

Lewes District Council

Summary of our 2007/08 Accounts



Lewes District Council
www.lewes.gov.uk

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on audio tape or disk, or in another language upon request.
Contact us on 01273 484141 or email 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 - £13.11 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.

	2007/08 Net Expenditure £million
Services by Lead Councillor Portfolio	
Leader of the Council - managing the Council, economic development, tourism, loans and investments	0.42
Staff and Corporate services - councillors and the democratic process, public consultation, concessionary bus travel, council tax benefits, collecting council tax and business rates	2.52
Environment - refuse collection and recycling, street cleansing, public health, licensing, environmental management and sustainability	3.89
Planning - planning policy, development and building control, car parking, coast protection	0.78
Housing - improving the quality, availability and affordability of private sector housing, rent allowances and rent rebates, homelessness	0.93
Community - parks and open spaces, sports, leisure and cultural facilities, cemeteries, community safety, public conveniences, supporting the voluntary sector	3.49
Net Cost of Services	12.03
Less: capital accounting items not included above	-0.40
Add: money taken into reserves to offset future costs	1.16
Add: money transferred back into our General Fund balance	0.32
Cost of local services to be met by local and national taxes and by using some of our General Fund balance	13.11

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

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 £13.11 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	2007/08 £million	2007/08 %
Council Tax	6.60	50
Government Grant	0.88	7
Redistributed Business Rates	5.22	40
Lewes District Council General Fund balance	0.41	3
Total	13.11	100

Although council tax pays for 50% of our net spending on services, it represents just over 11% of our gross spending on services. The services provided by the Council in 2007/08 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 2007 when we set our budget for 2007/08 we planned to use £0.14 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, particularly as regards concessionary bus fares, and we increased the amount of money we would take from our balance by £0.27 million.

At the end of 2007/08 our actual performance produced a surplus of £0.66 million so we decided to add £0.32 million of that back into our balance.

General Fund revenue account	Original Budget £million	Revised Budget £million	Actual Performance £million
Income from taxes	12.69	12.70	12.70
Net cost of services	12.83	13.11	13.11
Spending supported by use of balance	-0.14	-0.41	-0.41
Balance at 1 April 2007	1.45	1.45	1.45
Use of balance (as above)	-0.14	-0.41	-0.41
Added from actual budget surplus			+0.32
Balance at 31 March 2008	1.31	1.04	1.36

Our General Fund balance of £1.36 million at 31 March 2008 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 in 2008/09 and beyond.

Council housing

We continue to be the single largest provider of social housing within the Lewes district. At 31 March 2008 we had a stock of 3,263 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.

The main items of income and expenditure for the HRA in 2007/08 were:

Housing Revenue Account		2007/08 £million
Income	from social housing rent	11.10
	from other rents, charges and contributions	1.91
	Total income	13.01
Spending	Repairs and maintenance	3.52
	Supervision and management	2.74
	Housing subsidy payment to Government	2.36
	Depreciation charge	2.79
	Other costs	0.94
	Total spending	12.35
	Net cost of services	-0.66
	Capital accounting and other items not included above	0.60
	Net surplus for the year	0.06

We planned to add to our balance

In February 2007 when we set our budget for 2007/08 we planned to add £0.07 million to our Housing Revenue Account balance. During the year we revised our budget to take account of extra cost pressures and planned to use £0.11 million of our balance. At the year end we actually made a surplus of £0.06 million which was broadly in line with our original budget forecast.

Housing Revenue Account	Original Budget £million	Revised Budget £million	Actual Performance £million
Income	12.88	12.92	13.01
Spending	12.81	13.03	12.95
Net Surplus(-)/Deficit	-0.07	0.11	-0.06
Balance at 1 April 2007	2.98	2.98	2.98
Balance at 31 March 2008	3.05	2.87	3.04

Our balance at 31 March 2008 is made up of our minimum recommended level of £1.5 million plus specific earmarked sums totalling £1.54 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.

