

Lewes District Council

# Summary of our 2006/07 Accounts



*Supporting housing, health and community needs*



This information can be made available in large print, on audio tape or disk,  
or in another language upon request.

Contact us on 01273 484141 or email [lewesdc@lewes.gov.uk](mailto:lewesdc@lewes.gov.uk)

## What day to day spending did we do?

The table below shows the cost of running day to day services in our General Fund revenue account after we had received income from fees and charges, grants and contributions, rents, sales and other sources. The amount left over - £12.52 million – was the net cost of services to be financed from local and national taxes and the planned use of some of our General Fund balance.

Services by Lead Councillor Portfolio	2006/07 Net Expenditure £million
Leader of the Council - managing the Council, economic development, tourism, loans and investments	0.72
Staff and Corporate services - councillors and the democratic process, public consultation, concessionary bus travel, council tax benefits, collecting council tax and business rates	1.75
Environment - refuse collection and recycling, street cleansing, public health, licensing, environmental management and sustainability	4.04
Planning - planning policy, development and building control, car parking, coast protection	0.83
Housing - improving the quality, availability and affordability of private sector housing, rent allowances and rent rebates, homelessness	0.86
Community - parks and open spaces, sports, leisure and cultural facilities, cemeteries, community safety, public conveniences, supporting the voluntary sector	3.48
<b>Net Cost of Services</b>	<b>11.68</b>
Less: capital accounting items not included above	-0.54
Add: money taken into reserves to offset future costs	1.38
<b>Cost of local services to be met by local and national taxes and by using some of our General Fund balance</b>	<b>12.52</b>

This table excludes the cost of providing Council housing which is shown separately in our Housing Revenue Account on page 4.

## How did we pay for our day to day services?

After allowing for income of over £44 million from fees and charges, grants and contributions, rents, sales and other sources, we spent £12.52 million on running our services.

We financed our net spending mainly from local and national taxes and from redistributed business rates, but also by using some of our balance.

How we paid for our services	2006/07 £million	2006/07 %
Council Tax	6.25	50
Government Grant	1.04	8
Redistributed Business Rates	4.85	39
Lewes District Council General Fund balance	0.38	3
<b>Total</b>	<b>12.52</b>	<b>100</b>

Although council tax pays for 50% of our net spending on services, it represents just 11% of our gross spending on services. The services provided by the Council in 2006/07 within the table on page 2, cost the average council taxpayer just 48p per day – that's less than the price of a cup of tea.

### We planned to use some of our balance ....

In February 2006 when we set our budget for 2006/07 we planned to use £0.23 million of our General Fund balance to support our spending plans. During the year we revised our budget to take account of cost and income changes and we increased the amount of money we would take from our balance by £0.15 million.

At the end of 2006/07 our actual performance for the amount of spending to be supported by the use of our balance was in line with our revised budget.

General Fund revenue account	Original Budget £million	Revised Budget £million	Actual Performance £million
Income from taxes	12.04	12.04	12.14
Net cost of services	12.27	12.42	12.52
<b>Spending supported by use of balance</b>	<b>0.23</b>	<b>0.38</b>	<b>0.38</b>
Balance at 1 April 2006	1.83	1.83	1.83
<b>Balance at 31 March 2007</b>	<b>1.60</b>	<b>1.45</b>	<b>1.45</b>

Our General Fund balance of £1.45 million at 31 March 2007 is very healthy and remains above our minimum recommended level.

We plan to continue to use the balance above the minimum in a prudent way to support our spending plans for 2007/08 and beyond.

## Council housing

We continue to be the single largest provider of social housing within the Lewes district. At 31 March 2007 we had a stock of 3,280 houses, bungalows and flats for rent.

The money we spend on our stock is funded from the rent paid by our tenants and does not impact on the amount we have to raise from council tax. By law we have to account for the income and expenditure of council housing in a separate account called the Housing Revenue Account (HRA). This keeps it entirely separate from our general spending and from the council tax we raise to pay for it (see pages 2 and 3).

