

Rochford District Council

September 2007

Annual Report and Accounts 2006/07



 **Rochford**
District Council


Rochford District
Council


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ROCHFORD DISTRICT COUNCIL

STATEMENT OF ACCOUNTS 2006/2007

TABLE OF CONTENTS	Page
Introduction	3
Glossary of Terms	4
Joint Welcome from the Leader of the Council and the Chief Executive	9
Explanatory Foreword	10
Statement of Accounting Policies	17
Income and Expenditure Account	21
Statement of Movement in General Fund balance	22
Statement of Total Recognised Gains and Losses	23
Balance Sheet	24
Cash Flow Statement	25
Notes to the Core Statements	26
Housing Revenue Account	43
Statement of Movement in the Housing Revenue Account Balance	44
Notes to the Housing Revenue Account	45
Collection Fund Income and Expenditure Account	49
Notes to the Collection Fund	50
Statement of Responsibilities for Statement of Accounts	52
Statement on Internal Control	53
Auditors Report	56

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INTRODUCTION

Through the current budget strategy the Council's corporate objective is to balance the budget and build some capacity. The Council is achieving this within the General Fund even though it has significant financial pressure in that a poor level of support from the Government dampens the aspirations of service delivery.

Although the Housing Revenue Account has had to draw down balances in previous years, the financing has improved from 2005/06 onwards following changes made by the Government in relation to Housing Subsidies. The Council has endorsed the view of tenants that Large Scale Voluntary Transfer is the appropriate option for the future delivery of the Housing Service.

The capital programme is fully committed to use the capital receipts available and reasonably identified for the future.

A financial structure therefore needs to be in place to ensure that service delivery is maximised through the three key areas shown above. This financial statement contains not only the information in respect of 2006/07, but also, by identifying earmarked reserve and General Fund balances, it demonstrates how the Authority is laying the foundation for future service delivery.

GLOSSARY OF TERMS

Accrual

An amount included in the accounts in respect of income or expenditure relating to the financial year, for goods received or services provided, but for which payment has not yet been received/made. Also called sundry creditors/debtors.

Agency Services

The provision of Highway services by Rochford District Council on behalf of and reimbursed by Essex County Council (the agents).

Appropriations

The transfer of resources between revenue reserves.

Beacon Properties

Due to the high numbers of Housing Revenue Account Dwellings, the properties are grouped with other like properties based on the location, property type, date built and other factors. This then allows one property to be revalued as a representation of the group, this is the beacon property.

Benefits

Council Tax Benefit - assistance provided to adults with no or low incomes to help them pay their Council Tax bill. The cost is largely funded by Government subsidy.

Housing Benefit - an allowance to persons with no or low incomes to meet the whole or part of their rent. Benefit paid to Council tenants is known as rent rebate, benefit paid to private sector landlords on behalf of residents is known as rent allowances. Part of the cost of benefits and of running the service is funded by Government subsidy.

Billing Authority

This refers to Rochford District Council, which is the responsible authority for the invoicing and collection of the Council Tax from all residential properties in the District. This is undertaken on behalf of Rochford District Council, Essex County Council, Essex Police Authority and Town/Parish Councils.

Business Rates

These rates, called National Non-Domestic Rates (NNDR), are the means by which local businesses contribute to the cost of providing local authority services. They are based on rateable values of each business multiplied by a uniform amount set annually by the Government. All business rates are paid into a national central pool. The pool is then divided by the Government between all local authorities, apart from Parish Councils, based on the number of residents in each authority.

Capital Expenditure

This generally relates to expenditure on fixed assets that will be of use or benefit to the Council in providing its services for more than one year.

Capital Financing Account (CFA)

This reserve contains prescribed amounts set aside from revenue budgets or capital receipts to fund expenditure on fixed assets, or to meet the repayment of external debt.

Capital Programme

The Council's plans for capital schemes and spending over future years.

Capital Receipts

The income from the sale of assets, which may be used to finance new capital expenditure or set aside for the repayment of external debt.

Central Overheads

Costs relating to centrally provided services such as telephones, printing, bank charges, office accommodation, residual pension costs, which benefit all services and as such are recharged to users where appropriate on an agreed basis.

Chartered Institute of Public Finance and Accountancy (CIPFA)

CIPFA is the main professional body for accountants working in the public sector.

Collection Fund

The fund into which Council Tax and business rates are paid and the precepts of Essex County Council, Essex Police Authority, Rochford District and Parish Councils are met. Any surplus or deficit is shared between the various authorities, other than Parish Councils, on the basis of precept amounts.

Community Assets

Assets that the Council intends to hold in perpetuity, that have no determinable useful life, and that may have restrictions on their disposal. Examples of community assets are parks and the Mill Tower.

Balance Sheet

This is a summary of all the assets and liabilities (net equity) of the Council at the end of the financial year.

Contingent Liability

This is an amount at the balance sheet date, which the Council may be liable to incur. Any such amount is disclosed as a note to the accounts.

Council Tax

A local tax based on residential properties set by local authorities in order to finance their budget requirement. The level set by an authority will be broadly determined by its expenditure on general fund services less other income, use of Council reserves and government grant.

Council Tax Base

An equated average number of dwellings over which the Council Tax is collected. All dwellings are valued and classified into eight bands (A to H). All bands represent a proportion of Band D. The Council Tax base is the number of dwellings expressed in terms of a Band D average.

Creditors

Amounts due, but not yet paid for, for work carried out, goods received or services rendered during the financial year.

Debtors

Amounts due, but not yet received, for work carried out or services supplied, during the financial year.

Deferred Liabilities

Amounts which are payable at some point in the future or paid off by an annual sum over a period of time.

Depreciation

The measure of the wearing out, consumption, or other reduction, in the useful economic life of a fixed asset, whether arising from use, passing of time or obsolescence through technical or other changes.

Estimated Use Value (EUV-SH)

Due to the nature of use of Housing Revenue Account Properties, these are not valued at Market Value, and instead are included in the accounts at Estimated Use Value.

Fees and Charges

Charges made to the public for Council services and facilities.

Financial Regulations

A written code of procedures to provide an approved framework for the proper financial management for the Council.

Financial Year

The period of 12 months covered by the accounts commencing on 1 April.

Fixed Asset Restatement Account (FARA)

This reserve includes the balance of the surpluses or deficits arising on the revaluation of fixed assets and is written down by the revalued amount of the asset being disposed of.

General Fund

The main revenue fund of the Council. Day to day spending on services is met from the Fund, excluding spending on Housing Stock, which is met from the Housing Revenue Account.

Housing Revenue Account (HRA)

Expenditure and income arising from the provision of Council housing is recorded in this account.

Impairment

This is where the revaluation of a fixed asset results in a reduction in the balance sheet value of that asset.

Income and Expenditure Account (I&E)

This statement records the revenue income and expenditure for the Council's services and also the interest and other income and expenditure incurred by the Council. This is reconciled to Council Tax through the Statement of Movement in General Fund Balances.

Insurance Reserve

A fund, which provides for all insurance cover for the Council. Premiums and excesses are charged to the Revenue Accounts of Services and credited to the pool. The pool then reinsures some liabilities with external Insurance Companies while retaining others.

Intangible Assets

These are assets that the Council will have use of for more than one year but they do not have a physical form, for example software licenses.

Local Authority Scotland Accounts Advisory Committee (LASAAC)

Although they do not directly influence Reporting in England, they have a Joint Committee with CIPFA and therefore publications for the United Kingdom are published under both CIPFA and LASAAC.

Major Repairs Allowance (MRA)

MRA is an estimate of the depreciation charge relating to the Council's housing stock. An amount equivalent to this sum is received through Housing Subsidy to use for investment in and improvement of the housing stock.

Post Balance Sheet Events

Events which occur between the balance sheet date and the date on which the responsible officer signs the Statement of Accounts which may, or may not, need to be reflected in the accounts. These are disclosed where required in a note to the accounts.

Precept

The amount that Councils/authorities, providing services within the Rochford District, require to be paid from the Collection Fund to meet the cost of their services.

Provision

An amount set aside to provide for a liability that is likely to be incurred in the future, but where the exact amount or the date on which it will arise is uncertain. A provision is created by making a charge to revenue in the year of account.

Public Works Loan Board (PWLb)

A government agency that provides longer-term loans to local authorities, at interest rates marginally above the government's own borrowing rate.

Reserves

A Council's accumulated surplus income in excess of expenditure. Available at the discretion of the Council to meet items of expenditure in future years. Earmarked reserves are set-aside for a specific purpose, e.g. Insurance Pool.

Resource Accounting

Resource accounting in the HRA is an initiative to promote more efficient use of housing assets, and a key element will be the HRA Business Plan. This Plan is a strategic document, which assesses local housing needs, resource availability and sets key strategic objectives and priorities.

Responsible Officer

Officer responsible for the proper administration of the Councils' financial affairs in accordance with Section 151 of the Local Government Act 1992.

Revenue Support Grant

Central Government financial support towards the general expenditure of local authorities determined by a prescribed methodology.

Statement of Recommended Practice (SORP)

This is the guidance produced separately to assist in the preparation of fair and true accounts.

Support Services

Mainly the cost of provision of services by central departments, which is recharged on an agreed basis to other services. Also includes the cost of office accommodation and other central overheads associated with staff directly employed by the service.