	2007/08 £million
What we spent on capital projects	
Council housing – improvements, conversions and adaptations to our houses, bungalows and flats	2.97
Denton Island Enterprise Gateway – construction of a Business Centre paid for by the South East England Development Agency	2.31
Private sector housing – grants to improve disabled facilities and energy efficiency in private homes	1.06
Sports, leisure and cultural facilities – developing and maintaining our leisure centres, sports pitches and play areas	0.75
Vehicles and plant – renewing our refuse and recycling vehicles	0.37
Buildings – office modernisation and backlog repairs	0.28
Computers and electronic service delivery – improving access for residents as well as the efficiency of our back office systems	0.24
Other projects – a variety of smaller schemes	0.28
Total capital spending	8.26

This is how we paid for the £8.26 million we spent on capital projects in 2007/08

	2007/08 £million
How we paid for our capital spending	
Grants and Contributions – from external partners, like SEEDA (£2.10m), Government (£0.50m) and the Football Foundation	3.27
Major Repairs Allowance - a Government grant wholly given to maintain the value of the Council's housing stock	2.33
Revenue financing – contributions from the General Fund (paid for by council tax) and from the Housing Revenue Account (paid for by tenants' rent)	1.21
Capital receipts – money from the sale of Council assets (like land and buildings)	1.17
Borrowing – an external loan specifically to finance improvements to our Council housing stock	0.28
Total capital financing	8.26

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 2008 we were worth £269.5 million.

	31 March 2008 £million
Our total assets less our total liabilities	
Value of land, property and other assets	283.7
Cash in the bank and cash investments	12.4
Money owed to us	4.3
Money we owed to others	-30.9
Total assets less total liabilities = Net worth	269.5

Our net worth is represented by:

	31 March 2008 £million
Net worth	
Capital reserves	3.5
Revenue reserves	6.4
Revenue balances	4.4
Collection Fund balance	0.1
Other balances	255.1
Net worth	269.5

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 2007/08

The table below shows that we had less money coming in from council tax, tenants' rent, business rates, government grants, and fees and charges, than we paid out on our day to day services, capital projects and repaying loans. This led to a decrease in the amount of money at the bank on 31 March 2008.

	2007/08 £million
Cash flow	
Cash in the bank on 1 April 2007	1.06
Cash in	135.24
Cash out	-136.37
Cash overdrawn at the bank on 31 March 2008	0.07

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 some of the things that money actually achieved.

Key Aim – Protecting and enhancing the quality of the environment. In 2007/08 we:

- retained our quality standard for environmental work (the EMAS accreditation) following a reassessment by external inspectors
- successfully prosecuted 7 fly-tippers and significantly reduced the number of nuisance, untaxed and abandoned vehicles left on our streets through action with our partners Sussex Police and the DVLA
- implemented the Climate Change strategy we adopted in February 2007 through a series of activities, events and campaigns
- increased the amount of household waste we recycled and consequently reduced the amount of waste we took to landfill
- increased the amount of household waste we composted

Key Aim – Supporting and promoting a diverse and prosperous local economy. In 2007/08 we:

- opened a new £4 million business centre in Newhaven in December 2007 to provide 2,000m² of office, studio and workshop space for 45 business start up units
- opened a new 'one stop' information shop in Seaford to combine our tourism and information service with facilities run by the Police, the Citizens Advice Bureau and Seaford Town Council
- set up and ran two annual festivals - Artwave and Soundwave
- commissioned consultants to carry out a feasibility study on the reinstatement of the former Uckfield to Lewes railway, in partnership with East Sussex County Council and others
- implemented new policies and procedures arising from the Gaming Act and introduced an online licensing system

Key Aim – Supporting the housing, health and social needs of everyone in our communities. In 2007/08 we:

- invested over £2.1 million in our council housing so that we can bring all of our properties up to the national Decent Homes Standard
- worked with housing association and other partners to provide 46 new affordable homes in our District and to start work on another 60
- completed a review of empty private homes across the district and brought 20 of these back into use
- invested over £350,000 on a new all weather sports pitch at the Downs Leisure Centre and over £220,000 on improving the fitness suites at the Lewes and Peacehaven Leisure Centres
- invested over £100,000 on improvements to play areas

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 or write to me at Southover House, Southover Road, Lewes BN7 9EZ

The Council's 2007/08 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.

It is an addition to our publication of the Council's full statement of accounts and we would welcome any comments you have on how we can improve the presentation of this summary in future years.

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.