



Summary Annual Report and Financial Statements for the Year Ended 31 March 2009

This is a short summary of the key issues in our statutory financial statements. The full statements provide a comprehensive picture of the Council's financial circumstances. There is a great deal of technical detail contained in the statutory reporting format.

We hope this summary highlights the most important figures for you, making how we manage the money entrusted to us more open and accessible, and making us more accountable.

Further Information

You can find the full set of financial accounts, alongside other Council documents, at our website www.south-norfolk.gov.uk.

Further information is available from Financial Services at South Norfolk House or our web site www.south-norfolk.gov.uk.

Have Your Say.....

We want to know what you think of this leaflet. Call us on 01508 533857, or e-mail finance@s-norfolk.gov.uk.

If you need this document in large print, audio, Braille, alternative format or in a different language, please call us at South Norfolk Council on 01508 533919.



Achievements

What we did in 2008/09

In 2008-09, **we were officially rated as “Excellent”** by the Audit Commission, the Government’s independent watchdog on public services. This is the highest accolade a Council could achieve.

The Council reviewed its corporate priorities in May 2007, and we have made good progress on each of these priorities.

Priority: Be businesslike and efficient providing services people value the most

- Challenged Local Government Reorganisation in the county to get the best deal for South Norfolk, supporting a judicial review and the Keep Norfolk Local Campaign.
- Delivered 3% efficiencies across all services to deliver savings of £464,000 and we will continue to challenge.
- Reduced our running costs by £1,380,000 and set a minimal council tax increase of 2.48% for 2009-10.
- Reduced further the average number of days lost to sickness absence by 35%. At 5.34 days per year this is better than the average in the private sector.
- Introduced Internet and automated Touch Phone and online payment facilities, with more than 2190 payments received this way in the first four months.
- Issued 4,900 council tax bills, and other notifications, electronically, saving the Council £4,130.

Priority: Become among the best in the country for recycling

- Exceeded our target of 10,000 brown bin customers to help us reach our target to recycle 40% of household waste.
- Piloted a “rag and bone” style service to find innovative ways to get people to recycle more.
- Encouraged parish councils to start community composting schemes.
- Trialled recycling of toys and bras at five Mini Recycling Centres.

Priority: Get to grips with anti-social behaviour and environmental crime

- Worked through the Crime Reduction Partnership to reduce crime in South Norfolk by 13%.
- Made two successful prosecutions for fly-tipping with five further cases pending.
- Adopted tough new powers and Issued 17 fixed penalty notices for littering, 3 for dog fouling and 1 for an abandoned vehicle.

- Established zones in Diss and Wymondham that will help to curb any anti-social behaviour caused by the public consumption of alcohol.
- Helped finance the £ 11,000 needed for new youth shelters in Mulbarton and Harleston so that young people can meet safely.
- Supported parishes to establish community speedwatch schemes to reduce speeding traffic, especially outside schools.
- Supported financially the new SOS bus that will provide a medical facility by night and a training facility by day.
- Supported Crucial Crew, the safety awareness programme for young people in South Norfolk.
- Introduced a new scheme to make anti-social behaviour offenders face up to the consequences of their actions and repay communities for them.
- Run a driving awareness project for young people to promote responsible driving.
- Supported the introduction of “No Cold Calling” zones, such as that in Barford to protect residents.

Priority: Preserve the special character of our market towns and villages

- Published our proposals for the long term future of South Norfolk to 2026 showing where 9,967 homes, and the employment sites to support this growth, may be located.
- Produced a development brief for Norwich Research Park to realise its potential and encourage high quality jobs.
- Created a Master Plan for Diss to show how we might regenerate the area south of Park Road and help shape the town’s long term future.
- Campaigned to keep 20 of the 63 public phone boxes that BT scheduled for removal, to avoid losing yet another public service.
- Agreed a plan to lessen the impact of climate change and any harmful effect.

Priority: Make South Norfolk a culturally and economically richer place to live

- Attracted over 1100 children to our creative outdoor adventure “Forest Quest” and delivered our Holiday Activity Programme for 9,000 young people.
- Launched the Woodland Play Trail at Dunston Common.
- Secured £160,000 Lottery funding, with Norfolk Rural Community Council to deliver the Big Book of Games that encourages self-directed play at sites with no equipment.
- Provided 73 activities for young people, encouraging them to volunteer and gain a total of 162 nationally recognised accreditations.

- Hosted *Synergy*, a launch event for the Cultural Olympiad 2012.
- Promoted *Festive Fusion*, a package of seasonal events with 6,400 people attending light switch-on events, music and street theatre in our market towns.

...and economically

- Made a commitment to invest £250,000 in the economic development of Norwich Research Park.
- Completed the purchase of Loddon Business Centre to support business in the east of the district with 12 new business units.
- Redesigned the car parks in Harleston and Loddon and supported the local economy by making the first hour free.
- Tackled rural pub closures through a campaigning group that took the arguments direct to the House of Commons.
- Invested £60,000 in Diss Business Centre to make it more energy efficient.

