and NDC definitions.)</p>

- 2.11 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

- 2.12 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 [GLGDCLG](#), 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 SeRCOP. 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 SeRCOP.
- 2.13 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 [GLGDCLG Housing Revenue Account Manual](#), Chapter 6, paragraph 6.9. It is important to note that each authority will need to satisfy itself that it has met the statutory requirements of the HRA.
- 2.14 **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

- 2.15 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

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### 3.1 Guidance on what to include in each division and subdivision follows:

#### Service Divisions and Subdivisions

#### Includes

Housing Strategy	<p>Review of housing needs, eg housing conditions survey</p> <p>Preparation of strategic plans eg home energy conservation plan</p> <p>Government initiative bids, eg Housing Market Renewal</p> <p>Preparing joint ventures</p> <p>Liaison with external bodies</p> <p>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).</p> <p>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.</p>
Enabling	<p>Include all costs associated with the enabling function of the authority including RSLs. Specifically show:</p> <p>Day-to-day liaison cost</p> <p>Nomination fees paid, except where related to homelessness</p> <p>Waiting list management.</p>
Housing Advice	<p>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.</p> <p>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.</p>
Housing Advances	<p>Include:</p> <p>Costs of administering advances to individuals to purchase their property under s435 of the HA 1985</p> <p><del>Amortised deferred charges</del></p> <p>Mortgage interest payments by the mortgagors should be shown here as income.</p>
Private Sector Housing Renewal	<p><b>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</b></p>

Service Divisions  
and Subdivisions

Includes

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 ~~amortised amortisation of deferred charges and~~ 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

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

Service Divisions and Subdivisions	Includes
	order or improvement notice on all or part of the house. The costs of these orders and enforcement are accounted for here.
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 agencies – revenue costs	Include revenue costs associated with home improvement agencies.
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. <i>Note:</i> include housing benefit paid to homeless people in the appropriate subdivisions below.
Hostels (non-HRA)	<b>Only include hostels used mainly to house the homeless, including women’s refuges.</b> 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	<b>Shared facilities ‘annexes’ also typically involve the use of units and annexes</b> 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 sector accommodation leased by your 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 sector accommodation	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

Service Divisions and Subdivisions	Includes
leased by RSLs	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 your own stock (non-HRA)	<b>Covers households placed in your own authority's stock.</b>
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

Service Divisions and Subdivisions	Includes
	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 payments	
Transitional measures transfers to/from HRA	Section 80(2) of the Local Government and Housing Act 1989 was repealed by the LGA 2003 and negative subsidy transfers made under that section came to an end from 1 April 2004. However, transitional measures have been put in place to allow a small number of authorities to continue to make equivalent transfers, if they wish, as a reducing amount and for a limited period.
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.
Contribution to the HRA re items shared by the whole community	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 <i>“upon local circumstances ... including the purpose of the provision and the use made of the facilities by tenants and other people”</i> (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: Play and other recreational areas Grassed areas Gardens Community centres Play schemes.
Other Council Property	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.

Service Divisions and Subdivisions

Includes

Exclude property held as non-housing secure tenancies, eg school and leisure centre caretakers' residences.

Travellers' sites

Some councils provide sites for travellers to be accommodated. These sites may be static or move-on sites.

Include associated costs here plus income and rent paid including by housing benefit.

Non-HRA council property

Include the costs of any other non-HRA property used for housing purposes.

Supporting People

Welfare services in England and Wales provided under the Supporting People programme defined under the Local Government Act 2000.

