

Glossary of Terms

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| Accounts Payable | The computerised system used to pay money to an outside body for goods and services received. |
| Accrual | The recording of transactions when they take place not when payment is made. |
| Actual | The cost of a unit, item or service. |
| Budget | A plan of expected expenditure and income over a set period of time for example the Council's revenue budget covers a financial year. |
| Budget Holder | A nominated officer in a Directorate who has responsibility for the control and monitoring of a particular budget. |
| Budget Manager | A nominated officer in a Directorate who has responsibility for the control and monitoring of the budgets within a service area. |
| Budget Monitoring | The analysis and reporting of expenditure/ income against budget. Budget monitoring is carried out by Directorates and by the Finance Service on a monthly basis. |
| Budgetary Control | The use of budget monitoring information to manage the budget and bring spend in on target for the year. |
| Capital Financing Requirement (CFR) | The amount the Council needs to borrow in order to deliver its Capital Expenditure plans. |
| CEI | Change, Efficiency and Improvement Programme. |
| CLG | Department for Communities and Local Government. |
| Cost Centre | A code created in General Ledger to record expenditure and income for a particular activity. For example a library a school. |
| Consumer Price Index (CPI) | The index designed as a macro-economic measure of consumer price inflation. The |

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| | official measure is calculated each month by taking a sample of goods and services that a typical household might buy, including food, heating, household goods and travel costs. It forms the basis for the Government's inflation target which the Bank of England's Monetary Policy Committee is required to achieve. |
| Credit Rating | This is a scoring system that lenders issue people with to determine how credit worthy they are. |
| DfE | Department for Education. |
| DWP | Department for Work and Pensions. |
| Fees and Charges | Income arising from the provision of a service. |
| Financial Regulations | Rules which set out the financial policies of the Council and help to ensure that the assets of the Authority are protected and properly deployed. |
| Financial Year | 1 April to 31 March. |
| Forecast Out-turn | A prediction of the final income and expenditure based at the year end. |
| General Ledger (GL) | The prime financial record for the Authority. The General Ledger records all the expenditure incurred and all the income generated by the Council. |
| IFRS | International Financial Reporting Standards – the basis on which the 2011/12 accounts will be compiled. |
| Journal Transfer | A journal transfer is used to correct miscoded transactions or to allocate costs/income within or across Directorates. |
| LGPS | Local Government Pension Scheme. |
| Long term | A period of one year or more. |
| Maturity | The date when an investment is repaid or the period covered by a fixed term investment. |
| Non essential | Any expenditure that is not for "life or limb" |

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| spend | services. |
| Outturn | The final expenditure and income position on a cost centre at year-end. |
| PFI | Private Finance Initiative. |
| Profiling | A method by which budgets are profiled to reflect patterns of spend. |
| Projections | A forecast of expenditure and income to the year-end based on known commitments and trends. |
| Prudential Borrowing | See Unsupported Borrowing |
| Public Works Loan Board (PWLB) | Part of the Government's Debt Management Office, making long-term funds available to local authorities on prescribed terms and conditions. The PWLB is normally the cheapest source of long-term borrowing for local authorities. |
| Revenue Expenditure | Expenditure on the day-to-day running costs of a service for example employees or transport. |
| Reprogramming | Refers to changes to the timing of projects in the Capital Plan between years |
| Service Area | Groups of related cost centres. |
| SHIP | Social Housing Investment Pot. |
| Short-term | A period of less than one year. |
| SLT | Senior Leadership Team. |
| Subjective | A subjective shows the type of expenditure incurred for example employees. A subjective can be used to record the type of income generated, for example rent and fees. |
| Supported Borrowing | This is borrowing to fund expenditure in the capital plan where the annual financing costs of such borrowing is supported by government through formula grant. No new supported borrowing has been awarded since 2009/10. |
| Suspense | A cost centre used when costs or income are |

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| Account | not readily identifiable. The account is used temporarily until additional information on the transaction can be found. |
| Unsupported Borrowing | This relates to borrowing to fund expenditure where the annual financing costs have to be met from the Council's own revenue resources. This is also known as Prudential borrowing. |
| Variance | The difference between budgeted expenditure and income compared to actual expenditure and income. |
| Virement | A transfer of budgets from one area of the budget to another. |