Tangible Fixed Assets

These are assets that the Council will have use of for a period of more than one year.

United Kingdom Generally Accepted Accounting Principles (UK GAAP)

This is the body of regulation establishing how company accounts must be prepared.

Work in Progress

The cost of work done on an uncompleted project at the end of the financial year, which will be recharged to a third person or is the subject of an insurance claim.

Joint Welcome by the Leader of the Council and Chief Executive

Welcome to the Rochford District Council Annual Report and Accounts for the year ended 31 March 2007.

2006/07 was a very busy year for the Council, much work was done to secure the transfer of our housing stock to a newly set up housing association, a move that was welcomed by the majority of our tenants. May 2006 saw the opening of the newly built Rayleigh Leisure Centre and we are pleased to note that, since its opening, membership numbers have continued to increase.

Looking forward over the next 12 months, we will have completed the transfer of our housing stock to the newly formed Rochford Housing Association and carried out the work around the renewal of our waste collection including recycling, grounds maintenance and street cleansing contracts so that new contracts are in place by April 2008. We will be continuing our efforts to expand and develop the Cherry Orchard Jubilee Country Park, and furthering our partnership working for Benefits and Council Tax with Chelmsford Borough Council. We have also set aside additional funding for both the young and the elderly to further initiatives for those age groups.

We carry out regular opinion surveys of both residents and users to gauge customer views of our services and facilities. It is pleasing to note that in a recent national survey of all local authorities carried out by independent pollsters, the overall satisfaction rate of residents with the Council continues to be high relative to elsewhere. In particular, we were rated highly in terms of cleanliness, sports and leisure facilities, refuse collection and parks and open spaces.

Throughout the year we are always endeavouring to ensure that we receive Value for Money in the services we provide and supplies we procure. Central Government introduced efficiency savings targets for all Local Authorities to accomplish, and through internal efforts to achieve Value for Money, we are still continuing to realise more than our targets.

We hope you find the following statements informative, and look forward to another successful year.



Terry Cutmore
Leader of the Council



Paul Warren
Chief Executive

*For the Corporate Plan, Performance plan, which details our performance and targets, and other corporate and policy documents for Rochford District Council, please go to our website. www.rochford.gov.uk

EXPLANATORY FOREWORD

Overall the Council has improved its position on the General Fund, with balances increasing by £67,000. There was a net contribution to General Fund Earmarked Reserves of £85,000.

The Council has a five-year strategy in place for the management of the Revenue Budget in order to meet its corporate objective of maintaining a balanced budget.

The Council is one of the top authorities in England with a Council Tax Collection rate of around 98.7%. This, together with the receipt of Government grants, ensured the major funding of services.

This Statement of Accounts is split into the following areas:

- ⇒ Statement of Accounting Policies. These show the basis upon which the accounts are compiled.
- ⇒ The Income and Expenditure Account. This records all day to day expenditure and income for all the Council services other than Council housing.
- ⇒ The Balance Sheet and supporting notes. This shows the assets and liabilities of the Council as at 31 March 2007.
- ⇒ Cash Flow Statement. This shows the movement of cash for the year.
- ⇒ The Housing Revenue Account. This shows the income and expenditure in relation to Council housing.
- ⇒ The Collection Fund. This records the total movement relating to Council Tax and National Non-Domestic Rates.

The Council undertook capital investment of £2.7m. This was funded by the proceeds from the sale of assets, grants made available by the Government in respect of Housing, other grants or from revenue. The Council reduced the overall level of its borrowing.

General Fund – Net Expenditure compared to Budget

	Original Estimate £000s	Revised Estimate £000s	Actual Exp/(Inc) £000s	Variance Rev - Act £000s
Central Services	2,845	2,564	2,034	530
Non Distributed Costs	595	603	(29)	632
Cultural, Environmental & Planning Services	8,046	8,587	7,489	1,098
Highways, Roads & Transport Services	314	576	200	376
Housing Services	1,467	1,662	1,637	25
Net Costs of Services	13,267	13,992	11,331	2,661
Revenue Contribution to Capital	-	-	-	-
General Contingency Provision	10	10	-	10
Staffing Strategy Savings	(250)	(150)	-	(150)
	(150)	-	-	-
Reversal of Capital Charges	(1,901)	(2,570)	(1,927)	(643)
Reversal of Government Grants Deferred	(370)	(577)	214	(791)
FRS 17 Retirement Benefits	-	-	357	(357)
Total	10,606	10,705	9,975	730
Interest Received	(400)	(499)	(512)	13
External Interest Paid	-	-	24	(24)
Contribution To/(From) Reserves	-	-	150	(150)
General Fund Expenditure	10,206	10,206	9,637	569
Parish Precepts	894	894	894	-
Net Expenditure	11,100	11,100	10,531	569
Contribution To/(From) General Fund Balances	(502)	(502)	67	(569)
Amount to be met by Government Grant and Local Tax Payers	10,598	10,598	10,598	-

NOTES TO NET EXPENDITURE COMPARED TO BUDGET

The General Fund balance at the end of 2006/2007 was £1.78m. This compares to the estimated balance in the revised Budget Strategy of £1.71m. The Council has an objective to achieve a balanced budget over its 5 year budget strategy.

The increase in balances is mainly due to more Benefit subsidy being received than was anticipated. This area is particularly difficult to manage due unknown variables such as caseload.

A full report on movements against budgets will be reported to the Audit Committee.

Analysis of Revenue Expenditure.

The gross expenditure, gross income and net expenditure for each service provided by Rochford District Council is shown in the following tables.

Summary	Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s
Central Services	7,133	(5,099)	2,034
Un-apportionable Central Overheads	1,064	(1,093)	(29)
Cultural, Environmental & Planning Services	8,938	(1,449)	7,489
Highways, Roads & Transport Services	1,365	(1,165)	200
Housing Services	17,307	(16,640)	667
	35,807	(25,446)	10,361

Central Services - Corporate & Democratic Core	Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s
Corporate Management	797	(547)	250
Democratic Representation	1,127	(27)	1,100
	1,924	(574)	1,350

Central Services - Other Operating Income & Expenditure	Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s
Other Operating Income & Expenditure	-	(33)	(33)
	-	(33)	(33)

Central Services - Non Distributed Costs	Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s
Non Distributed Costs	866	(852)	14
Central Support Costs	198	(241)	(43)
	1,064	(1,093)	(29)

Central Services to the Public	Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s
Council Tax	673	(102)	571
Business Rate Account	77	(96)	(19)
Council Tax Benefits	3,999	(4,037)	(38)
Conducting Elections	120	-	120
Registration of Electors	102	(1)	101
Emergency Planning & Health & Safety	114	-	114
Local Land Charges	124	(256)	(132)
Community Services Client Account	-	-	-
	5,209	(4,492)	717

Cultural, Environmental & Planning Culture & Related Services	Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s
Culture & Heritage	66	-	66
Leisure Premises	1,630	(29)	1,601
Woodlands	132	(22)	110
Maintenance of Grounds Holding Account	(20)	-	(20)
Management of Rec. Grounds & Open Spaces	856	(13)	843
Sports Development & Promotion	177	(46)	131
Leisure Client Account	81	(68)	13
	2,922	(178)	2,744

Cultural, Environmental & Planning Planning & Development	Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s
Building Control Client Account	109	-	109
Building Control Fee Account	257	(213)	44
Development Control	949	(255)	694
Planning Policy	246	(2)	244
Corporate Policy	213	-	213
Environmental Initiatives	17	-	17
Economic Development	120	-	120
Community Development	414	(110)	304
Planning Administration	8	(8)	-
	2,333	(588)	1,745

	Gross	Gross	Net
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Cultural, Environmental & Planning Environmental Services	Expenditure £000s	Income £000s	Expenditure £000s
Cemeteries & Churchyards - Open	104	(110)	(6)
Cemeteries & Churchyards - Closed	63	-	63
Environmental Health	908	(65)	843
Public Health	98	-	98
Public Conveniences	150	-	150
Hackney Carriage	65	(82)	(17)
Coast Protection	2	-	2
Street Cleansing	521	(2)	519
Waste Collection	1,488	(132)	1,356
Waste Disposal	272	(280)	(8)
Depot	12	(12)	-
	3,683	(683)	3,000

Highways, Roads & Transport	Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s
Highways/Roads (Routine)	155	(32)	123
On Street Parking	76	(80)	(4)
Off Street Parking	483	(984)	(501)
Public Transport	651	(69)	582
	1,365	(1,165)	200

Housing Services	Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s
Housing Strategy	185	-	185
Private Sector Housing Renewal	504	-	504
Housing Advice	263	-	263
Registered Social Landlord Liaison	57	-	57
Homelessness	63	(61)	2
Housing Benefit Payments	10,420	(10,382)	38
Housing Benefit Administration	750	(465)	285
Revenues Investigation Section	312	(9)	303
Housing Revenue Account	4,753	(5,723)	(970)
	17,307	(16,640)	667

Income and Expenditure relating to Housing Revenue Account activities are contained on page 46.

The SORP 2006 required a number of changes to the financial statements for 2006/07 resulting in some new statements.

