

# Summary of Accounts

**2015/16**

Summary of the council's spending, income sources, reserves and assets for 2015/16

**[www.basingstoke.gov.uk](http://www.basingstoke.gov.uk)**

**Basingstoke and Deane Borough Council**

# Chief Financial Officer's Statement

## Introduction

This document is a summary of the council's full Statement of Accounts for the year ended 31 March 2016. The council's full Statement of Accounts was prepared in accordance with the Accounting Code of Practice. Some of the figures in this summary of the full accounts have been modified in order to make the accounts easier to understand.

A full copy of the council's Statement of Accounts for 2015/16 is available on the council's website [www.basingstoke.gov.uk](http://www.basingstoke.gov.uk) or if you wish to purchase a printed copy telephone 01256 845506.

## Financial Review

The following statements by the Chief Financial Officer describes some of the key points on the council's stewardship of public funds.

**Financial Position** - The council has a net worth (net assets) of £393.2 million consisting of: a investment property portfolio of £246.6 million; cash and investments of £164.2 million; other assets (mainly operational land and buildings) of £73.9 million; a potential future liability of £70.9 million in its employees' pension fund; developers' contributions of £5.9 million that could potentially require repayment (if the terms of the contributions are not met) and other net liabilities of £14.7 million (mainly creditors).

**Available Resources** - The council has usable reserves of £127.9 million shown in the balance sheet, all of which are invested. It also has £5.9 million of repayable grants and contributions that are available to spend. However, of this £133.8 million of usable resources, £75.3 million is available (based on current policies) to fund current and future spending plans and programmes. The remaining £58.5 million has been invested in order to earn interest to help support the annual running costs of the council, or is being held in the form of risk reserves to provide protection against the main risks to the council's finances (for example a fall in interest rates affecting the amount of income from cash investments or a fall in rental income from the investment property portfolio).

**Financial Performance** - The £5.4 million surplus reported in the Income and Expenditure Account is adjusted by statutory adjustments totalling £0.9 million for the reversal of capital related items and notional pension costs, resulting in a general fund surplus of £4.5 million which was allocated to revenue reserves in accordance with the council's policy. The general fund surplus was £0.6 million more than the budgeted surplus of £3.9 million. The £0.6 million variance was due to £0.3 million of savings and £0.3 million of additional income.

**Capital Expenditure** - This is the amount spent on items that have a value to the council or community for more than a year, and is generally met from reserves, grants and contributions or the proceeds from the sale of assets. The council's capital spending on services was £5.7 million, which was £1.3 million less than the planned £7.0 million. This was mainly due to delayed expenditure on capital schemes.

**Collection Fund** - The council is required to maintain a collection fund account which is used for the collection and distribution of council tax and business rates on behalf of the government and other local authorities.

**Kevin Jaquest (Head of Resources), Civic Offices, London Road, Basingstoke, Hampshire, RG21 4AH**

## Income and Expenditure for the year ended 31 March 2016

The day to day running costs and income for council services and where the money came from to finance those costs.

	£M
<b>Net Cost of Service Areas</b>	
Cultural and related services	7.9
Environmental and regulatory services	8.3
Planning services	5.5
Housing services	4.3
Highways and transport services	0.3
Corporate and democratic core	3.7
Central services	2.2
<b>Net Cost of Services</b>	<b>32.2</b>
Net income from commercial property	(18.1)
Net Income from investments	(3.1)
Other operating costs	3.5
General government grant income	(8.7)
Net business rates income	(2.9)
Council tax income (including parishes)	(7.7)
Capital grants and contributions income	(0.6)
<b>Surplus for the Year</b>	<b>(5.4)</b>

## General Fund

The account used for the setting of the council tax and the recording of spending of that council tax.

	£M
Surplus for the year (from above)	(5.4)
<b>Statutory Adjustments</b>	
Depreciation and other capital charges	(2.5)
Revaluations	7.0
Pension costs	(3.6)
<b>General Fund Surplus before reserves</b>	<b>(4.5)</b>
<b>Distribution of Surplus:</b>	
Contributions to reserves	4.5
<b>General Fund Surplus for the year</b>	<b>0.0</b>
<b>Movement in General Fund Balance:</b>	
General Fund Balance 31 March 2015	1.5
Surplus for the Year	0.0
<b>General Fund Balance 31 March 2016</b>	<b>1.5</b>

## Balance Sheet as at 31 March 2016

What the council owns and is owed.