Priority: Innovate and deliver low cost housing for local people

- Delivered 380 affordable homes this year against a three year target of 700 by March 2011.
- Brought 40 empty houses back into occupation to increase supply.
- Delivered 21 homes for local needs progressing our Local Needs Housing project at Winfarthing, Bressingham and Burston.
- Helped 147 people by adapting their homes and introduced a handyperson scheme to help people elive independently.
- Lowered the energy bills for over 700 families through our energy efficiency scheme.
- In partnership with Broadland Housing Association, began construction at Harford Bridges for 8 permanent Gypsy and Traveller sites.

Priority: Improve the general health and well-being of everyone who lives or works in South Norfolk

- Invested £210,000 in the Councils three Leisure Centres to make them more attractive and keep people healthy.
- Launched new cycling studios at Long Stratton and Wymondham, doubling the number of classes available to 107.
- Helped increase the number of people who say they are more active more often (3 days per week for at least 30 minutes) to 25%.
- Supported family events such as the Bunwell Santa Fun Run to get more local people active.

- Improved the Swim School re-booking process to make it easier on-line.
- Delivered Olympic themed assemblies to 3,000 pupils in 20 schools with the London 2012 Beijing handover flag.

What We Plan To Do In 2009/10

The Council's Corporate Priorities for 2009/10 remain:

- Be business like and efficient providing the services people value the most
- Become among the best in the country for recycling
- Get to grips with anti-social behaviour and environmental crime
- Preserve the special character of our market towns and villages
- Make South Norfolk a culturally and economically richer place to live and work
- Innovate and deliver low cost housing particularly for our young families and the elderly
- Improve the general health and well-being of everyone who lives or works in South Norfolk

Our vision is to:

Retain and improve South Norfolk's special qualities that make it one of the best places to live and work in the country. ¹

We aim to create a flexible Council fit for the future.

We believe in delivering excellent public services that complement peoples' lives.

This means responding to the area's needs now and also planning for the future; protecting and enhancing the environment whilst attracting and supporting the growth that ensures its long term prosperity.

Our priority is to develop an organisation that is more flexible and responsive to change, delivering services efficiently that people need. In short we aim to:

- Spend money wisely;
- Listen and respond to peoples' needs
- Plan for the long term future; and
- Work with others to achieve South Norfolk's goals.

¹ Halifax Quality of Life Survey March 2009.

Key Issues Reflected in the Accounts:

The original budget approved for financial year 2008/09 was £14.645 million.

The Net Operating Expenditure is £18.6 million, excluding Parish Precepts (£2.214 million).

The Council once again delivered its services within budget. The outturn net expenditure for services is £14.213 million, an under spend of £0.432 million. This is explained below.

The original budget included a prudent estimate of interest which would be earned on cash investments. Due to higher levels of interest rates in the early part of the year, and the locking in of some high long-term interest rates in previous years, the actual interest earned exceeded the original budget by £0.193 million. Other items contributed £0.239 million as shown below:

	£'000s
Additional Investment Interest	(193)
Employee Costs	(75)
Land Charges Deficit	318
Concessionary Fares	67
Reduced Income- Leisure Centres	242
Planning Delivery Grant	(105)
Reduced Planning Fee Income	145
Benefits Subsidy and Grants	110
Grant Payments	(341)
Budget savings identified in year	(207)
Vehicle Fuel Costs	75
Environmental Services Grants	(81)
Consultancy Costs	(123)
General Printing & Stationery Costs	(120)
General Premises Costs	(61)
Rental Income	(39)
Other	(35)
Net Underspend on Services	(423)
Local Authority Business Growth Incentive	(9)
Transfer to Reserves	432
General Fund balance	Nil

The overall impact of all variations on the General Fund revenue budget provides a net £0.432 to be added to reserves. The Council's unearmarked reserve - the General Revenue Reserve - is £1.08 million as at 31 March 2009. This is sufficient to meet commitments contained in the Council's Medium Term Plan.

The Council's reserves have increased from £1.9 million at 31st March 2008 to £2.0 million as at 31st March 2009. In addition to these reserves, the Council has maintained its General Fund Balance at £1.4 million and the HRA Balance at £1.1 million.

The Housing Revenue Account will be kept open to enable the writing down of premia incurred in the early redemption of debt and to receive housing subsidy on this charge. Homeless hostels and all residual land and buildings retained by the Council were transferred to General Fund assets during 2005/06.

The original capital programme for FY 2008/09 was £6.837 million. The revised capital programme was adjusted to £5.395 million.

Capital expenditure for the financial year totalled £2.634 million, an underspend of £2.761 million. The main capital expenditure was the acquisition of Loddon Business Centre, an all weather pitch at Loddon, replacement of various waste bins and a range of grants and loans to support people remaining in their homes.

The Council holds capital receipts of £18.1 million, which along with reserves and balances of £4.6 million, are invested to earn interest which is credited to the General Fund and Housing Revenue Account. The Council does not have any borrowings and remains debt-free. The Council managed its investments and borrowings in accordance with the limits approved by the Council. The Council has investments in a number of banks and building societies. Investments in Icelandic banks matured prior to the difficulties experienced by them.