- The Income and Expenditure Account replaces the Consolidate Revenue Account and shows the resources generated and consumed in line with UK GAAP. To aid understanding, note 39 to the core statements shows how 2005/06 figures have been restated to the new requirements.
- The Statement of movement in General Fund Balance is required as Local Authorities are required to calculate the Council Tax requirement on a different basis to UK GAAP. This statement reconciles the Income and Expenditure surplus to the General Fund balance. More information can be found with the statement in the Accounts.
- The Housing Revenue Account is not a new statement, however the main statement is now prepared in line with UK GAAP and therefore for the same reasoning as the Income and Expenditure, a Statement of movement in Housing Revenue Account Balances is also required.

STATEMENT OF ACCOUNTING POLICIES

The accounts have been prepared in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom 2006: a Statement of Recommended Practice*, issued by the Chartered Institute of Public Finance and Accountancy (CIPFA/LASAAC), and also with guidance notes issued by CIPFA on the application of accounting standards.

1. Changes in Accounting Policies.

In 2006/07 the following changes to accounting policies have occurred:

Capital financing charges for the use of fixed assets are no longer made to service revenue accounts and support services.

Credits for government grants deferred are now posted to service revenue accounts and support services.

Gains and losses on the disposal of fixed assets are recognised in the Income and Expenditure Account.

2. The basis on which debtors and creditors are included in the accounts.

The revenue accounts of the Council are maintained on an accruals basis in accordance with the Code of Practice. This means that sums due to or from the Council relating to the year are included whether or not the cash has actually been received or paid.

Grants are accrued in the accounts for the period when the expenditure to which they relate is charged. Where claims are not settled, the best estimate of grant income is used.

Debtors included in the accounts are net of the Provision for Bad Debts.

3. Deferred Charges.

Capital Expenditure, which does not give rise to a tangible fixed asset, is classified as a deferred charge. These sums are written out of the accounts in the year they are incurred.

4. Allocation of central administration costs.

Costs of management and administration are allocated to the specific services to which they relate. Most relevant expenses were apportioned on the basis of staffing numbers. Office Accommodation and Central Support Services were allocated according to estimated usage.

5. Stocks and work in progress.

The Council does not hold any material stocks. Work in progress represents minor works carried out by the Council on behalf of individuals which has not yet been recovered, or for which amounts claimable on Insurance have not yet been received, these are disclosed within debtors.

6. Government Grants.

Grants and subsidies receivable are credited to the appropriate revenue accounts and all known items due at 31 March 2007 are accrued.

Where the acquisition of a fixed asset is financed in part by a government grant, the amount of the grant is credited initially to the Government Grants Deferred Account. Amounts are released from this account into service expenditure over the useful life of the asset, to match the depreciation charged on the asset to which it relates. The grants are accrued and credited to income in the same period in which the related expenditure was charged.

7. Capital receipts.

Capital receipts from the disposal of assets are allocated on a statutory basis between the proportion available for financing capital expenditure (useable) and that required to be set aside to repay debt (reserved). The reserved part of capital receipts from the sale of housing properties are required to be paid to the Government, this is currently 75% of the proceeds.

8. Pensions.

The majority of pension costs that are charged to the Council's accounts in respect of its employees represent the contributions paid to the funded pension scheme for those employees. Further costs arise in respect of certain pensions paid to retired employees on an un-funded basis. Information is now included within the accounts in respect of Financial Reporting Standard 17 (FRS 17). This shows the portion of assets and liabilities relating to Rochford District Council within the total pension fund managed by Essex County Council. Whilst this statement is not directly linked to the accounts of the Council, the results do show that there is a deficit in the Pension Fund managed by Essex County Council. This will lead to higher contributions by this Council in future years, following the determination of sums payable by the Actuary to the Essex County Council Pension Fund.

9. Intangible Assets

Expenditure on assets that do not have physical substance but are identifiable and controlled by the Council (eg software licences) is capitalised when it will bring benefits to the Council for more than one financial year. The balance is amortised to the relevant service revenue account over the economic life of the asset, which is considered to be 5 years.

10. Fixed Assets

The Council complies with the capital accounting requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2006.

Expenditure on the acquisition or enhancement of fixed assets has been capitalised on an accruals basis in the balance sheet.

Land and buildings are re-valued at least every five years in accordance with the Royal Institute of Chartered Surveyor's '*Manual of Valuation Guidance Notes*'. The majority of buildings are included at valuations provided by Savills Land and Property Limited (Members of the Royal Institute of Chartered Surveyors) as at April 2007.

Fixed assets consist principally of Council dwellings, land and buildings. Assets are generally included in the Balance Sheet on the following basis:

- Council dwellings have been valued on the basis of selecting a limited number of properties (Beacon properties) and applying the existing use value for social housing valuation to them (EUV-SH). These values are then applied to the total number of properties. FPD Savills Ltd carried out the valuations. The valuation date is 1 April 2006. The beacon valuation is £230m and the EUV-SH value £106m.
- Operational assets have been included in the Balance Sheet at the lower of open market value for existing use or depreciated replacement cost.
- Non-operational assets have been included at open market value or construction costs. Community assets are included at historic cost.
- Community Assets are recorded at a valuation based on Historic Cost, in accordance with the Code of Practice, with a de minimis of £5,000.

Depreciation is provided on Council dwellings, buildings and equipment and vehicles. The de minimis level for the capitalisation of all assets is £5,000.

Further details of the Council's fixed assets can be found in Notes 10-17 to the Core Financial Statements.

There are no material leases applicable to the provision of any assets.

10.1 Depreciation

Depreciation is charged to the General Fund and Housing Revenue Account on all operational assets. Depreciation rates are determined according to the life expectancy of individual assets. Depreciation is not charged for Community Assets and Non Operational Assets. Depreciation is charged on a straight line basis and the useful economic life for Operational Assets ranges between 20-30 years for buildings, 5-18 years for vehicles and 5-10 years for furniture and equipment. Car Parks are depreciated based on the costs of surfacing and fencing over a 7 year period. IT is amortised over 5 years.

Depreciation is also charged on the housing stock. The depreciation included within the Housing Revenue Account is based on the calculations made by the Government in relation to the Major Repairs Allowance. The Authority has satisfied itself that this is a sound basis for the assessment of depreciation.

11. Investments.

All investments are short term fixed period cash deposits made in the United Kingdom and are shown at the cash value of the investment.

12. Reserves.

The system of capital accounting requires the maintenance of the following reserves in the Consolidated Balance Sheet:-

- I. The Fixed Asset Restatement Account, which represents principally the balance of the surpluses or deficits arising on the revaluation of fixed assets.

- II. The Capital Financing Account, which represents amounts set aside from revenue resources or capital receipts to finance expenditure on fixed assets or for the repayment of external loans and certain other capital financing transactions.

In addition, the Council has earmarked reserves that are set aside for specific policy purposes.

13. Interest Charges

The Authority pays interest to the Housing Revenue Account using the average rate of interest earned for external investments.

INCOME AND EXPENDITURE ACCOUNT 2006/07

2005/06 Restated		Gross Expenditure	Gross Income	Net Expenditure
£000s		£000s	£000s	£000s
694	Central Services	5,210	(4,525)	685
(825)	Non Distributed Costs	1,064	(1,093)	(29)
6,951	Cultural, Environmental & Planning Services	8,938	(1,449)	7,489
(13)	Highways, Roads & Transport	1,365	(1,165)	200
1,218	Housing	12,554	(10,917)	1,637
1,658	Corporate and Democratic Core	1,923	(574)	1,349
Expenditure on Housing Revenue Account				
(1,174)	Housing Revenue Account	4,753	(5,723)	(970)
8,509	NET COST OF SERVICES	35,807	(25,446)	10,361
8	Gain or loss on disposal of fixed assets			19
816	Precepts of Local Precepting Authorities			894
1,061	Interest payable and similar charges			1,026
(626)	Interest and Investment Income			(552)
464	Contribution of housing capital receipts to Government Pool			662
559	Pensions Interest Cost and Expected Return on Pensions Assets (Note 32)			395
10,791	NET OPERATING EXPENDITURE			12,805
(5,796)	Precept Demanded from the Collection Fund			(6,142)
0	Collection Fund Transfer for the (Surplus)/Deficit			(46)
(1,406)	Revenue Support Grant			(714)
(2,278)	Contribution from Non-Domestic Rate Pool			(3,697)
1,311	(SURPLUS) / DEFICIT FOR THE YEAR			2,206

STATEMENT ON MOVEMENT IN GENERAL FUND BALANCE

The Income and Expenditure Account shows the Council's actual financial performance for the year, measured in terms of the resources consumed and generated over the last twelve months. However, the Council is required to raise Council Tax on a different accounting basis, the main differences being:

- Capital expenditure is accounted for as it is financed, rather than when the fixed assets are consumed.
- The payment of a share of housing capital receipts to the Government scores as a loss in the Income and Expenditure Account, but is met from the usable capital receipts balance rather than Council Tax.
- Retirement benefits are charged as amounts become payable to pension funds and pensioners, rather than as future benefits are earned.

The General Fund Balance compares the Council's spending against the Council Tax that is raised for the year, taking into account the use of reserves built up in the past and contribution to reserves earmarked for future expenditure.

This reconciliation statement summarises the difference between the outturn on the Income and Expenditure Account and the General Fund Balance.

