

CITY OF BRADFORD METROPOLITAN DISTRICT COUNCIL

SUMMARY ACCOUNTS 2008-9

1. Introduction

This is a summary of the main points from the authority's published accounts. It is intended to offer an understanding of the authority's finances in a simplified format.

The accounts cover the year ended on 31 March 2009 and are usually referred to as "the 2008-9 accounts".

2. Capital Spending and Revenue Spending

All councils must make a distinction between capital and revenue spending. They must account for each separately:

Capital spending is spending on fixed assets, such as buying or improving land or buildings, which has benefits for more than one year. The main ways of paying for capital spending are by using capital grants received by the Council specifically for capital schemes; by reinvesting income from the sale of assets; or through borrowing.

Revenue spending is spending on day to day things, such as staff and running costs. Councils cannot borrow to fund revenue spending. It is paid for from income from government grants, non-domestic (business) rates and council tax payers.

3. What's Included

These summary accounts include:

A statement of *capital spending* and how it has been funded

A statement of *revenue spending* and how it has been paid for

A note of the *cash flow* or volume of cash transactions going through the council's books in the year

A *balance sheet*, showing the assets, liabilities and reserves of the council at 31 March 2009

4. Contact Us

If you want more information, this summary and the full accounts are published on the authority's website, bradford.gov.uk, or you can contact me, using the details below.

This is a genuine effort to try to get information to Bradford's citizens and I would like it to succeed. So, please let me have your thoughts on this summary and how it could be improved; anything you need explaining; or any information you would like to see included in future.

Becky Hellard
Strategic Director, Corporate Services
City of Bradford Metropolitan District Council
3rd Floor, City Hall
Bradford BD1 1HX

Telephone: 01274 432236

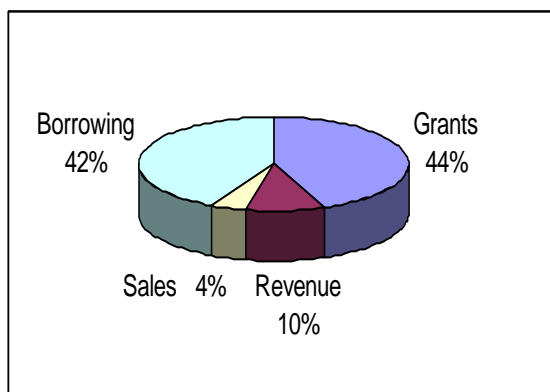
E-mail: becky.hellard@bradford.gov.uk

CITY OF BRADFORD METROPOLITAN DISTRICT COUNCIL
SUMMARY ACCOUNTS 2008-9

5. Capital Spending

Total Spending	£m	Main Schemes	£m
Adult Services	0.2	—◆ No main schemes	
Children's Services	72.1	—◆ Devolved Formula Capital	7.2
		—◆ E learning	1.9
		—◆ Additional School Places	5.4
		—◆ Children's Centres	1.8
		—◆ Modernisation Grant	3.9
		—◆ Reorganisation	47
Corporate Services	3.5	—◆ Forensic Science Centre	2.8
Culture, Tourism & Sport	3.1	—◆ Manningham Library	0.5
		—◆ Roberts Park	0.3
		—◆ Cartwright Hall	1.0
Environment & Neighbourhoods	3.5	—◆ Replacement of Vehicles	1.1
		—◆ Waste Performance Infrastructure	0.9
		—◆ Ward based Investment Fund	0.8
		—◆ Manywells Landfill Remediation	0.6
Customer Services	1.4	—◆ Bradford-I	1.2
Asset Management	0.2	—◆ City Hall Boiler Replacement	0.2
Housing	10.4	—◆ Disabled Housing Facilities Grant	2.8
		—◆ Renewal Areas	2.4
		—◆ Housing Market Renewal	3.3
Economic Development	5.1	—◆ Manningham Mill	1.7
		—◆ Integrated Development Plan	1.3
		—◆ Local Enterprise Growth Initiative (LEGI)	1.9
Transportation, Design and Planning	13.8	—◆ LPT Maintenance	6.9
		—◆ LTP Integrated Transport	4.1
		—◆ Landscape Environmental Improvements	0.5
		—◆ Connecting the City	0.4
		—◆ Street Lighting	0.8
Total	113.3		

6. Funding for Capital Spending



- ◆ The authority used £49.6m **grants** and contributions from the Government and other bodies to fund its capital spending. It also used £10.8m of funding from **revenue** and revenue reserves and a further £4.9m came from income received from **sales** of land and buildings.
- ◆ The balance of capital spending of £48.0m was paid for by **borrowing**. (Borrowing to fund capital investment creates annual interest and repayment costs; those are revenue costs and are included in the revenue spending statement. The authority receives Government grant to pay for most of the revenue costs of borrowing).