The main items of income and expenditure for the HRA in 2006/07 were:

Housing Revenue Account		2006/07 £million
<b>Income</b>	from social housing rent	10.61
	from other rents, charges and contributions	1.94
	<b>Total income</b>	<b>12.55</b>
<b>Spending</b>	Repairs and maintenance	3.42
	Supervision and management	2.58
	Housing subsidy payment to Government	1.64
	Depreciation charge	2.60
	Other costs	1.10
	<b>Total spending</b>	<b>11.34</b>
	Net cost of services	-1.21
	Capital accounting and other items not included above	1.06
	<b>Net surplus for the year</b>	<b>0.15</b>

### We planned to add to our balance ....

In February 2006 when we set our budget for 2006/07 we planned to add £0.28 million to our Housing Revenue Account balance. During the year we revised our budget to take account of extra cost pressures so we planned to use £0.13 million of our balance. At the year end we actually made a surplus of £0.15million mainly because we were able to reduce the contribution required for financing our actual capital spending in 2006/07.

Housing Revenue Account	Original Budget £million	Revised Budget £million	Actual Performance £million
Income	12.39	12.38	12.55
Spending	12.11	12.51	12.40
<b>Net Surplus(-)/Deficit</b>	<b>-0.28</b>	<b>0.13</b>	<b>-0.15</b>
Balance at 1 April 2006	2.83	2.83	2.83
<b>Balance at 31 March 2007</b>	<b>3.11</b>	<b>2.70</b>	<b>2.98</b>

Our balance at 31 March 2007 is made up of our minimum recommended level of £1.5 million plus specific earmarked sums totalling £1.48 million.

## What capital spending did we do?

We spend money on improving our land and property so that we can continue to offer a good quality and range of public facilities. We have to account for this type of spending separately from the running of our day to day services.

What we spent on capital projects	2006/07 £million
Council housing – improvements, conversions and adaptations to our houses, bungalows and flats	3.13
Denton Island Enterprise Gateway – construction of Business Centre paid for by the South East England Development Agency	1.56
Private sector housing – grants to improve disabled facilities and energy efficiency in private homes	0.72
Computers and electronic service delivery – improving access for residents as well as the efficiency of our back office systems	0.33
Sports, leisure and cultural facilities – developing and maintaining our leisure centres, sports pitches and play areas	0.32
Vehicles and plant – renewing our refuse and recycling vehicles	0.26
Public Space – landscaping open space around new Lewes library	0.22
Other projects – a variety of smaller schemes including backlog repairs to our buildings	0.28
<b>Total capital spending</b>	<b>6.82</b>

This is how we paid for the £6.82 million we spent on capital projects in 2006/07

How we paid for our capital spending	2006/07 £million
Major Repairs Allowance - a Government grant wholly given to maintain the value of the Council's housing stock	2.43
Grants and Contributions – from external partners, like SEEDA (£1.56m), Government (£0.74m) and property developers	2.36
Revenue financing – contributions from the General Fund (paid for by council tax) and from the Housing Revenue Account (paid for by tenants' rent)	1.03
Capital receipts – money from the sale of Council assets (like land and buildings)	0.74
Borrowing – an external loan specifically to finance improvements to our Council housing stock	0.26
<b>Total capital financing</b>	<b>6.82</b>

## What are we worth?

At the end of each financial year we draw up a balance sheet to show how much our land and buildings are worth, what we owed to others, what others owed to us and how much cash we had.

At 31 March 2007 we were worth £254.6 million.

<b>Our total assets less our total liabilities</b>	<b>31 March 2007 £million</b>
Value of land, property and other assets	270.9
Cash in the bank and cash investments	15.7
Money owed to us	6.7
Money we owed to others	-38.7
<b>Total assets less total liabilities = Net worth</b>	<b>254.6</b>

Our net worth is represented by:

<b>Net worth</b>	<b>31 March 2007 £million</b>
Capital reserves	4.2
Revenue reserves	6.2
Revenue balances	4.4
Collection Fund balance	0.6
Other balances	239.2
<b>Net worth</b>	<b>254.6</b>

We can spend all of our capital reserves, all of our revenue reserves and all of our revenue balances, but we have to share the Collection Fund balance with the County Council and the Fire and Police Authorities, and we cannot spend any of the other balances unless we convert the value of our land, property and other assets into cash by selling them.