- ~~1. CLGDCLG (then the DTLR) provided guidance in *Supporting People: Identifying Support Service Cost and the Amount of Pooled Rent Income Financing Support Services*. This document provides guidance to local authorities on the identification of support costs from the HRA. In December 2002, CLGDCLG (then the ODPM) indicated that this support may be provided from within the HRA ringfence. CLGDCLG has issued a direction by the Secretary of State in exercise of the powers conferred on him by section 87 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 Supporting People funding has been rolled into Formula Grant and allocated via the Local Government Finance Report for the relevant financial year.Local authorities will wish to ensure that they meet the conditions and directions of the Supporting People Grant in 2008/09 unless an Area Based Grant pathfinder authority (see below) and the statutory requirements of the HRA ringfence when considering the treatment of support service costs. The CLGDCLG guidance *Supporting People: Identifying Support Service Cost and the Amount of Pooled Rent Income Financing Support Services* indicated that this support to the Supporting People function may exist in a number of the service divisions in the HRA.~~
- ~~2. In 2009/10 Supporting People Grant has not been included in the Area Based Grant. Although paid separately it is now an unringfenced grant. Individual authorities will have to decide how much to spend on Supporting People services. However from the accounting perspective expenditure on Supporting People will continue to be accounted for as described in the paragraphs below.~~
23. 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

Service Divisions and Subdivisions

Includes

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.

34. 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 5.1) and the **Children's and Education Services SEA (Part Four, paragraph 5.1)**.

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Strategy

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Administration

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Commissioning payments to providers

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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.

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

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HRA-related Pensions Costs

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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

Service Divisions and Subdivisions	Includes
(possible new line for Welsh LAs only)	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 <b>Housing's share of central support costs such as central departments for the</b> 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

- 4.1 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.
- 4.2 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
<p>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.</p>	<p>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.</p>
<p>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.</p>	<p>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.</p>
<p>Services to the wider community requiring a GF/CF contribution to the HRA differ between authorities.</p>	<p>DOE Circular 8/95 (<i>Ring Fence</i>) lists the following services that may warrant a contribution from the GF/CF:</p> <ul style="list-style-type: none"> <li>Play and other recreational areas</li> <li>Grassed areas</li> <li>Gardens</li> <li>Community centres</li> <li>Play schemes.</li> </ul> <p>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.</p>
<p>Contrary to CIPFA advice, some authorities class special services received by some tenants as opposed to all tenants as general Supervision and Management. Others follow</p>	<p>Consistency is a prerequisite for useful comparison under the Best Value regime. To 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.</p>

## Inconsistent Accounting Treatment

## CIPFA Recommended Practice

the guidance and class as Special Services.

~~Some authorities capitalise the~~

~~Costs of managing the capital programme~~

~~The Code of Practice on Local Authority Accounting in the United Kingdom has incorporated the provisions of IAS 16. Costs may only be capitalised where they are directly associated with bringing an asset into working condition or making an enhancement effective, ie they would have been avoided if the scheme had not been undertaken.~~

~~Administration of RTB sales~~

~~RTB administration is a special case as regulations issued under the LGA-2003 allow the costs of RTB administration (and that of housing land disposals) to be met from the capital receipts arising from those disposals— Regulation 23(e) of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 and Regulation 18(6) of the Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003. Where the administrative expenses are charged to the HRA as a legitimate item of expenditure, an extraordinary credit will be made to the HRA as an appropriation from the usable capital receipts reserve. To achieve comparability in accounting records, it is recommended that authorities adhere to this practice.~~

## 5.0 STATUS, IMPLEMENTATION AND UPDATING THE GUIDANCE

- 5.1 This SEA for Housing Services replaces all previous version issued by CIPFA and is mandatory for English and Welsh authorities from 1 April 201~~32~~. 201~~32~~/~~143~~ SeRCOP applies to the following statutory disclosures:
- 201~~32~~/~~143~~ Budgets
  - 201~~32~~/~~143~~ Performance Indicators
  - 201~~32~~/~~143~~ Statement of Accounts.
- 5.2 CIPFA is dedicated to keeping the guidance up to date and it will be reviewed on an annual basis as a minimum.

