



castlepoint

benfleet | canvey | hadleigh | thundersley

Summary Accounts
2008 - 2009



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Head of Service Statement

The Council's full Statement of Accounts has been prepared in accordance with proper accounting guidelines. The figures in this Summary are based on the figures set out in the full Statement of Accounts, but some modifications have been made to provide more focused information.

The Audit Commission's independently appointed external auditor, PKF (UK) LLP, undertook an audit of the accounts in July 2009. An unqualified audit opinion was received.

Chris Mills, CPFA, Head of Resources

Your Opinion

We would be very interested in your views and comments on the content and presentation of the information contained in this leaflet so that we may improve future versions. Please tell us your views by emailing Finance@castlepoint.gov.uk or writing to us as follows:

Ian Stapleton, Financial Services Manager
Council Offices, Kiln Road, Thundersley, Benfleet, Essex SS7 1TF.

Definition of Terms

A section that provides a definition of technical terms and phrases is provided at the end of this leaflet.

Summary Financial Review

The following is a summary of some of the key points from the accounts on the Council's use of public funds.

Financial Performance

The net expenditure on General Fund services during the year was £13,267k compared to the revised budget of £13,800k. The underspend against budget was therefore £533k of which £431k relates to works delayed in 2008/09 which will be undertaken in 2009/10. The corresponding budget will therefore be rolled forward into 2009/10.

Council Housing

At the year end the balance on the Housing Revenue Account Reserve was £496k.

Capital Expenditure

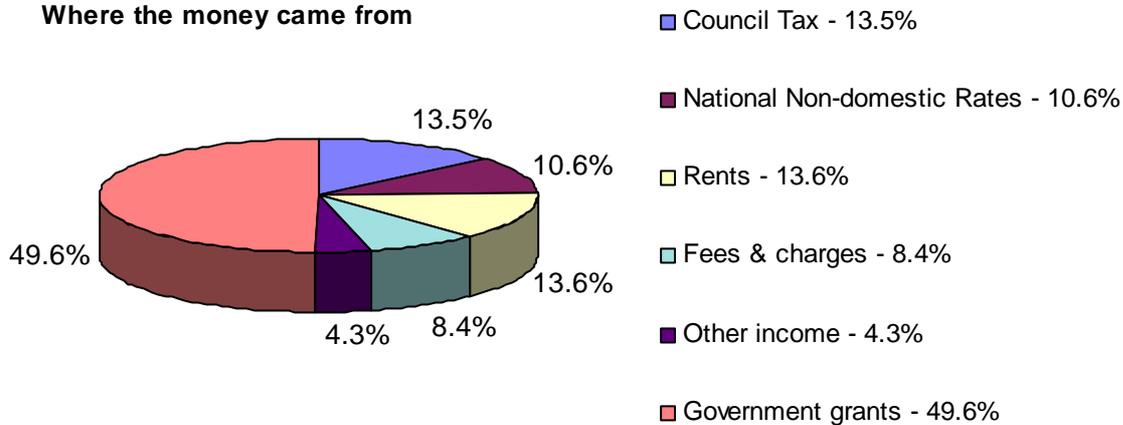
The Council has a capital programme, which is allocated across both General Fund and Housing Revenue Account activities. Overall, capital expenditure for the year was £2.917m.

