

SUMMARY OF ACCOUNTS 2005/06

Introduction

This summary is intended to provide an overview of the Council's detailed Statement of Accounts for 2005/06. Some key points highlighted are as follows:

- The Council spent approximately £9.2m on providing local services in the year.
- Of this, 55% was met by Government Grant and 45% from Council Tax Payers.
- The Council spent £186,000 on advertising and publicity during the year, £321,000 on members' allowances and £103,000 on external audit fees.
- Capital investment of £7m was made in the year, of which £3m was spent on housing and £4m on community, infrastructure and environmental projects.
- The council had debt and other loan financing outstanding of £4.1m at the end of the year.
- Various reserves held for day-to-day spending and future capital investment stood at £8m at 31st March 2006.
- In addition, the Council's general reserves (resources unallocated or held as a contingency) stood at £5m.
- The total value of the Council's fixed assets (land, council houses, property and other buildings) stood at £136m at the year-end.
- Current assets (stock and debtors) amounted to £8.7m at the year-end, whilst current liabilities in the form of creditors and short-term borrowing stood at £4.5m.
- The deficit on the Council's pension fund was estimated at £20m at 31st March 2006.
- Arrangements are in place to fund this deficit over the longer-term and the effects are built into the Council's Medium-Term Financial Plan.
- The Council's cash turnover for the year, including council tax received, business rates collected for the Government and housing benefits paid locally, was £78m.
- Rent from council house tenants totalled £8.2m in the year, 50% of which was reinvested directly back into repairing, maintaining and managing the local housing stock.
- The External Auditor's Opinion can be found in the full Statement of Accounts.

THE COUNCIL'S VALUE and WHAT IT OWNS

The Council owns a fairly substantial amount of assets, and has a level of reserves of £13m at its disposal. As at 31st March 2006 these were valued as shown in the following table.

Assets and Liabilities	£'000	Land and Property Holdings	No.
Value of land and property	135,874	Council Houses	3,172
Stock (materials and fuel)	50	Garage Sites and Plots	604
Money owed to the Council	8,716	Parks and Open Spaces (Acres)	370
Money owed by the Council	-8,608	Leisure/Recreational Facilities	40
Pensions Liability	-20,535	Off-Street Car Parks	20
Total Assets less Liabilities	115,497	Commercial and Industrial Property	29
Earmarked Reserves	8,202	Admin and Operational Buildings	3
Unallocated Reserves	4,944	Various Other Holdings	27

WHERE THE COUNCIL GOT ITS MONEY and HOW IT SPENT IT DAY TO DAY

The Council got most of its money from Government Grants and its biggest expense was actually the payment of housing benefit.

Sources of Income	£'000	The Cost of Running Services	£'000
Government Grants	20,766	Employees	10,336
Council Tax	3,941	Premises	892
Housing Rents	8,226	Transport	731
Recharges & Contributions	8,188	Supplies and Services	4,796
Fees and Charges	3,807	Contracted Services	781
Interest Receipts	165	Housing Benefits	17,245
		Capital Charges	10,312
Total Income	45,093	Total Costs	45,093

CAPITAL INVESTMENT IN 2005/06

The Council spent approximately £7m in the year on capital projects such as major improvements and development work across the District. The total is summarised in the following table.

Spending	£'000	Financing	£'000
Council Homes	2,271	Government Grants	2,688
Improvement Grants	707	Other Grants and Contributions	1,599
Leisure and Recreation	1,800	Sale of Property and Land	1,270
Community Projects	245	Borrowing	847
Property and Vehicles	840	Planning Agreements	141
New Technology/Systems	482	Transfers from Revenue	99
Environmental Works	627	Reserves	328
Total Income	6,972	Total Costs	6,972

COUNCIL TAX IN 2005/06

During 2005/06, the Council collected £36m in council tax from 32,700 properties. It collected 98.8% of all tax due in the year, compared to 97.8% in the previous year (2004/05). It also collected 99.5% of business rates due compared with 98.1% in the previous year.

The council tax collected was distributed between the main Authority's providing services within South Derbyshire as shown in the following table.

Authority	£M	%
Derbyshire County Council	26.8	74%
Derbyshire Police Authority	3.7	10%
Derbyshire Fire and Rescue Service	1.6	4%
Parish Councils	0.3	1%
Retained by South Derbyshire	3.8	11%
TOTAL	36.3	

THE COST OF SERVICES

The Council spent £15m on providing local services on a day-to-day basis during 2005/06. This is summarised in the following table.

Net 2004/05 £'000	Main Service Area	Cost 2005/06 £'000	Income 2005/06 £'000	Net 2005/06 £'000
678	Central Services to the Public (mainly collecting Council Tax and paying Benefits)	5,250	4,490	760
1,979	Leisure, Recreation and Parks	3,545	1,381	2,164
2,940	Collecting Waste and Maintaining the Local Environment	4,630	1,172	3,458
787	Planning and Economic Development	2,013	1,272	741
824	Maintaining Highways, Roads and Transport	1,116	253	863
5,675	Housing Maintenance and Management (including Housing Benefits)	25,552	20,777	4,775
2,477	Overall Management and Control of the Council including professional services	2,987	862	2,125
15,360	Total Cost of Services	45,093	30,207	14,886

SOME OTHER STATISTICS ON SPENDING

Cost of Collecting Household Waste and Recycling	£47 per Household
Cost of Leisure, Parks and Recreational Facilities	£21 per Resident
Cost of Environmental and Street Cleaning Services	£23 per Resident
Cost of Planning and Economic Regeneration	£7 per Resident
Cost of Supporting Voluntary Groups and Cultural Activities	£3 per Resident
Cost of Supporting Crime Prevention	£2 per Resident
Cost of Collecting Council Tax	£13 per Household

FURTHER INFORMATION

The figures and information in this summary were originally compiled having regard to proper accounting practice in local government. Some modifications have been made to provide less technical but more meaningful information. However, it should be noted that this Summary Statement is not subject to Audit.

The full Statement of Accounts is available on the Council's web site at:

<http://www.south-derbys.gov.uk/CouncilGovernmentDemocracy/Councils/CouncilTaxAndFinance/accounts.htm>

Or by contacting the Head of Finance and Property Services at the address below.

Further details regarding the Council's spending, how resources are spent, together with its financial position and planning arrangements, can be found in its 3-year Medium-Term Financial Plan (2006 to 2009) also available from the address below and on the web site at:

http://www.south-derbys.gov.uk/CouncilGovernmentDemocracy/Councils/CouncilTaxAndFinance/Financial_reports.htm

INVITATION FOR FEEDBACK

In preparing its accounts the Council has attempted to present details of its finances in a way that is accurate, that meets legal requirements and is reasonably easy to understand.

However, efforts are continuing to improve the presentation of financial information, so if you have any views, comments, questions or suggestions for improvement, please contact:

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