# 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: WHAT TO INCLUDE IN THE NET COST OF SERVICE DIVISIONS BELOW THE COST OF SERVICE LINE

## PART ONE: SERVICE EXPENDITURE ANALYSIS FOR POLICE SERVICES

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### Service Division (Mandatory)

Local Policing

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Dealing with the Public

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Criminal Justice Arrangements

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Road Policing

---

Specialist Operations

---

Intelligence

---

~~Specialist~~ Investigation

---

Investigative Support

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National Policing

---

Non Distributed Costs

---

Corporate and Democratic Core

---

Net Cost of Police Services

---

*Gains/Losses on Disposal of Fixed Assets*

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Levies

---

External Interest Payable

---

Interest and Investment Income

---

~~Extraordinary Items~~

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Trading Account Surpluses or Deficits

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~~Net interest on the net defined benefit liability (asset) Pensions Interest Costs and Expected Return on Assets~~

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**Comment [LD6]: In accordance with amendments to IAS 19 introduced by the 2013/14 Code**

Service Division (Mandatory)

*Minimum Revenue Provision*

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*Reversal of Depreciation and Impairment of Fixed Assets*

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## PART TWO: GUIDANCE NOTE: COMPLETING THE SERVICE EXPENDITURE ANALYSIS FOR POLICE SERVICES

### 1.0 INTRODUCTION AND BACKGROUND

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- 1.1 **The aim of this guidance is to ensure that different police forces' financial reports 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 (SeRCOP)*, 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 SeRCOP requires that total cost includes appropriate shares of capital charges, overheads and support services.**
- 1.2 From April 2007 police authorities are no longer Best Value authorities in respect of the production of Best Value reviews and performance plans. The relevant legislation is contained in the Police and Justice Act 2006. However, 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 SeRCOP and the *Code of Practice on Local Authority Accounting in the United Kingdom*, which police authorities 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

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- 2.1 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 SeRCOP specified in the introduction to Section 3 of SeRCOP.
- 2.2 Three optional holding accounts are also identified (Support Functions, Police Authority 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 SeRCOP requires to be excluded from the definition of total cost, ie Corporate and Democratic Core and Non Distributed Costs.
- 2.3 Capital charges can also be directly attributed to the divisions of service. Capital charges are

defined in Section 2 of SeRCOP.

### Additional Guidance

- 2.4 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 5.0 below).

## 3.0 APPLICABILITY OF THE CORPORATE AND DEMOCRATIC CORE

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- 3.1 Section 2 of SeRCOP 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 SeRCOP apply equally to Police Services, except that:

The statutory roles of the clerk and treasurer 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 either be involved in direct management of services (charged to divisions of service) or with the provision of advice and support to members (charged to DRM).

Corporate Management point (e) will not apply.

## 4.0 APPLICABILITY OF NON DISTRIBUTED COSTS

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- 4.1 Non Distributed Costs as defined by Section 2 (eg past service costs) apply to police forces for non-uniformed police force staff. It is, however, less likely that costs associated with unused shares of IT facilities and the costs of shares of other long-term unused but unrealisable assets will arise at police authorities.

## 5.0 ITEMS BELOW THE COST OF SERVICE LINE

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- 5.1 The revised SEA includes an analysis of the net operating section of the Income and Expenditure Account for police authorities. For additional guidance on this section see the Central Services SEA or the Code.

## 6.0 STATUS AND IMPLEMENTATION

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- 6.1 This SEA for Police Services replaces all previous versions issued by CIPFA and is mandatory for English and Welsh forces from 1 April 201~~32~~. 201~~32~~/~~143~~ SeRCOP applies to the following

statutory disclosures:

201~~32~~/1~~43~~ Budgets

201~~32~~/1~~43~~ Performance Indicators

201~~32~~/1~~43~~ Statement of Accounts.

## 7.0 THE RECOMMENDED STANDARD SUBJECTIVE ANALYSIS

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- 7.1 For budgetary and management accounting purposes police authorities/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 SeRCOP.