Cost of Council Services

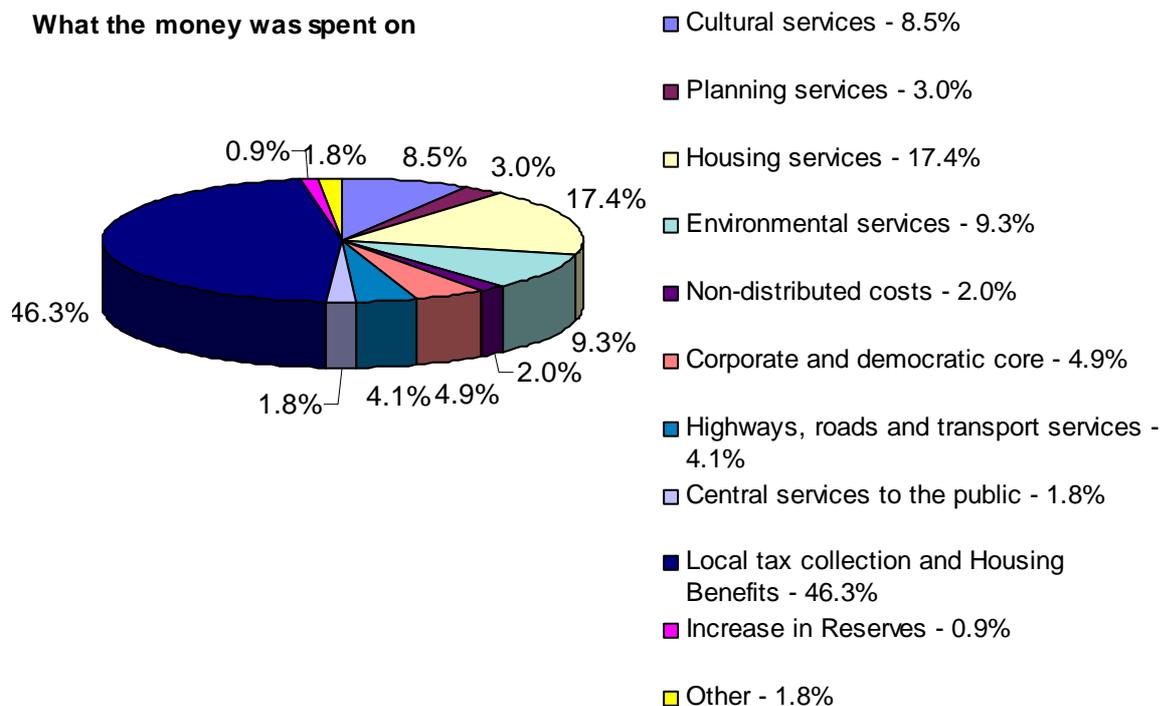
The charts below show in broad terms what the Council's money was spent on (the services provided) and how spending was funded.

Castle Point Borough Council raised Council Tax bills to the value of £47 million in 2008/09. Excluding funds collected on behalf of Canvey Island Town Council, only 14% (£6.7m) of this was retained by the Council for the provision of its own services, the rest was paid over to the Canvey Island Town Council, Essex County Council and the Essex Police and Fire Authorities.

Where the money came from



What the money was spent on



Balance Sheet

The Balance Sheet summarises the assets and liabilities held by the Council at 31 March 2009. It shows information such as the value of the Assets in the Council's ownership, the money owed to, and by the Council and the level of reserves.

	£'000
Buildings, land, council houses and other assets owned by the Council	126,081
Stocks	6
Cash in bank and investments	8,470
Money owed to the Council	4,196
Money owed by the Council	(6,169)
Grants to be released in future years	(1,158)
Long term borrowing	(7,825)
Liability related to defined benefit pension scheme	<u>(21,438)</u>
Total Assets less liabilities	<u>102,163</u>
General Fund (General) Reserve	2,971
General Fund – works deferred from 2008/09	431
General Fund (Earmarked) Reserves	665
Pensions Reserve	(21,438)
Housing Revenue Account Reserve	496
Collection Fund	92
Capital Accounts (useable)	1,446
Capital Accounts (unusable)	<u>117,500</u>
Total Reserves & Balances	<u>102,163</u>



Reserves & Balances

General Fund and Housing Revenue Account Reserves represent those sums set aside to cushion the Council against future possible events based on the strategic, operational and financial risks facing the Council. Any reserves in excess of the minimum recommended by the Head of Resources can be allocated to priority based projects.

The General Fund is the main fund of the Council and includes the majority of the Council's activities. These are primarily financed through Council Tax, contribution from National Non-domestic Rates and Government Grants.

The Collection Fund is a ring-fenced account, the balance being redistributed to Council Tax Payers.

Capital Accounts (useable) - consists of those accounts relating to receipts from the sale of assets and the major repairs reserve. These accounts represent useable resources which may be used at the Council's discretion.

Capital Accounts (unusable) - consists of those accounts which provide balancing or matching entries in respect of the Fixed Asset Accounts. These accounts do not represent a resource available to the Council.

The accounts show total General Fund reserves are currently standing at £4.067m. During 2009/10 the Council has planned to utilise General Fund reserves as follows:

	£'000
Reserves Brought Forward 01.04.09	4,067
Planned change in reserves in 2009/10	71
Priorities identified during the financial year	(72)
Works delayed from 2008/09 to 2009/10	(431)
Specific backlog maintenance works	(915)
Regeneration and climate change initiatives	(255)
VAT contingency	(100)
Reserves unallocated	<u>2,365</u>

The Council's objective is to maintain General Fund reserves at a minimum level of £1.2m.

Housing Revenue Account

The Housing Revenue Account (HRA) is a ring-fenced account that relates to the provision of housing dwellings. The Account shows the major elements of housing revenue expenditure and how these are financed.

- The average weekly dwelling rent was £71.01.
- The Council housing stock at 31 March 2009 was 1,539 dwellings.
- Rent arrears for 2008/09 had increased to £253,432 from £187,089 in 2007/08. The Council continues to pursue these arrears.