2005/06 £000s		2006/07 £000s
<u>1,311</u>	Surplus or deficit for the year on the Income and Expenditure Account	<u>2,206</u>
	Net Additional Amount required by Statute and non-statutory proper practices to be debited or credited to the General Fund balance for the year	
<u>(1,301)</u>	(Note 9)	<u>(2,273)</u>
<u>(1,722)</u>	General Fund balance brought forward	<u>(1,712)</u>
<u><u>(1,712)</u></u>	General Fund balance carried forward	<u><u>(1,779)</u></u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

This statement brings together all the gains and losses of the Council for the year and shows the aggregate increase in its net worth. In addition to the surplus generated on the Income and Expenditure Account, it includes gains and losses relating to the revaluation of fixed assets and re-measurement of the net liability to cover the cost of retirement benefits.

2005/06		2006/07
£000s		£000s
1,311	Surplus in year on Income & Expenditure account	2,206
1,588	Surplus arising on revaluation on fixed assets	(10,935)
245	Actuarial Gain /Losses on pension fund assets /liabilities	(2,425)
(606)	Any other gains and losses	(123)
<u>(2,538)</u>	Total recognised gains and losses for the year	<u>(11,277)</u>
 <u>(2,538)</u>	 Movement on balance sheet	 <u>(11,277)</u>

BALANCE SHEET AS AT 31 MARCH 2007

31 March 2006 Restated £000s		NOTE	31 March 2007 £000s	31 March 2007 £000s
574	Intangible Assets	16		501
	Operational Assets	10		
100,925	- Council Dwellings		108,127	
28,205	- Other Land and Buildings		33,228	
58	- Vehicles & Plant		53	
85	- Furniture & Equipment		60	
368	- Community Assets		506	
	Non Operational Assets			
160	- Investment Properties		160	
2,838	- Assets under Construction		0	142,134
133,213				142,635
71	Long Term Debtors			65
133,284	Total Long Term Assets			142,700
	Current Assets:			
2,632	- Debtors	18	2,111	
8,816	- Investments	36	8,350	
51	- Deferred Asset	19	44	
831	- Cash and Bank	20	795	11,300
145,614				154,000
	Current Liabilities:			
(357)	- Short Term Borrowing		(357)	
(3,731)	- Creditors	21	(3,796)	
(219)	- Bank Overdraft		(235)	(4,388)
141,307	Total Assets less Current Liabilities			149,612
(10,145)	Long Term Borrowing	27	(9,789)	
(1,812)	Government Grants Deferred		(1,548)	
(15,044)	Pensions Liability Account		(12,692)	
				(24,029)
114,306	Total Assets less Liabilities			125,583
110,654	Fixed Asset Restatement Account	28		120,677
10,627	Capital Financing Account			9,648
1,125	Usable Capital Receipts Reserve			754
88	Deferred Credits			80
1,953	Earmarked Reserves	28		2,106
200	Redundancy & Financial Strain Reserve			56
1,712	General Fund Balance			1,779
(15,044)	Pensions Reserve	28		(12,692)
55	Major Repairs Reserve			(73)
1,559	Housing Revenue Account Balance			1,878
1,377	Collection Fund			1,370
114,306	Total Net Worth			125,583

I certify that the accounts present fairly the financial position of the Council as at 31 March 2007 and the income and expenditure for the year then ended.

Date: 13 September 2007

Mrs Y E Woodward CPFA

Head of Finance, Audit & Performance Management

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2007

2005/06 £000s	Cash Outflow	Notes	2006/07 £000s	2006/07 £000s
	<u>Revenue Activities</u>			
6,045	Cash paid to and on behalf of employees		6,410	
234	Housing Subsidy		460	
33,844	Precepts paid		35,579	
12,928	Non domestic rate payments to national Pool		12,768	
6,156	Housing Benefits paid out		6,987	
408	Payments to the Capital Pool		662	
12,455	Other operating cash payments		14,472	
<u>72,070</u>				<u>77,338</u>
	<u>Cash Inflows</u>			
(2,676)	Rents after rebates		(3,007)	
(35,829)	Council Tax receipts		(37,620)	
(11,670)	Non domestic rate receipts		(12,925)	
(2,278)	Non domestic rate receipts from national pool	38	(3,697)	
(1,406)	Revenue Support Grant	38	(744)	
(13,152)	Housing Benefits grants	38	(15,107)	
-	Housing Subsidy		-	
(6,943)	Other operating income/cash receipts		(6,075)	(79,175)
<u>(1,884)</u>	Net cashflow from Revenue activities	33		<u>(1,837)</u>
	<u>Returns on Investments and servicing of Finance</u>			
1,053	Interest paid to other bodies		1,018	
(619)	Interest received		(551)	467
	<u>Capital Activities - cash outflows</u>			
	Capital expenditure			
4,570	Purchase of Fixed Assets		1,722	
1,274	Other capital cash payments		722	2,444
	<u>Cash inflows</u>			
(691)	Capital receipts		(913)	
(1,082)	Capital grants received		-	(913)
<u>2,621</u>	Net Cashflow before financing			<u>161</u>
	<u>Management of liquid Resources</u>			
(3,536)	Net increase(decrease) in short term deposits	36	(466)	
	<u>Financing</u>			
357	Repayments of amounts borrowed	34	357	
-	New loans raised		-	(109)

<u>(558)</u>	Net (increase) / decrease in cash	35	<u>52</u>
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NOTES TO THE CORE STATEMENTS

1. Acquired, discontinued operations and outstanding liabilities

The Council has not acquired or discontinued any operations during the year nor has it any outstanding liabilities in respect of discontinued operations.

2. Publicity

Set out below, under the requirement of S5(1) of the Local Government Act 1986, is the Council's spending on publicity:

	2005/2006 £000s	2006/2007 £000s
Town Planning	15	15
General Administration	93	76
Community Liaison	36	34
Housing Revenue Account	3	17
Total	147	142

3. Building Control Trading Account

The Building Control (Local Authority Charges) Regulations 1998 require the disclosure of information regarding the setting of charges for the administration of the building control function. Rochford District Council sets charges for work carried out in relation to building regulations with the aim of:

- ⇒ recovering the full cost of operating a building control service, with the objective of breaking even over a three-year period; or
- ⇒ recovering at least 90% of the costs over a three year period, where the proper costs of the functions do not exceed £450,000, OR where at least 65% of the charges arising under Regulation 7 (Principles of the scheme) are in respect of the erection of small domestic buildings, certain garages, carports and extensions.

Certain activities performed by the Building Control department cannot be charged for, such as providing general advice and liaising with other statutory authorities. The statement below shows the total cost of operating the building control service divided between the chargeable and non-chargeable activities.

Building Control Account

Non Chargeable 2005/06 £000s	Chargeable 2005/06 £000s	Total 2005/06 £000s		Non Chargeable 2006/07 £000s	Chargeable 2006/07 £000s	Total 2006/07 £000s
			<u>Expenditure</u>			
104	175	279	Employee Expenses	116	181	297
6	10	16	Transport	6	10	16
2	4	6	Supplies and Services	2	3	5
34	57	91	Central & Support Service Charges	38	59	97
146	246	392	TOTAL EXPENDITURE	162	253	415
			<u>Income</u>			
-	-	-	Contribution from Reserve	-	-	-
-	(218)	(218)	Building Regulation Charges	-	(213)	(213)
(49)	-	(49)	Miscellaneous Income	(45)	-	(45)
(49)	(218)	(267)	TOTAL INCOME	(45)	(213)	(258)
97	28	125	(Surplus) / Deficit for Year	117	40	157

The Building Control Account was set up in 2002/03 and each year the surplus or deficit is required to be ring fenced in a reserve. There is a deficit in the account at the end of the three-year period ending 2006/07 of £66,000.

4. Agency Income and Expenditure

The Council manages work on an agency basis for Essex County Council. The areas of work are:-

	2005/06 £000's	2006/07 £000's
Street Cleansing	1	1
Verge Maintenance	32	32
Total	33	33

5. Members' Allowances

The total amount paid during the year in respect of Members Allowances (basic allowance and special responsibility allowance) was made up as follows:-

	2005/06 £000s	2006/07 £000s
Basic Allowance	116	148
Special Responsibility Allowance	29	39
Travel & Subsistence	5	5
Total	150	192

Further information on the amounts paid to individual Members can be obtained by writing to the Head of Finance, Audit & Performance Management at the address at the front of this report or on the Council's website at www.rochford.gov.uk.

6. Officers' emoluments

The number of employees whose remuneration, excluding pension contributions was £50,000 or more in bands of £10,000 were:-

Remuneration Band	Number of Employees	
	2005/06	2006/07
£50,000 - £59,999	6	5
£60,000 - £69,999	-	-
£70,000 - £79,999	2	2
£80,000 - £89,999	1	-
£90,000 - £99,999	-	1

7. Related Parties

The Council is required to disclose details of transactions with related parties. A related party transaction is the transfer of assets or liabilities or the performance of services by, or for another (related) party irrespective of whether a charge is made. Members of the Council and Chief Officers are required to disclose information about any contract and other relationships between them or members of their family or household and the Council. This information is gathered by way of a personal return.

During the year, the following transaction, which is also included in the Creditors Balance in the Balance Sheet, arose in respect of the previous Corporate Director (Finance & External Services) (who ceased employment 1 June 2006):

Business Enterprise Agency – grant payment £2,100

The Council has received a number of grants in the year from Central Government, details of these can be found in Note 38 to the Core Statements.