Assets and Liabilities

The Council's principal assets are cash investments (£26.5 million) and fixed assets (£23.4 million). The Council is debt-free and therefore avoids the costs of repaying debt plus interest.

Council Tax Collection

We collect the council tax on behalf of Norfolk County Council, Norfolk Police Authority, Parish/Town Councils and South Norfolk Council. We collected more council tax than we had planned in order to alleviate the deficits in past years . This means that the Collection Fund (shown later) is in surplus.

Governance Arrangements

Internal control and risk management are increasingly recognised as important elements of good corporate governance. The annual governance statement communicates governance issues to stakeholders with the aim of enhancing public confidence in the Council.

The summary accounts which follow are based on the full set of financial statements which have been prepared following proper practice outlined in the codes of practice for local authorities accounts.

SUMMARY ACCOUNTS 2008/09

THE INCOME AND EXPENDITURE ACCOUNT

This statement shows the net cost for the year of the functions for which the Council is responsible and how this cost was met.

	Costs	Income	Net Expenditure
	£ Million	£ Million	£ Million
Leisure Centres, Swimming Pool, Amenity Areas, Refuse Collection, Street Cleaning, Environmental Protection, Sewerage and Sewage Disposal, Food Control, Development Control, Building Control, Economic Development, Environmental Improvement, Community Safety	15.4	(5.4)	10
Street Lighting, Car Parks, Concessionary Travel	1.9	(0.5)	1.4
Homelessness, Renovation Grants, Housing Advice, Maintenance of Waiting List, Housing Benefit Administration, Rent Allowances	22.1	(19.7)	2.4
Council Tax Benefits, Council Tax Cost of Collection, Elections, Land Charges	9.7	(7.0)	2.7
Corporate Management, Democratic Representation, Provision for Bad Debts	2.3	(0.1)	2.2
Exceptional item	0.5	0	0.5
Total Cost of Services	51.9	(32.7)	19.2
Interest on Balances etc			(1.8)
Transfer to Reserves			0.4
Transfer of Capital Charges & Impairments			(2.9)
Revenue Expenditure funded from Capital			(0.9)
			13.8
Financed by			
Council Tax			(5.7)
Revenue Support Grant			(1.0)
Contribution from Non Domestic Rate Pool			(7.1)
			(13.8)
Surplus to General Fund Balance			0

SUMMARY BALANCE SHEET AS AT 31 MARCH 2009

	£million		£million
Capital Assets (shown below)	23.1	Capital Receipts	18.1
Cash Invested (shown below)	26.5	Reserves	4.6
Money Owed by SNC	(7.0)	Reserves (not supported by cash)	7.0
Money Owed to SNC	5.6		
Pensions and other	(18.5)		
Total Assets less			
Total Liabilities	29.7	Total	29.7

Explanations of the Capital Assets and the Cash Invested are shown below:

Summary of Capital Assets	31 March 2009 £million
Land and Buildings eg hostels, car parks, swimming pool, Council Offices and public conveniences	12.8
Refuse Vehicles, Wheeled Bins, Other Plant and Equipment	2.4
Industrial Estates and other Investment Properties	3.0
Land Awaiting Development	4.9
Capital Assets	23.1

Name and Purpose of Reserves	31 March 2009 £million
Unearmarked Reserves	1.1
Evens out Council expenditure from year to year.	
Earmarked Reserves	1.0
Earmarked for potential liabilities	
General Fund Balance	1.4
Held for Contingency (eg a major incident)	
Housing Revenue Account Balance	1.1
To be transferred to Unearmarked Reserves when Account closed	
Total Revenue Reserves and Balances	4.6
Capital Receipts Held	18.1
Mainly resulting from sale of housing stock	
Other Adjustments	10.3
Net Cash SNC Owe to suppliers (Debtors less Creditors)	(1.9)
Cash Invested	26.5

The Council formally reviews the adequacy of reserves annually. It also reviews the purpose for holding each reserve. The table above shows how the reserves and capital receipts the Council held as at 31 March 2009 is invested to earn interest.

COLLECTION FUND

The Collection Fund is a separate statutory fund established to record transactions relating to business rates, council tax and residual community charge. It shows how much money is collected and then redistributed to Norfolk County Council, Norfolk Police Authority and South Norfolk Council.

	2008/09
	£million
Income	
Business Ratepayers	21.5
Council Tax Payers	57.9
Council Tax Benefits	6.4
	85.8
Expenditure	
Payments to Norfolk County Council and Norfolk Police Authority	63.7
Payment of Business Rates Collected to Government	21.2
Other	0.8
	85.7
Surplus for Year	0.1
Collection Fund Balance	
Balance at beginning of the Year	0.5
Surplus/Deficit (+/-) for Year	0.1
Balance at End of the Year	0.6

APPROVAL OF STATEMENT OF ACCOUNTS

The statement of accounts was approved by the Audit and Accounts Committee (delegated by full Council to approve the accounts) at a meeting held on 26th June 2009.

AUDITOR'S REPORT TO SOUTH NORFOLK COUNCIL

The Audit has been completed and the auditor's report is included in the final set of accounts.