

# Summary of accounts

Southampton City Council has published its audited accounts for the financial year 2009/10. 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 (other than the provision of council housing) was £175 million (m). This was £8.5m less than anticipated when elected members approved the revised budget in October 2009, which resulted in an increase in monies available for future years of £4.5m. The level of the general fund balance at 31 March 2010 was £19.9m.

### Council housing

The council owns 17,064 flats and houses, for which it charges rent. Costs were £798,000 more than income. The level of housing reserves stands at £1.6m.

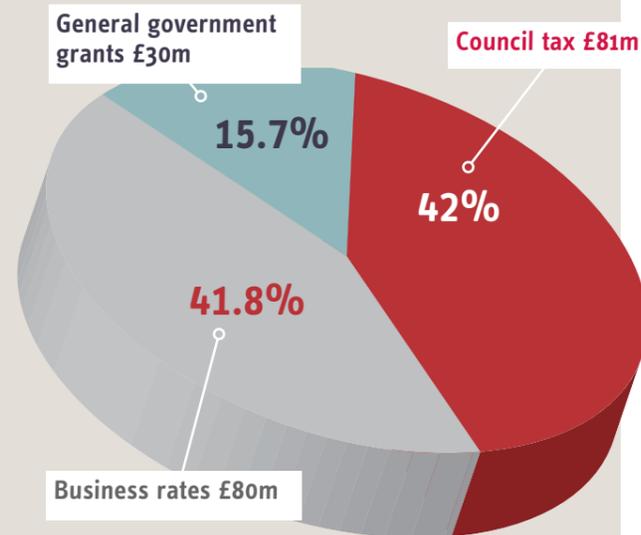
### Capital expenditure

Capital expenditure is money spent by the council on purchasing, upgrading or improving assets such as buildings or roads. The council spent £84.1m on these schemes in 2009/10.

## The cost of the council's services

The following figures show the net cost of services for 2009/10, where the money came from to finance these costs and the surplus at the end of the year. There is no direct correlation to net revenue spend as the Income and Expenditure Account is drawn up in accordance with UK accounting standards. However, the Government allows certain costs that form part of the Income and Expenditure Account to be excluded from the General Fund when setting council tax. These costs are mainly associated with the depreciation of assets and the accrual of retirement benefits.

	Net costs £000's
Central services to the public	6,252
Cultural, environmental and planning services	49,193
Children's and education services	57,514
Highways, roads and transport services	13,513
Local authority housing	(7,136)
Other housing services	5,194
Adult social care	58,829
Corporate and democratic core	4,869
Non-distributable costs	3,763
<b>Net cost of services</b>	<b>191,991</b>
Add: other income, expenditure and adjustments	3,322
<b>Total net costs</b>	<b>195,313</b>
<b>Financed by</b>	
General government grants	(29,974)
Business rates	(79,846)
Council tax	(80,960)
<b>Surplus for the year</b>	<b>4,533</b>



- 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 95.9 per cent of its council tax in 2009/10 compared to 95.5 per cent in 2008/09 and 95.2 per cent in 2007/08.
- Standard band D council tax was £1,411.

Please note: figures in brackets represent a minus figure.

**Capital** Money spent on purchasing, upgrading or improving assets such as buildings 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 2009/10

		£000's
<b>Children's Services and Learning</b>	Schools maintenance and improvement	7,109
	Children's / early years centres	656
	Bitterne Park 6th form	606
	Learning Futures / academies	2,914
	Primary rebuilds	5,644
	Other Children's Services and Learning	936
	<b>17,865</b>	
<b>Environment and Transport</b>	Highways, roads maintenance and improvements	8,949
	Public transport	284
	Environmental improvements	456
	Bridge maintenance	2,471
	Parking schemes	1,171
	Town Depot relocation	2,845
	Other environment and transport	547
	<b>16,723</b>	
<b>Economic Development</b>	Northern Above Bar (Guildhall Square)	2,277
	Other city development projects	1,834
	Tyrell & Green demolition	280
	Lower High Street	426
	QE2 Mile	616
	<b>5,433</b>	
<b>Adult Social Care and Health</b>	Development of social services facilities	264
	Modernisation of day services	961
	Social services IT systems	157
	<b>1,382</b>	
<b>Housing and Local Services</b>	Council house maintenance and improvement	29,595
	Private sector housing grants	5,214
	Places of change	583
	Neighbourhood projects	768
	<b>36,160</b>	
<b>Leisure, Culture and Heritage</b>	Tudor House Museum	985
	Southampton New Arts Complex	207
	Sea City Museum	889
	Libraries RFID	440
	Other leisure projects	306
	<b>2,827</b>	
<b>Resources and Workforce Planning</b>	Civic buildings works	3,677
	<b>3,677</b>	
<b>Total</b>		<b>84,067</b>