	£'000
Income	
Council house rents	5,626
Other income	716
	6,342
Expenditure	
Repair and maintenance	986
Supervision and management	1,899
Depreciation and impairment of fixed assets	7,657
Other costs, and reversal of statutory charges	(4,197)
	6,345
Decrease in HRA reserves	3
HRA Reserves brought forward	499
HRA Reserves carried forward	496

The recommended level of reserves for 2008/09 was £395k. At the end of the year HRA reserves exceeded this level, at £496k, however this was a reduction of £151k against the budgeted position of £647k.

Council Tax and Business Rates

Castle Point Borough Council collected 98.5% of Council Tax owed in 2008/09 compared to 98.8% in 2007/08. It also collected 98.8% in respect of Business Rates owed for 2008/09 compared to 99.7% in 2007/08.

Facts	2006/07	2007/08	2008/09
Population of Castle Point Borough (estimated)	86,600	86,600	87,000
Band D equivalents	31,457	31,602	31,718
Number of Direct Debits	22,133	22,388	23,049
Value of Direct Debits (full year)	£27.2m	£28.7m	£30.3m
% of Direct Debits over total collection (full year)	72.82%	72.75%	73.80%

Capital Expenditure

Capital Expenditure generally represents money spent by the Council on purchasing, upgrading and improving assets such as buildings in its ownership. The Council receives benefit from capital expenditure over a long period of time. The following table outlines the capital investment made during the financial year 2008/09.

	£'000		£'000
Housing Services		Environmental	
Disabled facilities grants	301	Contaminated land	9
Warm Front top-up scheme	55		
		Planning Services	
Direct Service Organisation		Planning Delivery Grant	6
Vehicle replacement programme	375	Purchase of land at Canvey Road	16
		Canvey Town Centre Master Plan	30
Central Services		Industrial Estate Refurbishment	14
Computer related projects	61		
Asset repairs programme	16	HRA Annual programmes	
		Central heating	155
Cultural Services		Kitchen improvements	368
Playground equipment	355	Electrical	214
Canvey Heights Country Park	8	Disabled adaptations	105
Labworth (Bumble bee) Park	41	Bathroom improvements	166
Canvey Island seafront regeneration	453	Structural repairs	31
Runnymede Pool	27	Other	111
			<u><u>2,917</u></u>

Programme of backlog repair and maintenance, disability access and health and safety works

During the year the Council commenced a five year programme of backlog maintenance works. These works were subject to a competitive tender process in line with the Council's procurement strategy, which includes where possible use of local suppliers and adoption of sustainable building practices.

The programme included works to improve the general condition of the following properties:

- Swans Green Hall.
- Benfleet Playing Fields Pavilion and mess room
- Main Council Offices and Runnymede Hall
- Rectory Road – Public Convenience
- King George V Pavilion
- Waterside Farm Sports Centre
- Woodside Chapel, Hall/Pavilion
- South Benfleet Hall

Definition of Technical Terms and Phrases

General Fund	Term used to describe those services provided to residents funded through Council Tax, Government Grant and contribution from National Non-Domestic Rates.
Government Grants	Sums paid by Central Government towards either specific services or in aid of services generally.
National Non-Domestic Rates (Business Rates)	A levy on businesses, based on a national rate set by the government.
Council Tax	The tax levied on domestic dwellings.
Capital Expenditure	Capital expenditure is expenditure that results in the provision or enhancement of assets such as land, buildings, plant and vehicles.
K	The use of the letter K immediately after a number is intended to represent the word "thousands".
Assets	As shown on the balance sheet means the value of items owned by the Council including vehicles, buildings and land as at 31 st March 2009.
Liability	As shown on the balance sheet a financial amount owed by the Council as at the 31 st March 2009.
Ring-fenced account	Meaning only available for a specific purpose.
Band D Equivalent	Intended to represent the average property/dwelling within the Borough.

Further Information

The full Statement of Accounts will be available for download from the Council's website at www.castlepoint.gov.uk from September 2009. Copies will also be available at local libraries. If you would like a copy of this document, or require it in another format, please email Finance@castlepoint.gov.uk or alternatively write to:

Ian Stapleton, Financial Services Manager. Castle Point Borough Council, Council Offices, Kiln Road, Thundersley, Benfleet, Essex SS7 1TF.

The full Statement of Accounts was approved at a meeting of Special Council on 24th June 2009. The reports which accompanied the accounts to committee include detailed explanatory narrative of figures shown in the accounts. A copy of these reports may be viewed on our web-site or obtained at the Council Offices.