

## HOUSING REVENUE ACCOUNT 2006/07

The Housing Revenue Account is a ring-fenced account for Council Housing. Housing rents are calculated using Government formula which aims to link rent levels in the public and private sector. The HRA working balance is currently at a high level but this is necessary to sustain the HRA in the medium term.

- ◆ The net surplus of £1.6m is higher than the original budget of £0.5m. Spending on repairs and maintenance was down £0.4m and the planned replacement of the Housing Management system was postponed resulting in reduced costs to revenue in year of £0.3m.
- ◆ Income from rents, charges for services and interest on balances was £0.3m up on budget.

Net Cost 2005/06 £'000	Net Cost 2006/07 £'000	Amount per Tenancy £
<b>Housing Revenue Account</b> 3,936 dwellings managed at 31 March 2007		
11,600	12,070	3,067
860	920	233
<b>12,460</b>	<b>12,990</b>	<b>3,300</b>
<b>Spending On Council Housing</b>		
6,310	6,180	1,570
2,060	2,260	574
2,320	2,420	615
130	70	18
<b>10,820</b>	<b>10,930</b>	<b>2,777</b>
1,640	2,060	523
70	170	43
510	340	86
<b>1,060</b>	<b>1,550</b>	<b>394</b>
2,470	3,530	897
3,530	5,080	1,291

### Rent Arrears

Current tenants' rent arrears are just 0.4% of the annual amount due. This is better than the national average performance on rent arrears.

### Council House Sales

During the year, eight properties were sold to sitting tenants under the Government's Right to Buy legislation.

### Further Information

The figures published here are summarised from the Council's published Statement of Accounts which is currently subject to audit. If you would like a full copy of this Statement or have any questions or comments on how we can improve our information on the accounts please contact the Resources Department: Mrs Wray (01423) 556107 Email [anne.wray@harrogate.gov.uk](mailto:anne.wray@harrogate.gov.uk)

Additional copies of this leaflet are available free of charge from libraries, swimming pools, recreation centres and Council Offices, or direct from the Chief Customer Services Officer: Telephone 0845 300 609, Email [customerservices@harrogate.gov.uk](mailto:customerservices@harrogate.gov.uk). If you require copies in large print, audio-tape, Braille or other languages please contact the Chief Customer Services Officer (as above).



Working for you

## INCOME AND EXPENDITURE ACCOUNT

This shows the cost of all Council services.

2005/06		2006/07	Net Cost
Net Cost		Gross Cost	Net Cost
£M		£M	Per Resident
			£
<b>Spending on Services:</b>			
1.1	Council Tax Collection	1.8	1.1
0.1	Central Services to the Public	10.3	0.5
4.5	Cultural & Related Services	19.1	6.2
3.5	Refuse Collection	5.3	3.6
2.6	Environmental Services	5.3	2.6
1.7	Planning & Development Services	6.2	2.1
1.2	Housing Services( including HRA)	33.1	0.4
- 0.5	Highways, Roads & Transport	3.6	0.2
0.9	Corporate Costs & Overheads	3.1	2.8
15.1	<b>Total Spending on Services</b>	<b>87.8</b>	<b>19.5</b>
2.2	<b>Other Operating Costs</b>	<b>3.7</b>	<b>1.7</b>
<b>17.3</b>	<b>Net Operating Cost</b>	<b>91.5</b>	<b>21.2</b>
<b>Income from Taxation and Government Grant:</b>			
11.7	Council Taxpayers		12.4
4.4	Revenue Support Grant		1.6
4.4	Non-Domestic Rates		8.5
3.2	<b>Net Surplus for Year</b>		1.3
2.9	Transfers to Reserves		1.1
0.3	<b>Surplus to GF Balance</b>		0.2

\***Cultural & Related Services** includes Open Spaces, Recreation & Sport, Museums & Arts and Conference & Exhibitions surplus.

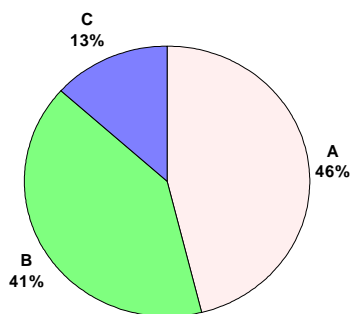
**During 2006/07** the Council continued its policy of sound financial management by means of business units and tight budgetary control.

The good financial performance in 2006/07 (shown overleaf) is similar to previous years and results from the efforts of Members and staff in the Council seeking to preserve or enhance services to the public at the most economical cost.

**For information on the Council's service performance in 2006/07, go to the Performance Plan published on the Council's website. [www.harrogate.gov.uk](http://www.harrogate.gov.uk)**

## WHERE THE MONEY (£92.8m)

### COMES FROM

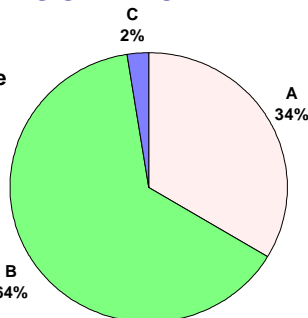


**A. Rents, charges and Interest** £42.9m  
**B. Government Grants** £37.5m  
**C. Council Taxpayers** £12.4m

## WHAT THE MONEY (£92.8m)

### IS SPENT ON

Running Expenses include maintaining buildings, paying benefits, operating vehicles and purchase of supplies and services. Treasury management charges are mainly for principal and interest on loans (including HRA).



