

Summary of Accounts

2019/20

Summary of the council's spending, income sources, reserves and assets for 2019/20

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Basingstoke and Deane Borough Council

Chief Financial Officer's Narrative Statement

Introduction

This document is a summary of the council's full Statement of Accounts for the year ended 31 March 2020. 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 the year ended 31 March 2020 is available on the council's website 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 £410.0M consisting of: an investment property portfolio of £304.7M; cash and investment assets of £137.1M; other assets (mainly operational land and buildings) of £87.0M; a potential future liability of £91.8M in its employees' pension fund; developers' contributions of £10.3M that could potentially require repayment (if the terms of the contributions are not met) and other net liabilities of £16.7M (mainly creditors).

Available Resources - The council has usable reserves of £95.6M of which £67.1M is available (based on current policies) to fund current and future spending plans and programmes. In addition the council also has £10.3M of developer's contributions (shown as long term liabilities) that are also available resulting in £77.4M of resources that are available.

Financial Performance - The £7.8M deficit reported in the Income and Expenditure Account is adjusted by statutory adjustments totalling £2.7M for the reversal of capital related items and notional pension costs, resulting in a general fund deficit of £5.1M which was met from revenue reserves in accordance with the council's policy.

The General Fund deficit was £0.1M less than budgeted

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 £25.4M, which was £1.2M less than the planned £26.6M. This was mainly due to revised timescales for 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.

Sue Cuerden - Executive Director of Corporate Services (Section 151 Officer), Civic Offices, London Road, Basingstoke, Hampshire, RG21 4AH

Income and Expenditure for the year ended 31 March 2020

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

	£M
Net Cost of Service Areas	
Leader	2.4
Homes and Families	5.3
Environment and Enforcement	7.7
Planning, Infrastructure and Natural Environmen	9.6
Communities, Culture and Partnerships	6.3
Borough Development and Improvement	2.9
Finance and Service Delivery	4.5
Regeneration and Property	0.3
Net Cost of Services	39.0
Net income from investment property	(12.2)
Net Income from investments	1.3
Other operating costs	3.3
General government grant income	(3.9)
Net business rates income	(4.5)
Council tax income (including parishes)	(9.4)
Capital grants and contributions income	(5.8)
Deficit for the Year	7.8

General Fund

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

	£M
Deficit for the year (from above)	7.8
Statutory Adjustments	
Depreciation and other capital charges	(3.6)
Revaluations of land and property	1.1
Pension costs	(3.6)
Revaluations of Investments	(4.1)
Capital Grants and Contributions	4.5
Other adjustments	3.0
General Fund Deficit before reserves	5.1
Deficit Met From:	
Contributions from General Fund Reserves	(5.1)
Movement in General Fund Balances:	
General Fund Balances 31 March 2019	41.3
Deficit for the Year	(5.1)
General Fund Balances 31 March 2020	36.2

Balance Sheet as at 31 March 2020

A position statement for the council's assets, liabilities and reserves.

	£M
Assets and Liabilities	
Commercial property (council owned)	304.7
Other Buildings and land (council owned)	87.0
Investments	117.9
Cash and cash equivalent investments	19.2
Amounts owed to the council	16.7
Total Assets	545.5
Amounts owed by the council	(30.2)
Provisions	(3.2)
Repayable grants and contributions	(10.3)
Potential future pension fund liability	(91.8)
Net Assets	410.0
Represented by:	
Usable reserves (see below)	(95.6)
Unusable reserves	(314.4)
Total Reserves	(410.0)

Reserves

The amount of the council's usable reserves that are available to spend on future expenditure plans.

	£M
Usable Reserves	
Capital receipts reserve	58.2
Capital grants and contributions reserve	1.2
Earmarked revenue reserves	34.7
General fund balance	1.5
Total Usable Reserves	95.6
Unusable Reserves	
Pension scheme reserve	(91.8)
Asset revaluation reserve	33.1
Capital adjustment account	375.9
Other statutory adjustment accounts	(2.8)
Total Unusable Reserves	314.4
Total Reserves	410.0

Collection Fund for the year ended 31 March 2020

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

	£M
Amounts Collectable	
Council tax collectable	109.6
Business rates collectable	77.6
Cost of non-payers and other costs	(2.5)
Total to be Distributed	184.7
Distributed to:	
Hampshire County Council	88.3
Basingstoke and Deane Borough Council	34.6
Parish Councils	1.4
Hampshire Fire and Rescue Authority	5.0
Hampshire Police Authority	13.4
The Government (Business Rates)	33.1
Distribute	175.8
Collection Fund Surplus for the Year	(8.9)
Deficit from Previous Years	3.6
Total Cumulative Surplus to be Distributed	(5.3)
Distribution of the Surplus	
Basingstoke and Deane Borough Council	1.9
Other Preceptors	3.4
Total Cumulative Surplus Distributed	5.3

Capital Expenditure for the year ended 31 March 2020

Amounts spent on assets with a lasting value.

	£M
Capital Schemes	
Basing View regeneration	10.0
Property investment acquisitions	7.6
Other regeneration schemes	1.2
Housing and renewal grants	1.5
Local infrastructure	1.3
Sport and recreation schemes	0.8
Replacement of council vehicles	0.7
IT replacement	0.6
Other minor schemes (<£0.5M)	1.7
Capital Expenditure on Services	25.4
Paid for from:	
Income from the sale of assets	17.1
Government grants and other contributions	3.8
Contributions from revenue and reserves	4.5
Total Financing	25.4

Feedback and How to get in touch with the Council

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 and Deane Borough Council
Civic Offices, London Road
Basingstoke
RG21 4AH

By website, click: www.basingstoke.gov.uk
By e-mail, write to: 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.