## 8.0 UPDATING THE GUIDANCE

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- 8.1 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 POLICE SERVICES

Service Division	Includes
Local Policing	Neighbourhood policing Incident (response) management <del>Local investigation</del> Community liaison Local command team and support overheads.
Dealing with the Public	Local call centres/front desk Central communications unit Contact management units.
Criminal Justice Arrangements	Custody/ <del>prisoner handling</del> Criminal justice arrangements Police National Computer (PNC) Civil disclosure/Criminal Records Bureau (CRB) Coroner assistance Fixed penalty scheme (central ticket office) Property officer/stores.
Road Policing	Traffic units Traffic wardens/police community support officer traffic Vehicle recovery Casualty reduction partnership.
Specialist Operations	Central operations command team and support overheads Air operations Mounted police Underwater/search/marine support Dogs section Level 1 advanced public order Airport and ports policing unit Firearms unit Civil contingencies.
Intelligence	Central intelligence command team and support overheads

Service Division	Includes
	Intelligence/threat assessments Covert policing.
<del>Specialist</del> Investigation	Crime support command team and support overheads Major investigation unit Economic crime (including regional asset recovery team) Specialist investigation Serious and organised crime unit Public protection <a href="#">Local investigation/prisoner processing.</a>
Investigative Support	Scenes of crime officers External forensic costs Fingerprint/ <del>DNA bureau</del> <a href="#">Internal Forensic Costs</a> Photographic image recovery Other forensic services.
National Policing	Secondments (out of force) Counter-terrorism/Special Branch ACPO projects/initiatives Hosting national services Other national policing requirements.
Non Distributed Costs	See Section 2 of SeRCOP.
Corporate and Democratic Core	See Section 2 of SeRCOP Democratic Representation and Management Corporate Management.
Support Functions (optional holding account) Note: in accordance with the requirements of SeRCOP, these costs must be allocated directly or apportioned to service divisions	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 SeRCOP. For further guidance on overhead apportionment and recharging please see paragraph 2.15 of SeRCOP and the accompanying guidance. Human resources Finance Legal Fleet services Estates/central building costs Information and communications technology (ICT)

Service Division	Includes
	<ul style="list-style-type: none"> <li>Professional standards</li> <li>Press and media</li> <li>Performance review/corporate development</li> <li>Procurement</li> <li>Training</li> <li>Administration support</li> <li>Force command</li> <li>Support to associations and trade unions</li> <li>Force band</li> <li>Social club support</li> <li>Insurance and risk management</li> <li>Catering.</li> </ul>
<p>Police Authority/<a href="#">Police Crime Commissioner</a> (optional holding account)</p> <p>Note: in accordance with the requirements of SeRCOP, 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 authority/<a href="#">Police Crime Commissioner</a> 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 SeRCOP. For further guidance on overhead apportionment and recharging please see paragraph 2.15 of SeRCOP and the accompanying guidance.</p> <p><b>Members' expenses</b></p> <ul style="list-style-type: none"> <li>Authority admin and support</li> <li>Consultation</li> <li>Statutory expenses</li> <li>Treasury management</li> <li>Internal audit.</li> </ul>
<p>Income (optional holding account)</p> <p>Note: in accordance with the requirements of SeRCOP, income must be allocated directly or apportioned to service divisions</p>	<p>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 SeRCOP. For further guidance on overhead apportionment and recharging please see paragraph 2.15 of SeRCOP and the accompanying guidance.</p> <ul style="list-style-type: none"> <li>Specific grants</li> <li>Secondment income</li> <li>Trading account income</li> <li>Income from officer services</li> <li>Proceeds of crime income</li> <li>Other income.</li> </ul>
<hr/> <p>Net Cost of Police Services</p> <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/authorities 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:**  
**WHAT TO INCLUDE IN THE NET COST OF SERVICE DIVISIONS**  
**BELOW THE NET COST OF SERVICES LINE**