	£000's
Grants and contributions	23,100
Borrowing	24,920
Major repairs allowance (for housing)	15,061
Capital receipts (proceeds from sale of assets)	6,744
Revenue contributions	14,242
<b>Total</b>	<b>84,067</b>



## 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.

	2008/10	2009/10		
	£m	£m		£m
<b>Assets and liabilities</b>				
Building and land owned by the council	1,559	1,631	<b>Distributable reserves</b>	
Stocks, stores and work in progress	1	1	General fund	20
Money owed to the council	69	94	Housing fund	2
Money owed by the council	(64)	(78)	Useable capital receipts	1
Money set aside to meet future costs	(8)	(9)	Capital grants and contributions	27
Net pension fund liability*	(298)	(409)	Other earmarked reserves	26
			<b>Total</b>	<b>76</b>
<b>Total</b>	<b>1,259</b>	<b>1,230</b>		
<b>Financed by</b>				
	£m	£m	<b>Cash flow</b>	£m
Borrowing	199	224	Bank overdraft at 1 April	2
Non distributable reserves	989	930	Cash in	(887)
Distributable reserves	71	76	Cash out	892
			Bank overdraft at 31 March	<b>7</b>
<b>Total</b>	<b>1,259</b>	<b>1,230</b>	<b>Total</b>	<b>7</b>

\* 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 2009/10	£000's	The housing stock consisted of	
Council house rents (gross)	(56,166)	Houses	5,450
Other income	(3,193)	Flats	11,598
<b>Total</b>	<b>(59,359)</b>	Bungalows	16
		<b>Total</b>	<b>17,064*</b>
<b>Expenses</b>			
Repair & maintenance	15,277	* This was 135 less than last year, due to people buying their council properties (28) and demolitions for redevelopment	
Supervision & management	16,590	Average rent for 2009/10 was £63.57 per week	
Capital financing costs	1,805	1.4% of lettable properties were empty during the year	
Depreciation & impairment of assets	16,549		
Other costs	9,936		
<b>Total</b>	<b>60,157</b>		
<b>Transfers to / from balances</b>	<b>798</b>		

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 2009/10 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](http://www.southampton.gov.uk/statementaccounts). Alternatively telephone 023 8083 2398 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 2398 or email us at [business.support.finance@southampton.gov.uk](mailto:business.support.finance@southampton.gov.uk)

# Stop unwanted Christmas guests

Some thieves believe that our homes are at their most vulnerable over Christmas. This is the time homes are more frequently left empty in the whirlwind of shopping trips, Christmas parties and visiting friends. The festive break also means that students return to their family homes, leaving their property unattended for long periods.



Reformed burglar, Ian Sparshott is urging home-owners to take simple steps to avoid being a victim of crime.

Ian, from St Mary's in Southampton, who now spends his time mentoring young offenders via Hampshire Probation Trust's schemes, said:

"Many of us leave our home a target for Christmas burglaries. It only takes 30 seconds for a burglar to search your house for the most obvious valuables.

"A building that looks unoccupied and insecure is far more likely to be targeted than a property which is secure. It's essential you always lock up."



## Keep you and your belongings safe this Christmas

TIPS

- Shopping for Christmas can be busy and stressful. Be aware of your surroundings, keep bags zipped up and ensure wallets and purses are not visible.
- Don't leave Christmas presents in full view of burglars who may be peering through windows.
- Don't put your empty present boxes out until your recycling collection day. The boxes and wrappings provide burglars with just the information they are looking for to see what new gadgets await them inside.
- Postcode your goods with a permanent marker pen, ultra-violet marker or SmartWater. This will make it harder for a thief to sell the items and easier for the police to identify the true owner if they are recovered.
- Note down the serial numbers of all electrical goods such as TVs, videos, computers and camera equipment and log them on the UK National Property Register at [www.immobilise.com](http://www.immobilise.com)
- Don't leave your shopping on display in your car. Keep it out of sight in the boot and make sure your car is secure.

### Find out more

Did you know there are more than 250 Neighbourhood Watch groups in Southampton? To find yours contact the Safer Communities team on ☎ 023 8083 2013 or email [community.safety@southampton.gov.uk](mailto:community.safety@southampton.gov.uk)

