

Northampton Borough Council

1.0 Introduction

This short guide through the main numbers in the Statement of Accounts has been prepared as an aid to members. The Annual Accounts is a large technical document and they are very difficult to interpret. It includes only the main features of the accounts.

1.1 Revenue Expenditure

The Council measures financial performance against planned activity in the form of the Council's management accounts. In 2015/16 the Council reported a balanced position against planned activity of £26.2m, after achieving planned savings £4.3m and using £4.5m of Earmarked Reserves. The following table shows the actual outturn:

Actual Outturn 2015/16 £'000

General Fund Account	Net Budget £000s	Net Actual £000s	Variance £000s
Director of Regeneration, Enterprise and Planning	1,006	264	-742
Housing and Wellbeing	1,137	1,394	257
Borough Secretary	2,442	2,364	-78
Director of Customers & Communities	11,129	10,736	-393
Corporate and LGSS	10,520	10,880	360
Total within Budget Managers Control	26,234	25,638	-596
Planning Appeals and Delapre Abbey	0	635	635
Capital Expenditure charged to Revenue Account	0	2,172	2,172
Net Support Service Recharges	-2,555	-2,125	430
Interest and Financing	3,011	2,389	-622
Parish Precepts & Grants	1,001	1,001	0
Government Funding	-7,087	-7,087	0
Council Tax	-13,997	-13,997	0
Council tax Freeze Grant	-152	0	152
Non specific grants (mainly New Homes Bonus)	-3,836	-4,161	-325
Technical Accounting Adjustments	-23,615	-21,174	2,442
General Fund (under) / over spend	2,619	4,464	1,845
Net Contribution to/(from) Reserves	-2,619	-4,464	-1,845
General Fund Deficit (Surplus)	0	0	0
Balance b/fwd		-5,470	
Balance carried forward		-5,470	

The General Fund Reserves have been maintained at £5.5m in line with the current policy of the level to be maintained.

The presentation reflects how costs and incomes are categorised, monitored and managed within the Council. The Annual Accounts reports expenditure and income in a different format to comply with the statute governing their preparation. This incorporates

additional costs such as changes in the value of property which, under regulation, is not chargeable to the General fund (a useable reserve) in the year but to unusable reserves.

1.2 Housing Revenue Account

Included within the overall income and expenditure above are specific amounts relating to the provision, maintenance and sale of Council houses and flats. These specific items of income and expenditure are also shown separately in the Housing Revenue Account (HRA), because this account has to be self-financing.

After taking account of contributions to reserves and balances, the Council's Housing Revenue Account working balance has remained at £5m. This is after making a net contribution to HRA earmarked reserves of £1.6m to support revenue expenditure during the year. This position was reported at the Cabinet meeting on 13th July 2016.

1.3 Capital Expenditure and Financing

The capital programme supports the Council's wider objective to deliver services and to support economic growth. Capital expenditure represents major investment in new and improved assets such as land, buildings, equipment and information technology assets. The table below summarises the capital outturn for 2015/16.

Capital Expenditure and Financing	Budget £000s	Actual £000s	Variance £000s
Expenditure			
Housing Revenue Account Schemes	36,148	33,693	-2,455
General Fund Housing Schemes	2,125	1,557	-568
Other General Fund Schemes	64,409	57,398	-7,011
Total Capital Expenditure	102,682	92,648	-10,033
Sources of Financing			
Major Repairs Allowance		21,897	
Revenue Contributions to Capital Expenditure		11,255	
Grants & Contributions		2,878	
Capital Receipts		5,468	
Borrowing		51,150	
		92,648	

The Other General Fund Schemes of £57m includes a third party loan agreement of £46m with the University of Northampton to support the relocation of the University's campus to a new Waterside location in the Northampton Enterprise Zone.

1.4 Useable Reserves – reduced by £16.8m to £66.9m

General Fund Reserves of £4.5m and Earmarked HRA Reserves of £1.6m have been used to support service specific projects.

£9.3m Major Repairs Reserve has been used to part-finance HRA Capital spend.

£1.02m of the Capital Receipts Reserve and £0.5k of the Capital Grants Unapplied Reserve were also used to part-fund Capital Expenditure.