## Cash flow

We handled significant amounts of cash during 2006/07

The table below shows that we had more money coming in from council tax, tenants' rent, business rates, government grants, fees and charges, etc than we paid out on our day to day services and on our capital projects. This led to an increase in the amount of money we had in the bank on 31 March 2007.

<b>Cash flow</b>	<b>2006/07 £million</b>
Cash in the bank on 1 April 2006	0.26
Cash in	119.0
Cash out	-118.2
Cash in the bank on 31 March 2007	1.06

## What did you get for your money?

Lewes has three key aims that directly support the things you have told us matter most to you. Each year we tell you what actions and improvements we will make to deliver our key aims, and we report back on whether we actually achieved them or not. On the previous pages you've seen a summary of what we spent on running all of our day to day services and on our capital projects. Now take a look at what that money actually achieved for our key aims.

### **Key Aim – Protecting and enhancing the quality of the environment**

- in May 2006 we adopted a Sustainable Waste strategy
- in June 2006 we switched to using 'green' electricity
- in August 2006 we launched a new Clean and Green team to tackle the nuisance problems of litter, fly-tipping, graffiti, abandoned vehicles, etc
- in February 2007 we adopted a Climate Change strategy
- we expanded our kerbside recycling service to over 90% of the households in our District
- we increased the amount of household waste we recycled and consequently reduced the amount of waste we took to landfill

### **Key Aim – Supporting and promoting a diverse and prosperous local economy**

- in April 2006 we signed a procurement concordat to support small and medium enterprises in doing business with the Council
- in March 2007 we were presented with a Federation of Small Businesses award for our business friendly procurement practices
- we started work on the construction of a new £4 million business centre in Newhaven to provide 2,000m<sup>2</sup> of office, studio and workshop space
- we successfully negotiated with the owners of Newhaven Port to secure its future and plan to develop the Port and surrounding area
- in December 2006 we adopted a new policy for licensing gambling
- we started work on a new 'one stop' information shop in Seaford to combine our tourism and information service with facilities to be run by the Police, the Citizens Advice Bureau and Seaford Town Council

### **Key Aim – Supporting the housing, health and social needs of everyone in our communities**

- we invested over £2 million in our council housing so that we can bring all of our properties up to the national Decent Homes Standard
- we worked with our housing association partners to provide 49 new affordable homes in our District and to start work on another 22
- we worked with Southdowns Housing Association to complete 3 new special needs homes in our District and to start work on one more
- we opened a housing scheme for 16 to 21 year olds and care leavers, in partnership with East Sussex County Council
- we made improvements to the Downs Leisure Centre and Seaford Head swimming pool, installed new play equipment in Newhaven, completed the major refurbishment of a play area in Seaford and installed a new drainage system for a football pitch in Lewes

## Director of Finance and Community Services Statement

As Lewes District Council's statutory Chief Finance Officer, I can confirm that this year's statement of accounts has been prepared in line with the Accounting Code of Practice for local authorities. The figures in this summary were compiled having regard to proper accounting practices.

In the interests of providing simplified, meaningful, summary information some figures in this document have been combined, some modifications have been made to presentation, and some minor statements have been omitted. If you are interested in viewing the full statement of accounts please visit our web site at [www.lewes.gov.uk](http://www.lewes.gov.uk) or write to me at Southover House, Southover Road, Lewes BN7 9EZ

The Council's 2006/07 accounts have been audited by an independent auditor appointed by the Audit Commission and we have received an unqualified audit opinion.

John Magness CPFA  
Director of Finance and Community Services

This document has been prepared by the Financial Services Division of the Finance and Community Services Department.

This is the first year we have produced summary accounts as an addition to publishing the full statement of accounts and we would welcome any comments you have on how we can improve the presentation of this summary next year.

Please contact the Financial Services Manager on 01273 484043 if you have any comments or questions about this year's summary, or indeed about any of the financial information produced by Lewes District Council.