CITY OF BRADFORD METROPOLITAN DISTRICT COUNCIL

SUMMARY ACCOUNTS 2008-9

7. Revenue Spending

The council spent £591.7m in the year. It received income of £457.3m. This meant that spending exceeded income by £134.5m.

	£m
Total Spending On Services:	
Children's and Education Services	715.7
Adult Social Care	142.7
Environmental Services	69.5
Cultural and Related Services	63.8
Planning and Development Services	62.9
Highways, Roads and Transport	59.3
Housing Services	157.8
Court and Probation Services	1.2
Central Services to the Public	43.7
Corporate Management and Management	3.5
Democratic Representation	5.7
Non distributed Costs	17.5
Trading Services	-0.5
Exceptional Items – Provision for Equal Pay Claims	0.0
Gross Spending	1,343.2
Less income from fees, charges & specific government grants	812.3
Net Spending	530.9
Other Costs:	
Parish Council precepts	0.7
Interest and investment income	-10.4
Cost of external borrowing (interest and repayments)	29.3
Pension interest costs & return on pension assets	15.3
Loss on disposal of assets	26.2
Total spending to be met from government grants and local taxation	591.8

	£m
Income From Grants and Local Taxation	
Council tax	155.0
Non-domestic (business) rates	223.3
General Government grants	79.0
Total	457.3

8. Paying for Revenue Spending

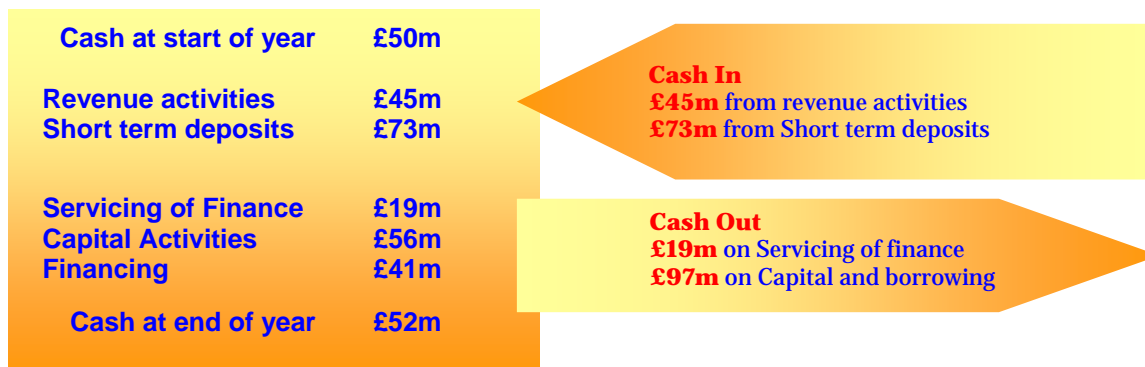
- ♦ 56% of the council's income came from the government through specific grants (£667.2m), general grants (£78.9m)
- ♦ 28% of income came from council tax (£155m) and NNDR (£223.3).
- ♦ The remainder of the Council's income 16% came from fees and charges made for services (£218.8m).
- ♦ The authority set a Band D council tax for its services of £1,231.66 for 2008-9.
- ♦ The government sets the level of business rates. The government collects all business rates nationally and redistributes them to individual authorities by formula (which means Bradford's business rates income is not the amount collected within Bradford.)

CITY OF BRADFORD METROPOLITAN DISTRICT COUNCIL

SUMMARY ACCOUNTS 2008-9

9. Cash Flow

The cash flow gives an indication of the volume of cash going through the authority's books each year. It shows that cash balances increased by £22m in the year, which was the net result of the authority receiving cash income of £1,456m and making cash payments of £1,434m.



10. The Balance Sheet

The balance sheet shows the authority's financial standing at 31 March 2009 – the value of assets owned; how much it is owed; how much it owes others; and how much it has in financial reserves.

	£m
Buildings, property and other assets of the authority	1,044.8
Amounts invested by the authority	94.8
Stocks	1.1
Cash balances	52.0
Money owed to the authority	98.8
Money owed by the authority	-142.8
	1,148.7
Financed by:	
Long-term borrowing by the authority	405.9
Revenue reserves	97.6
Other accounting reserves and balances	645.2
	1,148.7

11. The Authority's Revenue Reserves

General reserves £10.5m

- ◆ Authorities must maintain a minimum level of general reserves to protect against unforeseen events. The authority has a policy of maintaining a minimum level equivalent to 2% to 2.5% of its budget.

Earmarked reserves £87m

- ◆ Earmarked reserves include school balances of £30.2m.
- ◆ All other earmarked reserves are to support planned spending.
- ◆ They include £9.2m of resources supporting planned capital investment by the authority.