

Summary of accounts

Southampton City Council has published its audited accounts for the financial year 2008/09. This short summary has been produced to highlight the most important figures in the financial statements.

Financial review

Financial performance

Total net spend on providing services was £170 million (m). This was £7.15m less than anticipated when elected members approved the revised budget in February 2009, which resulted in an increase in monies available for future years of £2.9m. The level of the general fund balance at 31 March 2009 was £15m.

Council housing

The council owns 17,199 flats and houses, for which it charges rent. Costs were £720,000 more than income. The level of housing reserves stands at £2.4m.

Capital expenditure

Capital expenditure is money spent by the council on purchasing, upgrading or improving assets such as buildings or roads. The Council spent £75.5m on these schemes in 2008/09.

The cost of the council's services

The following figures show the net cost of services for 2008/09, where the money came from to finance these costs and the surplus at the end of the year.

	Net costs £'000's
Central services to the public	5,189
Cultural, environmental and planning services	49,811
Children's and education services	61,465
Highways, roads and transport services	15,775
Local authority housing	133,694
Other housing services	4,503
Adult social care	59,680
Corporate and democratic core	4,742
Non-distributable costs	3,474

Net cost of services 338,333

Add: other income, expenditure and adjustments (157,414)

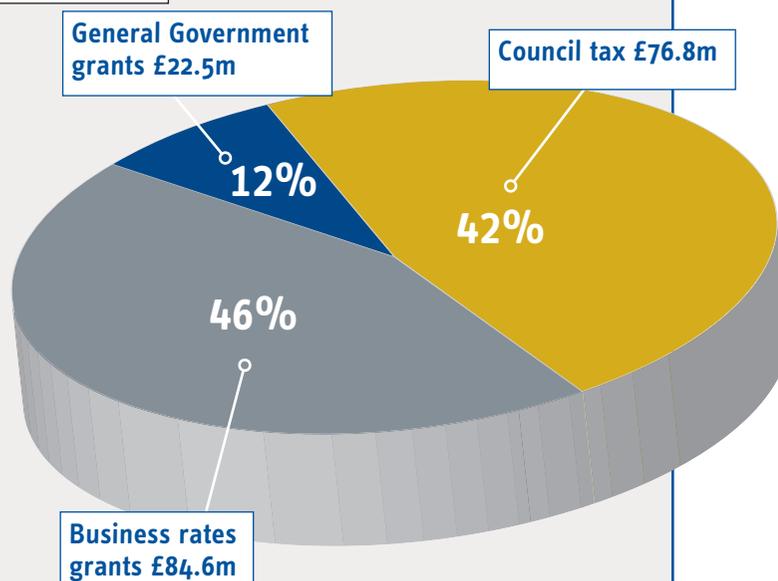
Total net costs 180,919

Financed by

General Government grants	(22,451)
Business rates	(84,572)
Council tax	(76,823)

Surplus for the year (2,927)

Please note: figures in brackets represent a minus figure.



- Just under half of the council's income to finance net costs comes from rates levied on business premises.
- Council tax income pays for 42 per cent of total net costs.
- The council collected 95.5 per cent of its council tax in 2008/09 compared to 95.2 per cent in 2007/08 and 94.51 per cent in 2006/07.
- Standard band D council tax was £1,368.

2008/09

Capital Money spent on purchasing, upgrading or improving assets such as building or roads is referred to as capital expenditure. The council receives the benefit from capital expenditure over a longer period of time.

The following table shows how the council paid for this capital spending

Capital spending during 2008/09

£000's

Children's Services & Learning	Schools maintenance and improvement	5,728
	Children's/Early years centres	3,664
	Special Educational Needs Review	491
	Play areas	234
	Learning Futures/Academies	3,540
	Primary rebuilds	1,358
	15,015	
Environment & Transport	Highways, roads maintenance and improvements	6,474
	Street lighting	1,396
	Public transport	716
	Environmental improvements	525
	Bridge maintenance	507
	Parking schemes	1,133
	Waste Disposal Contract	3,158
	Town Depot Relocation	2,550
	16,459	
Economic Development	Northern Above Bar development	1,526
	Other city development projects	440
	West Quay Phase 3	215
	CCTV digitalisation	200
	Strategic purchase of sites	2,961
	North/South spine improvements	2,483
7,825		
Adult Social Care & Health	Development of social services facilities	197
	Modernisation of day services	510
	Social services IT systems	183
890		
Housing & Local Services	Council house maintenance and improvement	25,451
	Mountbatten Centre	2,889
	Private sector housing grants	3,974
	Neighbourhood projects	327
32,641		
Leisure, Culture & Heritage	Tudor House Museum	818
	Southampton New Arts Centre (SNAC)	77
	Other leisure projects	153
1,048		
Resources & Workforce Planning	IT systems	138
	Civic buildings works	1,481
1,619		
Total	75,497	

£000's

Grants and contributions	20,260
Borrowing	21,491
Major repairs allowance (for housing)	12,206
Capital receipts (proceeds from sale of assets)	8,762
Revenue contributions	12,778

Total **75,497**



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Balance sheet

This shows the financial position of the council. It brings together the year end balances of all the accounts and presents money owed by and to the council, assets owned and the balances and reserves at the council's disposal.

	2007/08	2008/09		
	£m	£m		£m
Assets and Liabilities			Distributable reserves	
Building and land owned by the council	1,648	1,489	General fund	15
Stocks, stores and work in progress	1	1	Housing fund	2
Money owed to the council	121	73	Useable capital receipts	6
Money owed by the council	(81)	(113)	Capital grants and contributions	22
Money set aside to meet future costs	(8)	(8)	Other earmarked reserves	25
Net pension fund liability*	(164)	(298)		
			Total	70
Total	1,517	1,144		
Financed by			Cash flow	
Borrowing	158	99		£m
Non distributable reserves	1,283	975	Bank overdraft at 1 April	8
Distributable reserves	76	70	Cash in	(889)
			Cash out	883
Total	1,517	1,144	Bank overdraft at 31 March	2

* Net pension fund liability - this is matched by a non-distributable reserve, so has no direct effect on the amount of council tax payable

Housing revenue account

This account summarises income and expenses associated with the provision of council housing. By law all expenses must be paid by council tenants.

Income 2008/09	£000's
Council house rents (gross)	(54,783)
Other income	(7,485)
Total	(62,268)

Expenses	
Repair & maintenance	14,464
Supervision & management	14,882
Capital financing costs	3,857
Other costs	29,785
Total	62,988

Transfers to/from balances 720

The housing stock consisted of:

Houses	5,474
Flats	11,709
Bungalows	16
Total	17,199*

* This was 30 less than last year, due to people buying their council properties

Average rent for 2008/09 was £61.67 per week

1.25% of lettable properties were empty during the year

The statement of accounts has been prepared in accordance with the Accounting Code of Practice. The figures for this summary were originally compiled having regard to proper accounting practice.

The council's 2008/09 accounts have been audited by the Audit Commission, who have issued an unqualified opinion on the council's full accounts.

A full copy of the council's accounts is available at www.southampton.gov.uk/statementaccounts. Alternatively telephone 023 8083 2484 to obtain a copy.

We welcome your feedback and are particularly interested in hearing about whether you think this compact version of the accounts strikes the balance between simplicity and completeness. To make a comment or ask a question, contact Corporate Finance, Southampton City Council, Civic Centre, Southampton, SO14 7NR. Alternatively call 023 8083 2484 or email us at business.support.finance@southampton.gov.uk.