

Summary of Accounts 2009/10

The County Council's accounts are an important element in demonstrating the stewardship of public money. They show the funds available and how they were used by managers in delivering services to the people of North Yorkshire. This leaflet summarises the full Statement of Accounts and provides an overview of the County Council's financial position for the year ended 31st March 2010.

Budget Outturn 2009/10

A comparison of the County Council's approved Budget with actual spending is as follows :-

Budget for 2009/10

	£m
Original Approved Budget funded from	
Council Tax	237.0
Government Funding	99.3
Contributions from Balance	2.5
	<u>338.8</u>
Subsequent increase as a result of underspends in 2008/09 being carried forward and spent in 2009/10, (funded from general balances)	9.1
= Revised Budget / Net Expenditure	<u>347.9</u>
Actual net expenditure in 2009/10 by Directorate	
Children and Young People's Service	77.7
Business and Environmental Services	71.7
Adult and Community Services	131.9
Capital Financing Charges	28.8
Other Central Budgets	30.3
	<u>340.4</u>
= Year end budget underspend	<u>(7.5)</u>

The £7.5m underspend includes planned underspends and managed savings that are being carried forward for spending in 2010/11, (£10.2m), with a remaining overspend, (£2.7m), reducing the level of the general balance.

Income and Expenditure Account 2009/10

The headings and figures in this Statement are based on a nationally agreed reporting format and are not the same as the County Council's day to day accounting arrangements.

As restated

2008/09

Net Spend

£m

Spend - Income = Net Spend
£m £m £m

What we spent

124.9	Children's and Education Services	594.8	(464.9)	129.9
140.9	Adult Social Care	222.4	(79.7)	142.7
51.8	Highways, Roads & Transport	65.4	(5.6)	59.8
41.3	Cultural, Environmental & Planning	53.2	(7.1)	46.1
12.8	Other Services	12.3	(1.4)	10.9
371.7		948.1	(558.7)	389.4
43.6	Other Operating Costs			43.8
415.3	Net Operating Expenditure			433.2
	This was paid for by			
(226.6)	Demand on District Council Collection Funds for Council Tax			(237.6)
(11.6)	Revenue Support Grant	} Both from Central Government		(18.6)
(83.1)	National Non-Domestic Rates			(80.7)
(28.7)	Other Government Funding			(32.8)
(350.0)	Total Funding			(369.7)
65.3	Deficit for the Year			63.5

Thus, in this format, the reported total cost of providing services in 2009/10 was £389.4m.

Service income was £558.7m consisting of grants from the Government towards specific services totalling £450.1m and £108.6m from fees, charges and sales.

After allowing for other operating costs net revenue spending was £433.2m and, combined with Income from Council Tax payers and Central Government of £370.7m, resulted in a reported net deficit of £63.5m.

This £63.5m deficit is, however, notional and includes some significant technical adjustments that do not impact on real spending, (i.e. as per page 1), by the County Council as follows :-

	£m
Reported Deficit (as above)	63.5
- Effect of adjustments relating to Pensions, Capital Accounting and Movement in Reserves	(59.4)
= Real deficit in year	4.1
+ Approved spending carried forward from 2008/09	(9.1)
+ Budgeted contribution from balances in 2009/10	(2.5)
= Budget underspend reported on Page 1	(7.5)

Balance Sheet as at 31st March 2010

The Balance Sheet shows the financial year end position for the County Council as a whole. It includes the financial value of the land, buildings and other assets owned by the Council, as well as the value of borrowings and other debts owed by the Council.

As restated 31/03/2009 £m		31/03/2010 £m
1,693.0	Capital Assets	1,729.4
29.1	Cash in Bank	40.2
119.8	Short Term Investments	104.6
46.0	Money owed to the County Council (Debtors)	49.1
(163.5)	Money owed by the County Council (Creditors)	(185.4)
1.4	Other Assets	1.1
(325.4)	Long Term Borrowing and other liabilities	(315.5)
(624.5)	Pensions and other Liabilities	(755.8)
775.9	Total Assets less Total Liabilities	667.7
701.5	Accounting Reserves	592.8
52.7	Earmarked Reserves	57.3
21.7	General Balances	17.6
775.9	Total Reserves and Balances	667.7

Capital Assets include land, buildings, infrastructure and vehicles. These assets have increased mainly due to a revaluation of some of the County Council's assets and new capital spending in 2008/09.

Cash in bank consists mainly of funds held in school bank accounts.

Short Term Investments reflect the County Council's surplus cash balances invested with approved organisations, mainly banks.

Long Term Borrowing and other liabilities is the debt outstanding on external loans taken out by the County Council to finance capital expenditure, (e.g. schools, roads).

Pensions and Other liabilities consist mainly of the County Council's net financial commitment to existing and future pensioners.

Accounting Reserves relate to pensions and capital accounting and are needed to ensure that required pensions liabilities and increased values of capital assets have no direct impact on the Council Tax payer.