Service Division	Includes
Gains/Losses on Disposal of Fixed Assets	See the Code for what to include in this division.
Levies	Include levies to other bodies (specify locally).
External Interest Payable	See the Code and SeRCOP Central Services SEA for what to include in this division.
Interest and Investment Income	See the Code and SeRCOP Central Services SEA for what to include in this division.
<del>Extraordinary Items</del>	<del>See the Code and SeRCOP Central Services SEA for what to include in this division.</del>
Trading Account Surpluses or Deficits	See the Code and SeRCOP Central Services SEA for what to include in this division.
<u>Net interest on the net defined benefit liability (asset)</u> <del>Pensions Interest Cost and Expected Return on Assets</del>	See the Code and SeRCOP Central Services SEA for what to include in this division.
Minimum Revenue Provision	See the Code and SeRCOP Central Services SEA for what to include in this division.
Reversal of Depreciation and Impairment of Fixed Assets	See the Code and SeRCOP Central Services SEA for what to include in this division.

**Comment [LD7]: In accordance with amendments to IAS 19 introduced by the 2013/14 Code**

# Public Health (England)

The Public Health SEA is a new chapter for the 2013-14 SeRCOP SEA, following the responsibility for Public Health being transferred from the NHS to Local Government in England for the financial year 2013-14.

PART ONE:

SERVICE EXPENDITURE ANALYSIS FOR PUBLIC HEALTH

PART TWO:

GUIDANCE NOTE: COMPLETING THE SERVICE EXPENDITURE ANALYSIS FOR PUBLIC HEALTH

PART THREE:

GUIDANCE NOTE: WHAT TO INCLUDE IN EACH DIVISION OF SERVICE

## PART ONE: SERVICE EXPENDITURE ANALYSIS FOR PUBLIC HEALTH

Divisions of Service  
(Mandatory)

Subdivisions of Service  
(Discretionary)

Sexual Health

Contraception  
STI testing and treatment  
Advice, Prevention and Promotion

NHS Health Check Programme

Health Protection

National Child Measurement  
Programme

Public Health Advice

Obesity

Adult obesity  
Child obesity

Physical Activity

Physical activity for adults  
Physical activity for children

Substance Misuse

Drug misuse in adults  
Alcohol misuse in adults  
Youth services

Smoking and Tobacco

Stop smoking services and interventions  
Wider tobacco control

Children 5-19 Public Health  
Programmes

Other Public Health Services

Nutrition initiatives  
Health at work  
Accident prevention  
Public mental health  
General prevention  
Community safety, violence prevention and social exclusion

Divisions of Service  
(Mandatory)

Subdivisions of Service  
(Discretionary)

Dental public health  
Fluoridation  
Infectious disease surveillance and control  
Environmental hazards protection  
Death reduction initiatives from seasonal mortality  
Birth defect prevention  
Other Public Health Services

Note 1: SeRCOP 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 principles for Best Value accounting (see the appendix).

Note 3: 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 SeRCOP.



PART TWO:  
GUIDANCE NOTE:  
COMPLETING THE SERVICE EXPENDITURE ANALYSIS FOR PUBLIC HEALTH

1.0 INTRODUCTION

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- 1.1 The aim of this guidance is to ensure different local authorities' Public Health service 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 Public Health 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

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- 2.1 SeRCOP states that Corporate and Democratic Core costs and Non Distributed Costs should not be allocated or apportioned to other divisions of service.
- 2.2 Guidance on what to include in each division of service follows in Part Three.
- 2.3 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, e.g. show contributions by clients towards the cost of their care as income.
- 2.4 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 SeRCOP.
- 2.5 All divisions/subdivisions should include all provision commissioned by local authorities from all providers, including GPs and community pharmacies.

2.6 All spend should only include spend from the public health grant- (funded by the Department of Health).

### 3.0 OVERHEAD APPORTIONMENT

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3.1 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

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4.1 Detailed guidance on accounting for pooled budget arrangements are included in the CIPFA publication *Pooled Budgets: A Practical Guide for Local and Health Authorities* (2001). As the following extract from 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.”*

4.2 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.

