

Hillingdon Council's Statement of Accounts 2004/05

We have a duty to share with you information about how we spend the income we receive.

We have summarised our audited accounts to include the information that is most relevant to residents and local businesses.

The following charts and tables explain how much we spent on services and asset improvements last year and how we used income from council-owned housing as well as our financial service performance.

The council publishes its statement of accounts in accordance with the code of practice on local authority accounting in Great Britain.

If you have any questions on the summary of accounts or would like a full copy, please call the council's corporate accountancy team on 01895 250816. A full version of the accounts is also available on www.hillingdon.gov.uk

Financial review

Cllr Ray Puddifoot, Leader of the Council, said: "Our top priority was to establish a better way to manage our finances and our resulting improving financial position has been recognised by external auditors and inspectors." This helped Hillingdon score three out of four for the 'use of resources' assessment under new tougher criteria in our government inspection last month.

In the year April 2004 to March 2005, Hillingdon's expenditure budget was set at £285.7m, a 5.88% increase on the previous year. From this, we spent £280.9m, leaving a contribution to general balances of £1.1m and a contribution to schools balances of £3.6m.

The council has therefore been successful in building up reserves to a reasonable figure to cover unforeseen circumstances and on 31 March 2005, the amount was £7.6m, an increase of £1.1m on the year before. In addition schools' reserves have increased from £5.3m to £8.9m.

At a glance

- 67% of the council's income comes from the government through the revenue support grant, and redistributed business rates.
- Only around a third of the council's income comes from council tax.
- In 2004/05 the council committed £4.7m to its reserves.



Money spent on council services

The revenue account below represents the cost of running council services between April 2004 and March 2005, where the money came from to finance those costs along with the surplus at the end of the year.

Council services	£000s
Education	126,577
Social services	71,883
Housing services	19,830
Transportation and roads	8,357
Cultural, environmental and planning services	31,252
Corporate and democratic services	6,271
Central services to the public such as registration of births, deaths and marriages, and collection of council tax	4,155
Central overheads	1,420
Other	903
Net cost of services	270,595
Add: repayments of loans, loan interest	2,606
Revenue expenditure used to finance capital expenditure	7,688
Amount to be met from government grants and local taxation	280,889

Financed by

Government revenue support grant	125,100
Business rates redistributed by government	68,872
Council tax	91,696
Subtotal	285,668

Net surplus for the year

	£000s
General funds	1,163
Schools	3,616

How has the finance service performed?

% of creditors paid within 30 days	
2004/05	91%
2003/04	83.8%
% of electronic payments	
2004/05	86%
2003/04	67%
% of business rates collected	
2004/05	98.7%
2003/04	98.4%



The council's balance sheet

At 31 March 2005

Council assets and cash in the bank		£000s
Assets (buildings, land, vehicles and equipment)		1,575,310
Stock		337
Cash at bank		1,775
Money owed to the council		81,574
Money owed by the council		-88,255
Total		1,570,741

Financed by:		£000s
Council equity in its assets		1,449,708
Loans		81,475
Ring fenced reserves and balances		22,784
General fund balances		7,616
Capital receipts available to fund future capital expenditure		9,158
Total		1,570,741

Council housing accounts

The council owns 11,116 homes in the borough. By law, all money spent on housing improvements has to be funded from rental income, not the council tax or government grant.

Income		£000s
Council housing rents (gross)		44,146
Other income		3,871
Subtotal		48,017

Expenditure		£000s
Repair and maintenance		10,053
Supervision and management		12,804
Contribution to the housing capital programme		16,379
Government charge		8,168
Other		1,994
Subtotal:		49,398

Deficit for the year (some funds were used on the housing capital programme)		1,381
Balance brought forward from 2003/04		-14,394
Balance carried forward		-13,013

Council tax figures (for 2004/05 and 2003/04)

Population of Hillingdon	
2004/05	247,222
2003/04	247,022

How many were B and D equivalent	
2004/05	96,064

% of council tax collected in year	
2004/05	95.30%
2003/04	95.20%

Council owned homes – summary

As of 31 March 2005, Hillingdon Council owns:

One bedroom properties	3,793
Two bedroom properties	3,926
Three bedroom properties	3,133
Four or more bedroom properties	193
Hostels	71
Total	11,116

Revenue from council house sales during 2004/05	£12.2m
Rent arrears as of 31 March 2005 (This is an increase of £0.6m on 2003/04).	£3.1m



Capital expenditure

Capital expenditure generally represents money spent by the council on buying, upgrading and improving assets such as roads and buildings. The following table outlines the capital investment made during the year 2004/05.

Education	£000s
Schools	14,404
Adult education facilities at Stockley Academy	405
Brookfield adult education centre	285
Subtotal	15,094
Social work	£000s
IT improvements	493
Careline	213
Building modernisation	356
Subtotal	1,062
Environment	£000s
Chrysalis programme of environmental improvements	1,148
Green spaces initiatives such as allotment improvements, footpaths	760
Subtotal	1,908
Housing	£000s
Improvements to council-owned housing	29,692
Grants to private individuals	3,172
Grants to housing associations	3,355
Subtotal:	36,219
Corporate	£000s
ICT projects	2,927
Community safety initiatives such as putting CCTV in shopping areas	101
Financial IT	585
Modernisation of the Civic Centre	1,353
Modernisation of other council buildings	1,391
Subtotal	6,357
Youth and leisure	£000s
Refurbishment and renovation of Barra Hall	760
Re-development at Hillingdon House Farm	1,071
Libraries and community improvements	849
Youth centres	555
Subtotal	3,235
Roads	£000s
Road safety improvements	2,895
Highways maintenance	1,916
Other improvements including street lighting, pathway repairs	945
Subtotal	5,756
Total	69,631

Which date will you choose?



Paying by direct debit is the easiest and most convenient way to pay your council tax

- Choose from four payment dates
- Your bill is paid automatically
- The right amount paid at the right time every month
- No queuing in the bank
- No need to send a cheque, or pay with cash
- There's no paperwork, just one telephone call is all it takes

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