The Council also collect money on behalf of other precepting bodies, these are Essex County Council, Essex Police and Essex Fire. Details of these can be found in the Collection Fund.

There were no other related party transactions requiring disclosure.

8. Audit Costs

The following fees relate to Audit and Inspection works to the Council for 2006/07:

	2005/2006 £	2006/2007 £
Fees paid to PKF for external audit services	112,944	119,040
Fees paid to Audit Commission for statutory inspection	15,642	17,978
Fees paid to PKF for certification of grant claims and returns	34,339	35,000
Fees paid to Audit Commission for other services provided.	5,250	550
Total	168,175	172,568

9. Breakdown of reconciling items in the Statement of Movement on the General Fund balances

2005/06 £000s		2006/07 £000s
<u>(1,722)</u>	General Fund Balance Brought Forward	<u>(1,712)</u>
1,311	Income and Expenditure surplus / (deficit)	2,206
	Amounts included in the income and expenditure accounts but required by statute to be excluded when determining the Movement on the General Fund	
(1,337)	Depreciation and Impairment of Fixed Assets	(1,467)
	Government Grants Deferred amortisation matching depreciation and amortisation	
194	Deferred Charges	214
(610)	Net gain / loss on fixed assets	(671)
(8)	Amt by which Pension Costs are different to Contributions	(19)
550		(73)
	Amounts not included in the Income and Expenditure account but required to be included by statute when determining Movement on the General Fund Balance	
24	Capital Expenditure charged to General Fund	0
	Transfer from Usable Capital Receipts equal to amount payable into Housing Capital Receipts Pool	
(464)		(662)
	Transfers to or from the General Fund balance required to be taken into account when determining the movement on the General fund	
487	Surplus/Deficit from HRA	320
<u>(137)</u>	Net Transfer to or from earmarked reserves	<u>85</u>
10	Movement on General Fund Balance	(67)
<u><u>(1,712)</u></u>	General Fund Balance Carried forward	<u><u>(1,779)</u></u>

10. Summary of Capital Expenditure and Fixed Asset Disposals

	Council Dwellings £000s	Operational Assets £000s	Vehicles £000s	IT/ Equipment £000s	Community Assets £000s	Non Operational Investment Property £000s	Assets Under Construction £000s	Total £000s
Valuation at 31 March 2006	102,103	30,044	143	429	368	160	2,838	136,085
Accumulated Depreciation	(1,178)	(1,839)	(85)	(344)	-	-	-	(3,446)
Net Book Value 31 March 2006	100,925	28,205	58	85	368	160	2,838	132,639
Movement in 2006/07								
Additions	1,086	633	14	-	138	-	-	1,871
Revaluation	8,198	2,737	-	-	-	-	-	10,935
Impairments	-	-	-	-	-	-	-	-
Transfers	-	2,838	-	-	-	-	(2,838)	-
Disposals	(913)	-	-	-	-	-	-	(913)
Gross Book Value	109,296	34,413	72	85	506	160	-	144,532
Depreciation in year	(1,169)	(1,185)	(19)	(25)	-	-	-	(2,398)
Net Book Value 31 March 2007	108,127	33,228	53	60	506	160	-	142,134

Capital expenditure comprised:

	2005/06 £000s	2006/07 £000s
Housing Investment Programme:		
Major repairs and improvements	1,404	1,204
Cash incentive scheme	25	75
Other Services:		
Improvement grants	222	405
Information Technology	238	147
Vehicle, Plants and Equipment	104	35
Improvements to Operational Assets	1,375	151
Leisure Facilities including Open Spaces & Playspaces	2,595	672
Less: Creditors no longer required	(269)	0
	5,694	2,689
Less: Items Classified as Deferred Charges	(1,273)	(671)
Additions to Capital Assets	4,421	2,018

The additions for 2006/07 relate to £1,871k Tangible Assets (Note 10), and £147k Intangible Assets (Note 16).

Capital Expenditure was financed by

	2005/06 £	2006/07 £
Capital Receipts Applied	465	611
Increase in Capital Financing Requirement	1,868	519
Grant	1,813	119
Major Repairs Reserve	1,429	1,278
Contribution from Revenue and Reserves	119	162
Total	5,694	2,689

11. Movements of deferred charges

Capital Expenditure, which does not give rise to a tangible fixed asset, is classified as a deferred charge and charged to the individual revenue service accounts. These sums are reversed out in the Statement of Movement to the General Fund Balance.

12. Commitments under capital contracts

There are no major commitments to capital contracts as at the 31 March 2007.

13. Information on assets held

The following table categorises the assets held by the Council as at 31 March 2007:

Category	Number as at 31 March 2006	Number as at 31 March 2007
Council Dwellings:		
Council Housing Stock	1,750	1742
Garages	441	441
Shops	3	3
Operational Buildings:		
Administrative buildings	3	3
Leisure buildings	5	6
Public conveniences	7	7
Open spaces (buildings)	10	10
Cemeteries (buildings)	1	1
Car parks	11	11
Miscellaneous buildings	5	5
Vehicles	16	16
Non Operational	1	1
Community Assets:		
Open spaces (land)	10	10

14. Valuation information

The following statement shows the progress of the council's rolling programme for the revaluation of fixed assets. Savills Land and Property Ltd, Members of the Royal Institute of Chartered Surveyors carry out the valuations.

OPERATIONAL ASSETS	Council Dwellings £000s	Operational Assets £000s	Vehicles £000s	IT/ Equipment £000s	Community Assets £000s	Investment Property £000s	Total All Assets £000s
Valued at Historical Cost	99,879	15,387	246	1,446	100	160	117,218
Valued at Current Value in:							
2006/07	108,127	33,601	52	444	-	-	142,224
2005/06	101,244	28,578	58	659	-	-	130,539
2004/05	108,445	23,381	76	638	368	-	132,908
2003/04	110,760	21,953	109	474	295	-	133,591
2002/03	98,821	21,279	128	418	242	-	120,888
Total	627,276	144,179	669	4,079	1,005	160	777,368

15. Changes in depreciation methods

There are no material changes to depreciation methods for 2006/07, this includes changes to the useful economic life of any assets held by the Council.

16. Intangible Fixed Assets

This relates to the purchase of software licences. The cost of Intangible Assets is written off to the service revenue account over a period of 5 years.

Movement in Intangible Fixed Assets:

	2005/06 £000s	2006/07 £000s
Original Cost	848	1,086
Amortisations to 1 April 2006	(308)	(512)
Balance at 1 April 2006	540	574
Expenditure in Year	238	147
Written off to revenue in year	(204)	(220)
Balance at 31 March 2007	574	501

17. Changes in amortisation method for intangible fixed assets

There have been no changes to the amortisation methods applied in the compilation of the accounts, this includes to the period over which amortisation is applied.

18. Debtors comprise:

	31 March 2006 £000s	31 March 2007 £000s
Rechargeable Works in Progress	111	173
Government Departments	1,123	432
Other Local Authorities	101	77
Mortgages	18	16
Sundry Debtors	1,075	1,148
Council Tax	706	810
National Non Domestic Rates	201	281
Rent Payers	119	137
	3,454	3,074
Provision For Bad Debts	(822)	(963)
Total	2,632	2,111

19. Deferred Asset

Arising from the early redemption of two loans from the Public Works Loan Board in December 2002, there are premiums of £59,990 and discounts of £8,803 outstanding, applicable to the Housing Revenue Account. These are being amortised over 10 years.

20. Cash and Bank

The cash and bank in hand balance is £794,555. This comprises £1,050 petty cash and £793,505 public sector reserve account balances.

21. Creditors comprise:

	31 March 2006 £000s	31 March 2007 £000s
Government Departments	195	532
Other Local Authorities	459	455
Leaseholders	18	25
Rent Payers	79	68
NNDR Payers	117	122
Council Taxpayers	395	365
Sundry Creditors	2,468	2,229
Total	3,731	3,796

26. Analysis of Net Assets Employed

The net assets employed represent the local taxpayers 'equity' in the Council and are analysed as follows: -

	31 March 2006 £000s	31 March 2007 £000s
General Fund	13,472	16,571
Housing Revenue Account	100,834	109,012
Total Equity	114,306	125,583

27. Long Term borrowing

	31 March 2006 £000s	31 March 2007 £000s
Public Works Loan Board	10,145	9,789

By maturity, long-term borrowing comprises:

Maturing within:	31 March 2006 £000s	31 March 2007 £000s
1 - 2 years	357	357
2 - 5 years	5,788	8,632
5 - 10 years	3,200	0
10 + years	800	800
Total	10,145	9,789

The average interest rate on long-term borrowing at 31 March 2007 was 9.83%.