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

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

### 5.0 STATUS AND IMPLEMENTATION

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5.1 This SEA for Public Health, issued by CIPFA, is mandatory for English authorities from 1 April 2013. 2013/14 SeRCOP applies to the following statutory disclosures:

[2013/14 Budgets](#)

[2013/14 Performance Indicators](#)

[2013/14 Statement of Accounts.](#)

## [6.0 UPDATING THE GUIDANCE](#)

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[6.1 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 EACH DIVISION OF SERVICE**

Service Divisions and Subdivisions	Includes
<a href="#">Sexual health - Contraception</a>	<p>Provision of contraceptive advice and the provision of all methods of contraception and emergency contraception for people of all ages. For example, please include contraceptive provision in <a href="#">Genito Urinary Medicine (GUM) clinics, sexual health clinics and/or the community, any local arrangements made with GPs for the provision of advice and supplies of contraception which are not covered by the GP contract (e.g. in relation to the fitting and removal of implants, intrauterine systems and devices) and any local contracts with pharmacies.</a></p>
<a href="#">Sexual health-STI testing and treatment</a>	<p>STI testing and treatment, including <a href="#">post-exposure prophylaxis after sexual exposure, Chlamydia screening as part of the National Chlamydia Screening Programme, HIV testing.</a> For example, costs should include STI testing and treatment in GUM clinics, community programmes (including pharmacies), any local contracts with GPs (e.g. as part of the National Chlamydia screening programme), and any testing service (e.g. postal testing for Chlamydia), and any laboratory costs associated with STI/HIV testing.</p>
<a href="#">Sexual health-Advice, Prevention and Promotion</a>	<p>Provision of sexual health advice, promotional activities or interventions: <a href="#">outreach work: locally developed information or campaigns and/or materials for promoting good sexual health: HIV prevention and sexual health promotion work, preventative intervention services in schools, colleges, pharmacies and help lines: sexual health elements of teenage pregnancy prevention.</a></p> <p>Other elements of sexual health and reproductive healthcare e.g. <a href="#">pregnancy testing, assessment and referral for abortion as part of LA-commissioned sexual health services, sexual health aspects of psycho-sexual counselling.</a></p>
<a href="#">NHS Health Check programme</a>	<p><a href="#">Risk assessment for NHS Health Check programme.</a> <a href="#">Cohort identification and management.</a></p> <p><a href="#">Exclude: Smoking cessation lifestyle intervention following NHS Health check risk assessment (include in 'Smoking Cessation Services' category).</a> <a href="#">Exclude: Weight management lifestyle intervention following NHS Health check risk assessment (include in 'Obesity-adults' category).</a></p>

Service Divisions and Subdivisions	Includes
	<p><u>Exclude: Physical activity lifestyle intervention following NHS Health check risk assessment (include in 'Physical Activity-adults' category).</u></p> <p><u>Exclude: Intensive lifestyle management for non diabetic hyperglycaemia, impaired fasting glucose or impaired glucose tolerance (include in 'Miscellaneous' category).</u></p>
<u>Health Protection</u>	<p><u>Any steps carried out to protect the health of the population, including ensuring plans are in place to protect the health of the population.</u></p> <p><u>Exclude: Any costs related to duties under the Public Health (Control of Disease) Act 1984.</u></p>
<u>National Child Measurement Programme</u>	<p><u>Delivery of the mandatory elements of the National Child Measurement Programme - weighing and measuring of eligible children and the central return of the data.</u></p> <p><u>Exclude: the cost of any services that the child or family may be referred into (spend recorded elsewhere).</u></p>
<u>Public Health Advice</u>	<p><u>The provision of population based public health advice to NHS commissioners on the commissioning of NHS services.</u></p> <p><u>Any general data collection, collation, management, analysis and interpretation, or data presentation and reporting towards the provision of population based public health advice to NHS commissioners on the commissioning of NHS services (the mandatory function).</u></p> <p><u>Exclude: Any general information and intelligence not related to the provision of population based public health advice to NHS commissioners on the commissioning of NHS services (the mandatory function) which should be recorded under the 'Miscellaneous' category.</u></p>
<u>Obesity</u>	<p><u>Exclude: BMI assessment undertaken specifically as part of an NHS Health Check (record under 'NHS Health Checks').</u></p> <p><u>Exclude: Any interventions which are covered in physical activity or nutrition ('Miscellaneous') areas or as part of the Healthy Schools Programme (include in 'Children 5-19 public health programmes').</u></p> <p><u>Exclude: Breastfeeding support and Baby Friendly initiative (spend should be recorded under nutrition ('Miscellaneous')).</u></p>
<u>Adult obesity</u>	<p><u>BMI assessment/ identification of overweight and obese.</u></p> <p><u>Commissioned brief/community lifestyle weight management interventions for adults.</u></p>

