

The council's statement of accounts for 2010/11 was prepared following recommended accounting practice. The independent auditors provided their opinion that the accounts give a true and fair view of the financial position of the council at March 31, 2011 and its income and expenditure for the year. The figures in this summary have been based on the audited accounts but some modifications have been made to provide more meaningful information. A full copy of the council's statement of accounts is available on the council's website.

Chris Buss  
Director of Finance  
and Deputy Chief  
Executive

# A summary of the council's accounts 2010/11

The following pages provide details of the council's spending and income during 2010/11 and summarise the council's financial position at March 31, 2011.

**GENERAL REVENUE ACCOUNT** The General Revenue Account represents the cost of running council services between April 2010 and March 2011, where the money came from to finance those costs, and the balance at the year-end.

	GROSS SPENDING	GROSS INCOME	NET SPENDING
	£m	£m	£m
Environment, Culture and Community Safety	61.0	14.0	47.0
Education and Children's Services	324.6	261.0	63.6
Strategic Planning and Transportation	43.0	31.6	11.4
Housing Services	127.9	124.0	3.9
Adult Care and Health	127.0	30.6	96.4
Finance and Corporate Resources	218.1	212.3	5.8
Cost of services	901.6	673.5	228.1
Less: Interest and investment income			(5.4)
Less: Reduction in reserves			(9.4)
Amount to be met from Government grant and local taxation			213.3
Paid for by:			
Council taxpayers			48.0
Government grant			173.6
Total Income			221.6
Surplus for the year			8.3
Balance at end of March 2010			22.4
Balance at end of March 2011			30.7

The council estimated to end the year with a balance of £10 million on its general revenue account as an allowance for contingencies in 2010/11. By the end of the year this balance had risen to £30.7 million primarily as a result of spending less than it had originally anticipated. Government general grants increased by 1.5% in the year to £150.2 million based on the Government's calculation of a like-for-like basis. This compares with increases of 2.65% nationally and 1.98% for the London area. Wandsworth is likely to receive just the minimum annual increase in grant for the foreseeable future which is unlikely to cover general inflationary pressures, implying continuing real-term reductions in Government support for council services.

Council TAX	2010/11	2009/10
Average amount for band D properties		
- Wandsworth Council	£377.06	£377.25
- Greater London Authority	£309.82	£309.82
Total	£686.88	£687.07

Business rate per £ value		
- Standard rating multiplier	41.4p	48.5p
- Small business rating multiplier	40.7p	48.1p

The council's share of the council tax has increased by 4.8% since 2003 in terms of the average band D amount of £377.06. The Greater London Authority share has increased by 38.1% over the same period. The combined average band D amount for 2010/11 was £686.88, a marginal decrease on 2009/10.

The average council tax per dwelling of £657.70 remained the lowest in Great Britain and amounted to only 55 per cent of the average £1,194.50 for England.

**GENERAL CAPITAL SPENDING** - Capital spending represents money spent by the council on purchasing, upgrading and improving assets such as buildings and roads (capital spending on council housing is treated separately). The council receives the benefit from capital spending over a longer period of time. The table below shows the significant general capital schemes for 2010/11.

<b>EDUCATION AND CHILDREN</b>	<b>2010/11 £M</b>	<b>RENOVATION GRANTS ETC</b>	<b>2010/11 £M</b>
Primary school windows	1.0	Empty properties/Coldbuster grants	1.0
Other primary school schemes	5.0	General renovation grants	1.1
Secondary schools: BSF	6.6	Loans to leaseholders	0.2
Other Secondary schools schemes	1.3		(2.3)
Other special school schemes	0.7	<b>ENVIRONMENT AND CULTURE</b>	
Youth and play schemes	0.1	Parks and open spaces improvements	1.0
Integrated Childrens Centres	1.1	Leisure centres and sports services	0.4
Other education funded schemes	5.7		(1.4)
	(21.5)	<b>ADULT CARE</b>	
<b>COMMUNITY SAFETY</b>		Adaptations for the disabled	0.1
Safer and stronger communities	0.1	Improving care homes and other establishments	0.2
	(0.1)		(0.3)
<b>STRATEGIC PLANNING AND TRANSPORTATION</b>		<b>CORPORATE SERVICES</b>	
Carriageway and footway repairs and improvements	6.3	Bolingbroke hospital site	13.0
Section 106 agreements	0.4	ICT infrastructure, IT and property improvements	0.3
Purchase of vehicles	0.5		(13.3)
Planning conservation	0.1	<b>TOTAL</b>	<b>(46.6)</b>
Economic Development	0.4		
	(7.7)		