Earmarked Reserves are funds held by the County Council for specific, (often short term), purposes and consists of schools grant and delegated balances of £28.2m, Insurance reserves of £9.4m and reserves held for other purposes totalling £19.7m.

General Balances are required to provide adequate funds to meet any unforeseen calls on the County Council's services. These balances are £17.6m at 31st March 2010 but include £10.2m of planned underspends and managed savings in 2009/10 which will be spent on services in 2010/11. The remaining "general working" balance is, therefore, £7.4m; the County Council's target is to maintain a level of general working balances equivalent to 2% of the Net Revenue Budget.

Cash Flow Summary 2009/10

This section summarises the total cash inflows and outflows during the year and includes both capital and revenue. The cash flow gives an indication of the volume of cash going through the County Council's books in a year.

2008/09		2009/10	
£28.8m	Cash held at start of year	£29.1m	
£1,009.1m	+ Cash In	£1,096.0m	£928.4m from Revenue activities £ 68.0m from Capital activities £ 99.6m from financing and borrowing
£1,008.8m	- Cash Out	£1,084.9m	£881.7m for Revenue activities £111.2m for Capital activities £ 92.0m for financing and borrowing
£29.1m	= Cash held at end of year	£40.2m	

The County Council's full Statement of Accounts

A full Statement of Accounts for 2009/10 has been prepared in accordance with the Accounting Code of Practice for Local Authority Accounts. For the purposes of these Summary Accounts, some modifications have been made to provide information at this more summarised level.

A copy of the full 2009/10 audited Statement of Accounts is available at www.northyorks.gov.uk. Alternatively, copies are also available upon request by telephoning 01609 532119.

Capital Expenditure 2009/10

Capital expenditure represents money spent by the County Council on purchasing, upgrading and improving assets such as buildings and roads. The benefit of this expenditure is experienced over a number of years.

Total capital investment in 2009/10 was £114.9m and consisted of:-

- £113.9m against a Capital Plan of £122.6m.
- £1.0m spent on fixed assets from within Directorate revenue budgets.

A breakdown of the £114.9m capital investment into service areas and how it was paid for is as follows:-

2008/09 £m		2009/10 £m	
	Service Area		
48.6	Children & Young People's Service	65.9	
56.4	Business & Environmental Services	38.2	
2.7	Adult & Community Services	4.3	
9.7	Other Services	6.5	
<u>117.4</u>		<u>114.9</u>	
	Funded by		
44.6	Borrowing	30.3	
54.8	Grants & Contributions	62.4	
5.3	Receipts from the sale of surplus assets	5.5	
12.7	Contributions from the Revenue Budget	16.7	
<u>117.4</u>		<u>114.9</u>	

	£m
The following are examples of the projects in which the County Council has invested during 2009/10 :-	
Structural Maintenance of Roads	17.0
Schools - Devolved Funding	9.7
Richmond School - Building Schools for the Future	9.6
New and replacement Road Lighting Columns	3.1

The County Council plans to invest in excess of £320m capital assets during the next three financial years.

Total accumulated borrowing for capital purposes at 31st March 2010 was £380.4m consisting of:-

2008/09 £m		2009/10 £m
309.7	External borrowing from the Public Works Loan Board	303.9
20.0	External borrowing from other institutions	20.0
36.2	Temporary borrowing from internal sources	57.7
(1.4)	Debt administered on behalf of other authorities	(1.2)
<u>364.5</u>		<u>380.4</u>

Council Tax

The following table shows how much Council Tax was charged for County Council services for each property band during 2009/10.

Band A	£684.87
Band B	£799.01
Band C	£913.16
Band D	£1,027.30
Band E	£1,255.59
Band F	£1,483.88
Band G	£1,712.17
Band H	£2,054.60

The Council Tax collected by each borough/district council contributes to the combined cost of local services including Police and Fire. There is one bill per dwelling for county council, district council, police, fire and parish charges based on the value of each property, which has been valued (as at 1st April 1991) and placed in one of the above eight council tax valuation bands.

Audit Status

The County Council's 2009/10 Accounts have been reviewed by the Audit Commission's independently appointed auditors, Deloitte LLP, and were formally approved on 30 September 2010.

Group Accounts

In addition to the main financial statements of the County Council, the full accounts for 2009/10 also include a set of "Group Accounts".

These accounts are required to present a full picture of the County Council's financial position as a result of our relationship with the following:-

- ❖ Yorwaste Limited - a waste disposal company owned and operated in conjunction with the City of York Council
- ❖ NYnet Limited - a company set up by the County Council to provide a high speed broadband communication infrastructure across North Yorkshire
- ❖ Veritau Limited - a company owned and operated in conjunction with the City of York Council which provides Internal Audit, Counter-fraud and Information Governance services to the Public Sector.