	£M
<b>Assets and Liabilities</b>	
Commercial property (council owned)	246.6
Other Buildings and land (council owned)	72.0
Investments	139.1
Cash and cash equivalent investments	25.1
Amounts owed to the council	7.1
Amounts owed by the council	(17.0)
Provisions	(2.9)
Repayable grants and contributions	(5.9)
Potential future pension fund liability	(70.9)
<b>Net Assets</b>	<b>393.2</b>
<b>Represented by:</b>	
Usable reserves (see below)	127.9
Unusable reserves	265.3
<b>Total Reserves</b>	<b>393.2</b>

## Available Resources

The amount of the council's usable reserves that are actually available to spend on future expenditure plans, because some are invested to earn interest to support the council's annual running costs.

	£M
<b>Usable Reserves (Not Available)</b>	
Usable capital reserves (invested)	42.1
Interest income risk reserve	2.0
Rent income risk reserve	2.5
Other risk reserves	4.3
Developer contributions (invested)	6.1
General fund balance	1.5
<b>Total Not Available</b>	<b>58.5</b>
<b>Usable Reserves (Available)</b>	
Reserves to fund future capital expenditure	9.2
Reserves to fund infrastructure	12.1
Other earmarked revenue reserves	4.8
Usable capital reserves (earmarked)	41.7
Reserves to fund invest to grow	1.6
<b>Other Available Balances</b>	
Repayable grants and contributions	5.9
<b>Total Available Resources</b>	<b>75.3</b>

## Collection Fund for the year ended 31 March 2016

The account used for the collection and distribution of council tax and business rates on behalf of the government and other local authorities.

	£M
<b>Amounts Collectable</b>	
Council tax collectable	87.2
Business rates collectable	74.1
Cost of non-payers and other costs	(1.5)
<b>Total to be Distributed</b>	<b>159.8</b>
<b>Distributed to:</b>	
Hampshire County Council	72.4
Basingstoke and Deane Borough Council	36.3
Parish councils	1.2
Hampshire Fire and Rescue Authority	4.7
Hampshire Police Authority	9.9
The Government (Business Rates)	37.2
<b>Total Distributed</b>	<b>161.7</b>
<b>Collection Fund Deficit for the Year</b>	<b>1.9</b>

<b>Allocation of the Deficit</b>	
Basingstoke and Deane Borough Council	0.7
Other Preceptors	1.2
<b>Total Deficit Allocated</b>	<b>1.9</b>

The council is committed to the continual improvement of its services and looks for every opportunity to seek the views and opinions of the people that it serves. Please let us know what you think about this or any of our publications.

You can write to or visit us at:  
Basingstoke & Deane Borough Council  
Civic Offices, London Road  
Basingstoke  
RG21 4AH

## Capital Expenditure for the year ended 31 March 2016

Amounts spent on assets with a lasting value.

	£M
<b>Capital Schemes</b>	
Basing View regeneration	0.5
Sport and community facilities	0.5
Housing and renewal grants	1.4
Local infrastructure	0.5
Cemetery provision	0.5
IT replacement	0.2
Affordable housing	0.3
Vehicle replacement	0.5
Other minor schemes	1.3
<b>Capital Expenditure on Services</b>	<b>5.7</b>
<b>Paid for from:</b>	
Income from the sale of assets	3.3
Government grants & other contributions	0.5
Contributions from reserves	1.9
<b>Total Financing</b>	<b>5.7</b>

## Feedback and How to get in touch with the Council

By website, click: [www.basingstoke.gov.uk](http://www.basingstoke.gov.uk)

By e-mail, write to: [finance@basingstoke.gov.uk](mailto:finance@basingstoke.gov.uk)

By SMS message, text: 07797 877006

By minicom/text phone: 01256 845400

By phone, call: The Contact Centre on 01256 844844

**The Summary of Accounts is also available in large print format.**