Service Divisions and Subdivisions

Includes

Specialised weight management interventions for adults (e.g. dietetics & community dietetics, obesity clinics etc).  
Workplace weight management programmes.  
Obesity prevention programmes - which may include programmes focusing on healthy eating/cooking, physical activity or healthy lifestyles.  
Social marketing in relation to obesity - including Change4Life initiatives and work with local Change4Life supporters.

Child obesity

Follow up to the National Child Measurement Programme (non-mandatory element) - providing result letters to parents and/or proactive follow up.  
Commissioned brief/community lifestyle weight management interventions for children up to age 19.  
Specialised weight management interventions for children up to age 19 (e.g. dietetics & community dietetics, obesity clinics etc).  
Obesity prevention programmes - which may include activities in early year's settings such as **Children's Centres**.  
Obesity prevention programmes in school settings or in partnership with schools (including healthy meals initiatives)

Physical Activity

Physical activity for adults

"Let's Get Moving" / commissioned physical activity brief interventions.  
Active travel (i.e. travelling actively for everyday journeys) initiatives.  
Community-based recreational walking and cycling schemes.  
Sports-based interventions.  
Investment in County Sport Partnerships.  
Other physical activity interventions.  
Local information campaigns to promote physical activity and sport.

Physical activity for children

As above (Physical activity for adults), but for anything solely aimed at children aged up to 18 years.

Substance Misuse

Exclude: Any cost that is accounted for in **Children's Services should not be included**. For example, **the costs of implementing local young people's substance misuse strategies**; the cost of specialist substance misuse treatment services and placements for under 18s; and targeted prevention initiatives.

Service Divisions and Subdivisions

Includes

Please refer to the Children's Section of the SEA for inclusion of the above.

Exclude: Any spend on reintegration or homeless outreach services funded through other means.

Exclude: Residential rehabilitation funded through other means e.g. from the Community Care Budget.

Exclude: Any social service funded interventions such as case management and day treatment programmes.

Exclude: Any general universal or targeted prevention activity funded through the Early Intervention Grant.

Drug misuse in adults

All structured drug treatment e.g. care planned psycho-social and pharmacological intervention including in-patient treatment. Harm reduction and open access services e.g. harm reduction strategy activities: needle and syringe programmes and equipment: and any programmes to prevent drug misuse through targeted health improvement activity.

Residential rehabilitation (include any public health spend that is pooled alongside adult community care budgets for this purpose).

Alcohol misuse in adults

Tier 1 interventions e.g. alcohol-related information, any locally commissioned identification and brief advice.

Tier 2 interventions e.g. open-access non-care-planned alcohol specific advice and counselling.

Tier 3 interventions e.g. community-based, structured, care-planned alcohol treatment, such as counselling services and day treatment programmes; and community detoxification.

Tier 4 interventions e.g. alcohol specialist inpatient treatment such as detoxification.

Reducing alcohol harm in the population through targeted health improvement activity.

Youth services

Include spend on any specialist substance misuse (drug and alcohol) intervention activities that are solely aimed at children and young people aged up to 18.

Smoking and Tobacco

Stop Smoking services and interventions

Local stop smoking services.

Local incentive schemes to encourage brief interventions and referrals to local stop smoking services.