On consolidating Yorwaste's, NYnet's and Veritau's financial position with that of the County Council, net assets increase by £1.0m, (to £668.7m) and the deficit for the year increases by £1.6m, (to £65.1m).

Staffing

The County Council employed 15,144 full time equivalent staff at the end of the financial year of which 8,712 worked in schools.

North Yorkshire Local Government Pension Fund

The value of the North Yorkshire Pension Fund at 31st March 2010 was £1,344.6m compared with £828.8m at 31st March 2009 and a summary of its Final Accounts position is as follows:-

2008/09 £m		2009/10 £m
1,223.0	Opening Net Assets as at 1st April	828.8
105.6	Income from Fund Members	111.7
(60.7)	Benefits paid to pensioners	(65.3)
(1.2)	Expenses of administering the Fund	(1.2)
26.7	Income from investments	17.3
(464.6)	(Decrease) / Increase in market value of investments	453.3
<u>828.8</u>	Closing Net Assets as at 31st March	<u>1,344.6</u>

Net Assets Statement as at 31st March 2010

31/03/2009 £m		31/03/2010 £m
162.9	Fixed Interest Securities	109.8
369.0	Shares in Companies	665.4
259.0	Units in Pooled Funds	544.3
13.4	New Money owed to The Pension Fund	10.2
24.5	Cash Instruments and Deposits	14.9
<u>828.8</u>	Total Net Assets	<u>1,344.6</u>

The County Council administers the North Yorkshire Pension Fund for public sector staff employed by the County Council, City of York Council, 7 District Councils and 55 other bodies.

The Fund includes public sector employees throughout the North Yorkshire area, except teachers, police officers and fire-fighters for whom separate pension arrangements apply.

There were 28,623 contributors to the Fund at 31st March 2010, and 14,119 people receiving a pension.

The average pension paid out is approximately £3.5k per annum and over 75% of the pensions paid out are less than £5k per annum.

The results of the 2007 Triennial Valuation set Employer Contribution Rates for the three years from 1st April 2008 to 31st March 2011. At the Valuation date of 31st March 2009 the Fund Solvency was determined at around 35% and this figure improved to 58% as at 31st March 2010 reflecting the recovery of the Fund following the unprecedented events affecting the financial markets around the world.

What the County Council does for you

Business and Environmental Services

Our Business and Environmental Services directorate provides services that have a major impact on businesses and the environment. We are responsible for roads and footways maintenance, bridges, gritting in winter, road safety, providing better facilities for cyclists and pedestrians and support for public passenger transport. Further responsibilities include; managing waste disposal, household waste recycling centres, trading standards and animal health and welfare (livestock), strategic planning for land use, mineral and waste planning, economic development, arts, public rights of way and countryside services. The Business and Environmental Services directorate also attracts millions of pounds worth of funding from Europe, central government and other sources to benefit North Yorkshire businesses and communities.

Adult and Community Services

Our Adult and Community Services directorate provides a range of services to help people in need. We help older people to live both independently and in accommodation with care, including residential and nursing homes and extra care facilities. We help people with mental health, physical or learning difficulties live active, fulfilling lives. We also play an important role in safeguarding all vulnerable people in North Yorkshire so that they can live with dignity and respect.

We provide a range of vital community services, including library and customer service centres, the archives service and the registration of births, marriages and deaths.

Children and Young People's Service

Our Children and Young People's Service directorate provides for over 138,000 children and young people between the ages of 0-19. We maintain over 370 schools, 11 special schools, four outdoor education centres and over 30 Sure Start children's centres. In addition, we support more than 300 pre-school and childcare groups for children under five. From April 2010, the responsibility for commissioning 14-19 provision will transfer to us from the Learning and Skills Council.

We protect and support vulnerable children and families. This includes looking after approximately 450 children at any one time, mainly in foster care, and providing services to the families of over 550 disabled children and young people. We are a major provider of lifelong learning, enabling more than 12,500 adult learners each year to pursue their interests in all forms of education. For our Youth Support Service, we provide a wide range of positive activities, help and support to young people, particularly those who need it most.

We also lead the Children's Trust, which brings together all public services provided for children and young people, in order to ensure the best possible outcome for them. Integrated services have been established, which bring together staff from all of the services for children and young people to provide help in a combined way. Sure Start children's centres, extended services in schools, and the integrated youth support services are available across the County.

The Council Plan

This Plan sets out the County Council's vision for North Yorkshire and our aims and objectives up to 2013. Its purpose is to explain our main priorities, how we are performing against key targets and how it is all paid for. It can be referred to or downloaded from our website at www.northyorks.gov.uk. It is our intention to maintain the rate of improvement in services we have achieved in recent years. This Plan will help us to do that, and to meet important challenges in modernising services and managing limited resources. An annex to the Council Plan sets out our performance indicator results for 2009/10 and can be downloaded at www.northyorks.gov.uk

If you would like this information in another language or format such as Braille, large print or audio, please contact communications@northyorks.gov.uk or phone (01609)532013.