The council spent £46.6 million on general capital schemes during the year, £13.4 million more than 2009/10. This was paid for with capital grants and reimbursements of £41.4 million, £2.9 million of capital receipts from the sale of assets, and £2.3 million from revenue.

**COUNCIL HOUSING** This account shows all revenue and capital spending and income relating to the council's housing. The council owns 33,266 dwellings, of which 15,845 have been sold on long-term leases.

<b>REVENUE INCOME</b>	<b>2010/11 £M</b>	<b>REVENUE SPENDING</b>	<b>2010/11 £M</b>
Council house rents	93.6	Repairs and maintenance	24.7
Service charges from leaseholders	12.4	Estate and management costs	40.7
Other income	14.3	Rent rebates	4.0
	(120.3)	Subsidy payable to the Government	39.0
<b>CAPITAL INCOME</b>		Other costs	2.8
Government subsidy	16.4		(111.2)
Capital receipts	14.3	<b>CAPITAL SPENDING</b>	
Leaseholder major works charges	2.9	Repairs and improvements	31.9
Other incomes	8.6	Cash incentives to tenants to assist private purchase	0.7
	(42.2)	Other costs	0.1
<b>TOTAL INCOME</b>	<b>162.5</b>		(32.7)
		<b>TOTAL SPENDING</b>	<b>143.9</b>
		Other adjustments	0.3
		<b>SURPLUS FOR THE YEAR</b>	<b>18.9</b>
		All monies held to underpin the business plan for council housing	169.2

Capital receipts from the sale of council houses and council housing land came to £14.3 million, compared to £20.5 million the previous year. However £0.8 million of these receipts had to be paid to the government. The spending and income from council housing must be kept separate from other council spending. The Housing Revenue Account and the Major Repairs Reserve underpin the longer term business plan for housing.

## COUNCIL HOUSING - Continued

ANALYSIS OF COUNCIL HOUSING CAPITAL SPEND	2010/11 £M
Alton Estate	1.1
Doddington Estate	3.5
Ashburton Estate	1.5
Badric Court	1.0
Sheltered Housing conversions/improvements	0.2
Totterdown Fields - Window renewals	0.5
Hidden Homes - Continuation of the council's programme	1.2
Other repairs and improvements and associated costs	22.9
Cash incentives to tenants to assist private purchase	0.7
<b>TOTAL</b>	<b>32.6</b>

Capital spending on housing represents money spent by the council chiefly on upgrades and improvements to the housing stock. The council receives the benefit from capital spending over an extended period of time. The council spent £32.6 million in 2010/11, a increase of £4.2 million on the previous year. The vast majority of this was spent on improvements to housing estates.

AVERAGE RENTS AND SERVICE CHARGES	2010/11 £
Average annual leasehold routine service charge bill (est)	741
Average weekly rent	104.64

Between 2009/10 and 2010/11, the estimated average annual leasehold service charge bill rose from £734 to £741, and the average weekly rents (including service charges) reduced by £0.75 to £109.82.

## COUNCIL BALANCE SHEET - What the council owns and how it's funded

BALANCE SHEET	31 MARCH 2011 £M
Buildings and land owned by the council	1,310
Vehicles, plant and machinery	8
Stocks and work in progress	1
Investments	390
Money owed to the council	57
Money owed by the council	(142)
Pensions liability	(109)
<b>TOTAL</b>	<b>1,515</b>
Financed by:	
Accounting reserves	1,163
General Fund balance	31
Housing reserves	169
Usable capital receipts	36
School balances	17
Other balances	99
<b>TOTAL</b>	<b>1,515</b>

The council's balance sheet total reduced by £45 million to £1,515 million between 2009/10 and 2010/11. This was chiefly as a result of the fall in the value of the council dwellings.