Service Divisions and Subdivisions

Includes

Wider Tobacco control

Preventing uptake (including schools-based activity).  
Smoke-free places initiatives.  
Regulatory and enforcement activity.  
Tackling illicit tobacco in the community including contributions to multi-local authority (eg regional) activities.  
Communications and marketing campaigns including contributions to multi-local authority (eg regional) activities.  
Exclude: Normal regulatory and enforcement activity carried out by local authority regulatory services eg trading standards.

Children 5-19 Public Health Programmes

School Health promotion e.g. Healthy Schools Programme.  
Health promotion and prevention interventions.  
School nursing services  
Healthy Child Programme 5-19

Exclude: Services quantified in another category e.g. drugs or sexual health.

Miscellaneous Public Health Services

Nutrition initiatives

Promoting a balanced diet.  
Five A Day (all activity, including grants to other organisations).  
Breastfeeding support.  
School fruit and veg scheme.  
Baby friendly initiative.

Health at work

External workplace health (e.g. advice to employers on commissioning Occupational Health support, but excluding internal workplace interventions and occupational health).  
Initiatives aimed at getting workers or the unemployed back to work more quickly following a period of ill-health.  
Staff education around workplace health.  
Workplace award schemes.

Accident prevention

For example, identification of people at risk from falling.  
Exclude: Any activity that contributes to accident prevention quantified in other categories (e.g. Obesity and Physical Activity categories).



<u>Service Divisions and Subdivisions</u>	<u>Includes</u>
<u>Public mental health</u>	<u>Mental wellbeing promotion.</u> <u>Mental illness prevention.</u> <u>Anti-stigma and discrimination.</u> <u>Suicide and self harm prevention.</u>
<u>General prevention</u>	<u>General behavioural/ lifestyle campaigns / services to prevent cancer (including skin cancer) and long-term conditions.</u> <u>Cardiovascular disease prevention additional to NHS Health check programme.</u> <u>General initiatives targeted at particular groups vulnerable to poor health outcomes.</u> <u>General health promotion activities.</u> <u>Exclude: Specific activity quantified in other categories e.g. NHS Health Check spend.</u>
<u>Community safety, violence prevention and social exclusion</u>	<u>Outreach workers, targeted preventative activities, and victim support for activities tackling crime and disorder, community safety and new entrants to youth justice system.</u> <u>Specialist services for victims of domestic violence.</u> <u>Specific support for families with multiple problems (please note, only include contribution from PH grant, i.e. exclude spend from other sources)</u> <u>Specific public health initiatives to tackle social isolation.</u>
<u>Dental public health</u>	<u>Supervised tooth-brushing schemes.</u> <u>Milk fluoridation scheme.</u> <u>Fluoride varnish programmes.</u> <u>Brushing for Life.</u> <u>Intra-regional co-ordination of dental epidemiology programme.</u> <u>Any data collection, collation, coordination and staff calibration for any national or local surveys of public dental health.</u>
<u>Fluoridation</u>	<u>Water fluoridation costs (revenue).</u>
<u>Infectious diseases surveillance and control</u>	<u>For example, awareness raising or behaviour change initiatives and public health support for communicable disease control programmes: any training in the community (e.g. about Healthcare Associated Infections).</u>
<u>Environmental hazards protection</u>	<u>Note: this should only include any spend from the public health grant.</u>

Service Divisions and Subdivisions

Includes

Initiatives to reduce excess deaths from seasonal mortality

Exclude: anything that was not spent from the public health grant, e.g. some social care services may contribute to this area, but we do not want to capture those here.

Birth defect prevention

Any population level interventions to reduce and prevent birth defects.

Other Public Health Services

Any spend from the public health grant used to tackle the wider and social determinants of health and health inequalities not already recorded in any other category.

NHS Health Check Programme - Intensive lifestyle management for non-diabetic hyperglycaemia, impaired fasting glucose or impaired glucose tolerance.

Exclude: the mandatory elements of the NHS Health Check programme which should be recorded under the 'NHS Health Check Programme' category.