28. Earmarked Reserves

Earmarked Reserves	Balance at 31 March 2006 £000s	Movement in the Year £000s	Balance at 31 March 2007 £000s
Corporate	446	(127)	319
Housing	71	32	103
Housing Revenue Account	102	(64)	38
IT Strategy	48	202	250
Projects	991	69	1,060
Repairs & Maintenance	118	34	152
West Street	177	7	184
Total	1,953	153	2,106

Reserves

Reserve	Balance 1 April 2006 £000s	Revenue Movement in Year	Transfer to/from other reserves	Balance 31 March 2007 £000s	Purpose of reserve
Fixed Asset Restatement Account	110,654	10,023	0	120,677	Store of gains on revaluation of fixed assets
Capital Financing Account	10,627	(2,981)	2,002	9,648	Store of capital resources set aside to meet past expenditure
Useable Capital Receipts	1,125	239	(610)	754	Proceeds of fixed assets sales available to meet future capital investment
Redundancy and Financial Strain Reserve	200	(144)	0	56	Reserve to meet financial demands.
Pensions Reserve	(15,044)	2,352	0	(12,692)	Balancing account to allow inclusion of Pension Liability in the Balance Sheet
Housing Revenue Account	1,559	319	0	1,878	Resources available to meet future running costs for Council Houses
Major Repairs Reserve	55	1,151	(1,279)	(73)	Resources available to meet capital investment in council housing.
General Fund	1,712	67	0	1,779	Resources available to meet future running costs for non-housing services
Collection Fund	1,377	(7)	0	1,370	Balance of Council Tax and NNDR received for redistribution to precepting bodies.
Deferred Credits	88	(8)	0	80	Resources relating to Fixed Assets not yet received.
Earmarked Reserves	1,953	266	(113)	2,106	Resources ring fenced to meet specific objectives.
Total	114,306	11,277	0	125,583	

29. Contingent liabilities and contingent assets

There are no material Contingent Liabilities requiring disclosure

30. Authorisation of accounts for issue and events after the balance sheet date

On 17 September 2007, the Council completed the large scale voluntary transfer of its housing stock to the Rochford Housing Association. This transfer does not have any impact on the figures disclosed in the Accounts for the year ended 31 March 2007.

In determining if an event requires disclosure, consideration has been given to events occurring up until 25 September 2007.

31. Trust funds

The Council administers three small Trust Funds. These are the Dutch Cottage Trust, King George Playing Field Trust, and the Finchfield Trust. King Georges does not have any transactions for disclosure for 2006/07. The current estimate of outturn for the other two trusts is shown below.

Trust	Income £000s	Expenditure £000s	Assets £000s	Liabilities £000s
Dutch Cottage	5	3	94	-
Finchfield	45	41	824	2

32. Retirement benefits

As part of the terms and conditions of employment of its officers and other employees, the Council offers retirement benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make the payments and that needs to be disclosed at the time that employees earn their future entitlement.

The Council participates in the Local Government Pension Scheme (LGPS), administered by Essex County Council – this is a funded scheme, meaning that the Authority and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets.

The cost of retirement benefits is recognised in the Net Cost of Services when they are earned by employees, rather than when the benefits are eventually paid as pension. However, the charge we are required to make against council tax is based on the cash payable in the year, so the real cost of retirement benefits is reversed out of the Consolidated Revenue Account after Net Operating Expenditure. The following transactions have been made in the Consolidated Revenue Account during the year:

	2005/2006 £000s	2006/2007 £000s
<i>Net Cost of Service:</i>		
▪ Current service cost	(874)	(1,056)
▪ Past service costs	624	(83)
<i>Net Operating Expenditure</i>		
▪ (Gain) loss due to curtailments	-	(14)
<i>Analysis of amount credited to other finance income:</i>		
▪ Interest on pension scheme liabilities	(2,066)	(2,170)
▪ Expected return on assets in the pension scheme	1,507	1,775
<i>Amounts to be met from Government Grants and Local Taxation:</i>		
▪ Movement on Pensions Reserve	(550)	73
<i>Actual Amount charged against council tax for pensions in the year:</i>		
▪ Employer's contributions payable to scheme	1,359	1,475

The underlying assets and liabilities for retirement benefits attributable to the Authority as at 31 March 2007 are as follows:

	31 March 2006 £000s	31 March 2007 £000s
Estimated Liabilities in Scheme	(44,401)	(44,363)
Market Value of Assets	29,357	31,671
Net Liability	(15,044)	(12,692)

The liabilities show the underlying commitments that the Council has in the long-run to pay retirement benefits. The total liability of £44.4m has a substantial impact on the net worth of the Council as recorded in the balance sheet, although there is still a positive overall balance. Statutory arrangements for funding the deficit mean that the financial position of the Council remains healthy.

The deficit will be made good by increased contributions over the remaining working life of the employees, as assessed by the scheme actuary.

Liabilities have been assessed on an actuarial basis by Mercer Human Resource Consulting Ltd (actuaries to the Fund) based on an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc derived from the full actuarial valuation carried out on 31 March 2004.

The main assumptions used in the calculations have been:

	2005/2006	2006/2007
Rate of Inflation	2.9%	3.1%
Rate of increase in salaries	4.4%	4.6%
Rate of increase in pensions	2.9%	3.1%
Proportion of employees opting to take a commuted lump sum	50%	50%
Rate for discounting scheme liabilities	4.9%	5.4%

Changes to the Local Government Pension Scheme permit employees retiring on or after 6 April 2006 to take an increase in their lump sum payment on retirement in exchange for a reduction in their future annual pension. On the advice of our actuaries we have assumed that 50% of employees retiring after 6 April 2006 will take advantage of this change to the pension scheme.

As in 2005/06, the discount rate used to put a value on liabilities and calculate the current service cost was based on the redemption yields available on long dated AA-rated corporate bonds.

The market values of each main class of assets held by the fund as at 31 March 2007 and the expected rate of return for the ensuing year are set out in the following table:

	Fair Value £000s	Proportion of Assets	Expected Returns 06/07	Expected Returns 07/08
Equities	21,949	69.3%	7.0%	7.5%
Government Bonds	3,135	9.9%	4.3%	4.7%
Other bonds	1,995	6.3%	4.9%	5.4%
Property	3,959	12.5%	6.0%	6.5%
Other	633	2%	4.5%	5.25%
Total	31,671			

There is no provision for unitising the assets of a fund under the LGPS. The above assets as a whole are allocated to participating bodies on a consistent basis.

The actuarial gains identified as movements on the Pensions Reserve in 2006/2007, can be analysed into the following categories, measured as absolute amounts and as a percentage of assets or liabilities at 31 March 2007:

	2003/2004		2004/2005		2005/2006		2006/2007	
	£000s		£000s		£000s		£000s	
Differences between the expected and actual return on assets	2,779	13.4%	1,062	4.6%	4,567	15.6%	353	1.1%
Differences between actuarial assumptions about liabilities and actual experience	-	-	(134)	0.3 %	(1,619)	3.6%	-	-
Changes in the demographic and financial assumptions used to estimate liabilities	-	-	(5,760)	15%	(3,193)	7.2%	2,072	4.7%
Total Actuarial Gains/(Losses)	2,779	8.9%	(4,832)	12.6%	(245)	0.6%	2,425	5.5%

Further information can be found in Essex County Council's Pension Fund Annual Report which is available upon request from:

The Pensions Division,
Finance and Performance
County Hall
Chelmsford
CM1 1JZ

33. Reconciliation of surplus/deficit on the Income and Expenditure Account to the revenue activities net cash flow

	2005/06 £000s	2006/07 £000s
(Surplus)/Deficit on:		
General fund	10	(67)
Housing Revenue account	(487)	(320)
Collection fund	(517)	8
	(994)	(379)
Adjustment for Non Cash Transactions		
Misc.	550	326
Capital Creditors	(924)	(198)
Revenue Contribution to Capital Outlay	(1,548)	(1,313)
	(2,916)	(1,564)
Movement on funds and balances		
Increase/ (decrease) in debtors	151	(520)
(Increase) / decrease in creditors	186	(67)
(Increase) / decrease in provisions	721	119
	(1,858)	(2,032)
Other Items in the cash flow statement		
Payments to the capital receipts pool	408	662
Interest paid	(1,053)	(1,018)
Interest received	619	551
Net cash flow from revenue activities	(1,884)	(1,837)

34. Movement in Borrowing

	2005/06 £000s	2006/07 £000s
Long term Borrowing B/fwd	10,502	10,146
Repaid During Year	0	0
New Borrowing	0	0
Classified as short term borrowing	(357)	(357)
Long Term Borrowing c/fwd	10,145	9,789
Temporary Borrowing B/fwd	357	357
Net movement for the year	(357)	(357)
Classified as short term borrowing	357	357
Temporary Borrowing C/fwd	357	357
Total Increase / (Decrease) in Borrowing	(357)	(357)

35. Net (Increase) / Decrease in Cash

	2005/06 £000s	2006/07 £000s
Cash & Bank	450	(36)
Bank Overdraft	108	(16)
Net Increase / (Decrease) in Cash	558	(52)

36. Temporary Investments

	2005/06 £000s	2006/07 £000s
Temporary Investments B/fwd	12,352	8,816
Temporary Investments C/fwd	8,816	8,350
Increase / (Decrease) in Temporary Investments	(3,536)	(466)

37. There have been no changes to policy that affect the cashflow statement

38. Summary of Government Grants

	2005/06 £000s	2006/07 £000s
Housing Benefits	(13,152)	(15,107)
NNDR support from national pool	(2,278)	(3,697)
Revenue Support Grant	(1,406)	(744)
Total	(16,836)	(19,548)

39. Restatement

In the 2006/07 Statement of Accounts, the Council has adopted three significant new accounting policies that impact on the comparative figures for 2005/06 in the Income and Expenditure Account:

- capital financing charges for the use of fixed assets are no longer made to service revenue account and support services.
- credits for government grants deferred are now posted to service revenue accounts and support services rather than credited as a corporate item.
- gains and losses on the disposal of fixed assets are recognised in the Income and Expenditure Account.

These changes have had the following impact on the comparative figures for 2005/06 compared with those published in the 2005/06 Statement of Accounts (only figures that have changed are included in the table):

	2005/06 original £000s	Removal of Capital Financing Charges	Relocation of Government Grants deferred	Recognition of Gains/losses on disposal of fixed assets	Transfers to other expenditure heading*	2005/06 restated £000s
Central Services	2,393	0	0	0	(1,699)	694
Non-Distributed Costs	(630)	(102)	(194)	0	101	(825)
Cultural, Environmental & Planning	7,753	(761)	0	0	(41)	6,951
Highways, Roads & Transport	170	(181)	0	0	(2)	(13)
Housing	5,746	0	0	0	(4,528)	1,218
Corporate and Democratic Core	0	0			1,658	1,658
Housing Revenue Account	0	(4,526)	0	0	3,352	(1,174)
Impact on Net Cost of Services	15,433	(5,570)	(194)	0	(1,159)	8,509
Loss on disposal of Fixed Assets	0	0	0	8	0	8
Asset Management Revenue Account (Interest Payable and similar charges in 2006/07)	(4,825)	5,570	194		122	1,061
Impact on Net Operating Expenditure		0	0	8	(1,037)**	

* Transfers includes the redistribution of recharges for services following the removal of the capital charges, and where amounts have been redistributed to the correct heading under the 2006 SORP.

** The balance on net operating expenditure are related to items that were incorrectly disclosed in 2005/06 and have been correctly stated in 2006/07, this does not affect revenue balances.

THE HOUSING REVENUE ACCOUNT YEAR ENDED 31 MARCH 2007

2005/06 restated £000s			2006/07 £000s
		Notes	
1,739	Supervision and Management General		2,127
337	Repairs Administration		337
1,009	Repairs		967
1,178	Depreciation	2	1,169
40	Debt Management expenses		41
<u>4,303</u>			<u>4,641</u>
(5,723)	Dwelling Rents		(5,912)
(147)	Non-Dwelling Rents		(147)
(33)	Service Charges		(31)
(100)	Allocation of Fees for Major Repairs		(100)
(11)	Reduced Provision for bad or doubtful debts	5	(41)
437	Subsidies	6	507
<u>(1,274)</u>	NET COST OF SERVICE		<u>(1,083)</u>
31	HRA share of Corporate and Democratic Core costs		51
67	HRA share of Non-distributed costs		62
<u>(1,176)</u>	Net cost for HRA		<u>(970)</u>
8	(Gain) or loss on sale of HRA fixed asset		19
993	Interest Payable		994
8	Amortised PWLB Premiums & Discounts	7	7
(47)	Investment Income		(39)
<u>(214)</u>	(SURPLUS)/DEFICIT FOR THE YEAR		<u>11</u>

Statement of Movement on the Housing Revenue Account Balance

2005/06 £000s		2006/07 £000s
(214)	(Surplus)/deficit for the year on the HRA Income & Expenditure a/c	11
<u>(273)</u>	Net additional amount required by statute to be debited /(credited) to the HRA balance for the year (Note 1)	<u>(331)</u>
(487)	(Increase) / decrease in the Housing Revenue account balance	(319)
<u>(1,072)</u>	Housing revenue account surplus brought forward	<u>(1,559)</u>
<u><u>(1,559)</u></u>	Housing revenue account surplus carried forward	<u><u>(1,878)</u></u>

NOTES TO THE HOUSING REVENUE ACCOUNT (HRA)1. Statement of Movement on the HRA Balance

2005/06 £000s		2006/07 £000s
	Items included in the HRA I&E but excluded from movement in HRA balance	
0	Difference between amounts charges to I&E expenditure for amortisation of premiums and discounts and the charge for the year determined in accordance with statute	0
(117)	Difference between any other item if I&E determined in accordance with the SORP and determined in accordance with statutory HRA requirements	(193)
(8)	Gain or loss on sale of HRA fixed assets	(19)
(29)	Net charges made for retirement benefits in accordance with FRS17	(35)
	Items not included in the HRA I&E but included in the movement in HRA balances for the year	
(18)	Transfer to/(from) Major Repairs Reserve	(18)
(101)	Transfer to / (from) Earmarked reserves	(66)
0	Employers contribution payable to the Pension Fund and retirement benefits payable direct to pensioners	0
<u>(273)</u>	Net additional amount required by statute to be debited or (credited) to the HRA balance for the year	<u>(331)</u>

2. Depreciation

The Council has undertaken a review of depreciation for dwellings within the HRA using proper practices. The result has been compared with the Major Repairs Allowance (MRA). It is considered that the difference between the value for depreciation calculated and the MRA would not result in a material misstatement in the accounts, therefore the MRA has been used to represent the value for depreciation charge for HRA dwellings. The depreciation charge during the year for dwellings was £1,151,000. The remaining £18,000 relates to non-dwelling depreciation.

3. Deferred Charges represent assets which are not shown on the Balance Sheet. During 2006/2007 a sum of £193,000 was incurred as a deferred charge.

4. Arrears

Rent Arrears	2005/06 £000s	2006/07 £000s
Current Tenants	90	104
Former Tenants	29	33
Total	119	137

5. Bad Debts

The Provision for Bad Debts was reduced from £65,000 to £24,000.

6. Subsidies

	2005/06 £000s	2006/07 £000s
Management & Maintenance	(2,208)	(2,374)
Debt Management	(40)	(41)
Interest	(1,257)	(1,340)
Interest on receipts	(7)	8
Rent element	5,101	5,434
Major Repairs Allowance	(1,159)	(1,151)
Rental Constraint Allowance	-	(28)
Admissable Allowance	-	(1)
Prior year adjustments	7	-
Total	437	507

7. PWLB Premium and Discounts

These relate to the early repayment of debt in 2002/03, which incurred a premium of £89,556 and a discount of £13,141, which are being applied to the Housing Revenue Account over a period of 10 years.

	2005/06 £000s	2006/07 £000s
Balance b/fwd	58	51
Discount	1	1
Premium	(8)	(8)
Balance c/fwd	51	44

8. Major Repairs Allowance and Reserve

The Major Repairs Reserve provides for major repair, improvement and renovation to property. The funds are transferred to a Reserve Account. Any amounts not spent are carried forward to the programme for the following year. During 2006/07 the reserve was utilised for the repair, improvement and conversion of existing property.

Major Repairs Reserve	2005/06 £000s	2006/07 £000s
Balance b/fwd	(325)	(55)
Income	(1,159)	(1,151)
Expenditure	1,429	1,279
Balance c/fwd	(55)	73

9. The housing stock at 31 March 2007 comprised 1,742 dwellings. The average stock for the year was 1,746 dwellings.

Analysis of stock at 31 March 2007:

The housing stock is analysed below by property type using the criteria employed by the Department of the Environment in Housing Subsidy calculations.

- Analysis by property type:

	1 Bed	2 Bed	3+ Bed	Total
Flats	628	147	13	788
Houses/Bungalows	210	238	506	954
Total	838	385	519	1,742

10. The Balance Sheet value of Council Dwellings is £106m (31 March 2006 £99m). This is the value based on existing use as social housing. The valuation for vacant possession is £230m.
11. Housing Capital expenditure of £1.3m (£1.4 m in 2005/06), to bring Council Dwellings further in line with decent home standards, was financed from the Major Repairs Allowance.
12. Capital Receipts arising from the Housing Revenue Account were as follows:

	2005/06 £000s	2006/07 £000s
Sale of Dwellings	644	913
Repayment of Mortgages	8	7
Total	652	920

13. The Housing Revenue Account includes interest on housing debt and is calculated on the amount of debt outstanding on Housing Revenue Account assets. The interest on debt is calculated on the average debt of £10.1m at an interest rate of approximately 9.82%.

14. Earmarked Reserves

Movement on the HRA Earmarked Reserves can be found in Note 28 to the Core Statements.

THE COLLECTION FUND INCOME AND EXPENDITURE ACCOUNT**FOR THE YEAR ENDED 31 MARCH 2007**

2005/06 £000s £		NOTE	2006/07 £000s £
	<i>INCOME:</i>		
(35,292)	Income from Council Tax	1	(37,290)
	Transfers from the General Fund:		
<u>(3,860)</u>	- Council Tax Benefits		<u>(4,000)</u>
(39,152)			(41,290)
<u>(11,248)</u>	Income Collectable from Business Ratepayers	2	<u>(12,512)</u>
<u><u>(50,400)</u></u>	TOTAL INCOME		<u><u>(53,802)</u></u>
	<i>EXPENDITURE:</i>		
	Precepts and Demands:	3	
28,075	- Essex County Council		29,491
3,205	- Police Authority		3,408
1,748	- Fire Authority		1,788
5,796	- Rochford District & Parish Councils		6,156
	Business Rates:		
11,408	- Payments to Pool		12,427
<u>84</u>	- Cost of Collection Allowance		<u>84</u>
50,316			53,354
(433)	Movement on provisions for uncollectable amounts		52
<u>-</u>	Contribution towards previous years estimated surplus	6	<u>264</u>
<u><u>49,883</u></u>	TOTAL EXPENDITURE		<u><u>53,670</u></u>
	Movement on Fund Balance		
(1,124)	Surplus brought forward		(1,641)
(517)	(Surplus)/deficit for the year (Note 6)		(132)
<u><u>(1,641)</u></u>	SURPLUS CARRIED FORWARD (Note 6)		<u><u>(1,773)</u></u>

NOTES TO THE COLLECTION FUND

1. Council Tax

Council Tax derives from charges raised according to the values of residential properties, which have been classified into eight valuation bands, using estimated 1 April 1991 values for this specific purpose. Individual charges are calculated by estimating the amount of income required to be taken from the Collection Fund by Essex County Council and other preceptors and this Council for the forthcoming year and dividing this by the council tax base (the total number of properties in each band adjusted by a proportion to convert the number to a Band D equivalent and adjusted for discounts). The basic amount of council tax for a Band D property for Rochford District (£170.91 in 2006/07), was added to the basic amount due to the parish and the total was multiplied by the specified proportion to give an individual amount due. Precepts in respect of Essex County Council, Essex Police Authority and Essex Fire Authority were added to this figure.

2. National Non-Domestic Rates (NNDR)

NNDR is organised on a national basis. The Government specified an amount of 43.3p in the £ of rateable value for 2006/07 (42.2p in the £ for 2005/06) and, subject to the effects of transitional arrangements, local businesses pay rates calculated by multiplying their rateable value by that amount. The Council is responsible for collecting rates due from the ratepayers in its area but pays the proceeds into an NNDR pool administered by the Government. The Government redistributes the sums paid into the pool back to local authorities' General Funds on the basis of a national formula.

The total non-domestic rateable value at 31 March 2007 was £33.1m compared to the comparable rateable value in 2005/06 of £32.8m

3. Precepts on the fund:

	Precept £000s
Essex County Council	29,715
Police Authority	3,433
Fire Authority	1,802
Rochford District & Parish Councils	6,156

4. Uncollectable Debts.

Uncollectable debts of £39,800 for council tax and £19,234 for non-domestic rates were written off in 2006/07.

5. Calculation of the Council Tax base for 2006/2007

Tax Band	Estimated Properties after adjustments	Proportion of charge	Band D Equivalent Properties
A	1,009	6/9	673
B	2,704	7/9	2,103
C	10,290	8/9	9,147
D	9,344	9/9	9,344
E	4,472	11/9	5,466
F	1,994	13/9	2,880
G	1,043	15/9	1,739
H	65	18/9	130
Total			31,482
Less Adjustment for Collection Rate			98%
Total Council Tax Base			30,852

6. Redistribution of Surplus

The balance for the Collection Fund does not tie directly into the Balance Sheet due to the redistribution of the surplus to all precept demanding bodies. These surplus distributions are included within the creditors figure on the balance sheet for payment in the following year. The table below shows how the two figures relate.

	31 March 2006 £000s	31 March 2007 £000s
Balance per Collection Fund	1,641	1,773
Redistribution to:		
Essex County Council	224	342
Essex Police	26	40
Essex Fire	14	21
Balance per Balance Sheet	1,377	1,370

STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

The Council's Responsibilities

The Council is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. With effect from 1 June 2006, the responsible officer was the Head of Finance, Audit and Performance Management.

The Council is also required to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets. It is also required to approve and publish a Statement of Accounts.

The Head of Finance, Audit and Performance Management's Responsibilities

The Head of Finance, Audit and Performance Management is responsible for the preparation of the Authority's statement of accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom: a Statement of Recommended Practice (the SORP). Where necessary, she has to make judgements and estimates and these must be both reasonable and prudent.

Proper and up to date accounting records were kept and reasonable steps taken for the prevention and detection of fraud and other irregularities.

Opinion

The Statement of Accounts presents fairly the financial position of Rochford District Council at 31 March 2007, and its income and expenditure for the year then ended.

Signed:
Head of Finance, Audit and
Performance Management

The Chairman's Approval

I confirm that these accounts were approved by the Council at its meeting on 13 September 2007.

Signed:
Chairman of the Council

Date: 13 September 2007

STATEMENT ON INTERNAL CONTROL FOR 2006/07

The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this accountability, Members and senior officers are responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to an acceptable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Rochford District Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place at the Council for the year ended 31 March 2007 and up to the date of approval of the annual report and accounts.

THE INTERNAL CONTROL ENVIRONMENT for 2006/07

The key elements on the internal control environment include:

- ❑ Production of a Corporate Plan and Performance Plan with quarterly progress reviews on the main priorities for the Council reported to Extraordinary Council 27 June 2006.
- ❑ Each committee sets out its key decisions for the forthcoming year in order to achieve the objectives set out in the Corporate Plan and 5-Year rolling budget strategy. This Programme is regularly reviewed throughout the year.
- ❑ Comprehensive budgeting process that integrates capital and revenue and takes place within a strategy approach.
- ❑ Regular reviews of performance information including performance indicators and service action plans in order to achieve the Council's future plans.
- ❑ Regular reviews of financial information.
- ❑ Regular reviews of the systems and processes to deliver financial management.
- ❑ Appropriate and trained staff handling delegated functions and regular individual Performance Development Reviews.
- ❑ Formal risk assessment and evaluation. Identification of risks is a requirement of all committee reports.
- ❑ Relevant self-assessments of key service areas within the department including Internal Audit.

- ❑ Relevant Internal Audit reports and results of follow-ups regarding implementation of recommendations. All recommendations following audit reports are monitored through the Committee process.
- ❑ Monitoring and implementation of actions from reviews of services by other bodies including, Inspectorates, external auditors etc.
- ❑ Compliance with the Constitution, established policies, procedures, laws and regulations.
- ❑ Investors in People Accreditation across the whole of the Council.
- ❑ Production and monitoring of CPA Improvement Plan including self-assessment work.

REVIEW OF EFFECTIVENESS

The Council has responsibility for conducting, at least annually, a review of the effectiveness of the system of internal control. The review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the managers within the Council who have responsibility for the development and maintenance of the internal control environment, and also by comments made by the external auditors and other review agencies and inspectorates.

The Head of Finance, Audit and Performance Management is the Section 151 officer and has responsibility for maintaining a sound system of internal control within the Council to support the proper management of finance and the achievement of the Corporate Financial Objectives and for reviewing their effectiveness. Internal Audit is a key mechanism for testing this effectiveness of these controls and reports regularly to the Audit Committee. A self-assessment of the effectiveness of Internal Audit has been completed with overall satisfaction and an action plan to improve the service further. Internal Audit, working with our appointed external auditors, provides opinions on the adequacy and effectiveness of the system of internal financial control.

The Local Code of Corporate Governance continues to be monitored for compliance by the Corporate Policy Manager on an annual basis.

The Performance Management framework is providing assurance on all the performance indicators with an annual audit by Internal and External Audit plus quarterly reports to Members on their priority indicators. The Performance Management process is also continuing to be developed and improved across the Council.

Managers have completed a self-assessment questionnaire confirming they have controls in place to address financial and operational issues as well as identifying risk.

During 2006/07 external reviews have been undertaken within the following areas contributing to the overall framework of assurance:-

Use of Resources judgement by External Audit
Direction of Travel by External audit & Relationship Manager
Access to Services review by Audit Commission
External Audit of Food Services
Audit of Environmental Waste Management and Open Spaces by Audit Commission
Equalities Impact Assessment by Commercial Regulation Manager

The newly formed Review Committee has completed reviews on Planning Enforcement, Bus Routes, the Committee Structure and anti-social behaviour.

Members / Council also reviewed and agreed new Member and Officer Codes of Conduct.

Whilst Internal Audit provide an opinion on each individual audit project undertaken during the course of the year a specific published opinion of the Internal Audit Manager is not reported on the overall effectiveness of the Council's controls to support this Statement.

SIGNIFICANT INTERNAL CONTROL ISSUES

We are satisfied that, except for the matters below, a sound system of internal control has been in place throughout the financial year and is ongoing. The areas where the Council feel there are weaknesses are as follows:

- Value for money – this is a continuing area of importance which is being considered within the review of the Performance Management framework and will also need to be considered as part of the 2007/08 Budget process. There is still some concern as to exactly how this can be measured across the diverse range of services and activities undertaken by the Council.
- Performance Management framework incorporating Risk Management will continue to develop to become embedded within the processes of the Council.
- The Corporate Plan is being reviewed and will need to be revised and refined to ensure its growing effectiveness. This is a key document for providing direction within the Council and ensures the Performance Management framework can focus on the key objectives for the authority.
- A new Member decision making process will be operating from June 2007 and will be reviewed by the Review Committee.
- A draft Business Continuity Plan has been presented to the Senior Management Team but work needs to continue to ensure it is embedded and tested within the organisation. Senior Managers raised Business Continuity as a risk on their questionnaires this year.

We will ensure that steps are taken to address the above matters in order to enhance the adequacy of the Authority's internal controls. We are satisfied that these steps will enhance the system of internal controls and will be monitoring to ensure their implementation and operation.

Signed: Date:
Chief Executive

Signed: Date:
Leader of the Council

Auditors report to be added