**A. Employees** £31.2m  
**B. Running Expenses** £59.3m  
**C. Treasury Management** £2.3m

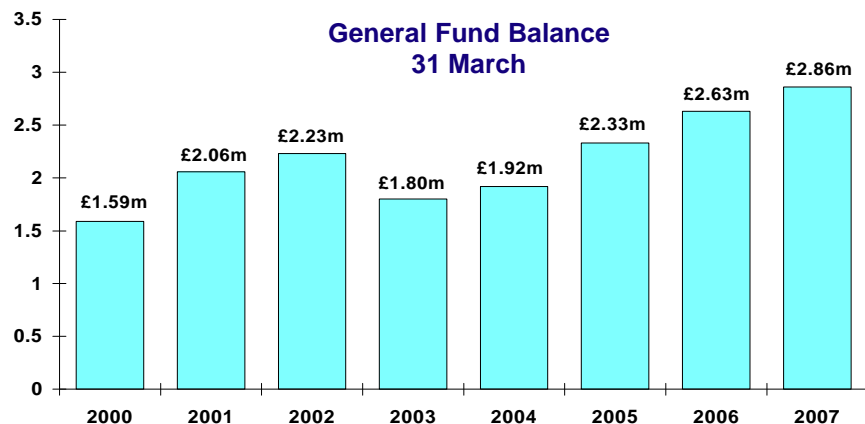
## Net Spending on General Fund £0.2m less than original estimate

- Higher surplus on Conference & Exhibition business.
- Higher Local Authority Business Growth Incentive Government Grant.
- Increased income generated from fees and charges across most services.

## Use of current year's savings:

- Income savings in the year enabled the Council to absorb additional costs particularly for Waste Collection and Concessionary Fares.
- £0.1m taken to Conference & Exhibition reserves to finance capital investment.
- £0.5m Government Grant taken to Earmarked Reserves.
- £0.3m savings retained in Business Unit reserves to be used for essential investment eg on Information Technology which will increase efficiency.

## Balance of 2006/07 savings £0.2m taken to the General Fund Balance pending approval for deployment in 2007/08.



The Council's target range for the General Fund Balance is £2m to £2.75m.

# BALANCE SHEET 31 MARCH

◆ Long and short term borrowing totals £15.1m of which £5.0m relates to the Housing Revenue Account; the figure is also offset by external lending totalling £30.1m. The Council's assets have a net book value of £321m and an insurance value of over £480m.

◆ In 2006/07 one fifth of all the Council's properties, mainly Council Houses, and Council Office buildings were revalued in accordance with capital accounting rules. These changes in asset values are reflected in the Fixed Asset Restatement Account.

Financial Year ending	Mar-07	Mar-06
	£M	£M
Net Fixed Assets	321.4	296.9
Long Term Debtors	0.5	0.4
Current Assets	40.7	35.7
Current Liabilities	-15.6	-13.1
Long Term Borrowing	-15.1	-15.1
Provisions	-0.6	-0.5
Grants Deferred/Unapplied	-14.9	-8.9
Pension Liability	-34.6	-41.2

## Assets less Liabilities

	<b>281.8</b>	<b>254.2</b>
Fixed Asset Restatement Account	202.9	185.3
Capital Financing Account	89.6	86.9
Pensions Reserve	-34.6	-41.2
Capital Receipts Reserve	1.3	2.1
Earmarked Reserves	14.7	15.0
Working Balances:		
General Fund	2.8	2.6
Housing Revenue Account	5.1	3.5

## CAPITAL SPENDING

Spending in 2006/07	£'000
Royal Hall Redevelopment	5,383
Improvements to Council Houses	4,089
Vehicle & Plant Purchases	932
Private Sector Improvement Grants	554
Computers/ Access to Services Investment	525
Grants to Housing Associations	310
Mercury Abatement - Cremators	237
Green Waste Recycling Bins	209

Other Projects	529
<b>Total Spending</b>	<b>12,768</b>

Financed from:	
Grants	4,879
Revenue	2,843
Major Repairs Allowance	2,728
Capital Receipts	1,388
Borrowing	930

<b>Total Financing</b>	<b>12,768</b>
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◆ The Government's Major Repairs Allowance has to be used on Improvements to Council Houses.

◆ Revenue includes £0.4m HRA revenue and £2.4m from reserves set aside for capital spending.

◆ Grants include £3.9m of Lottery Grant and £0.2m Restoration Trust Grant for the Royal Hall Redevelopment and £0.4m of Government Grant for Disabled Facilities Grants and Access to Services.

## WHERE YOUR COUNCIL TAX GOES

The table below shows that well over three-quarters of the Council Tax is for North Yorkshire County Council, North Yorkshire Police Authority and North Yorkshire Fire Authority services. Harrogate Council and Parish Councils receive the remainder.

	£ per resident	£ per Band D property
North Yorkshire County Council	353	899
North Yorkshire Police Authority	71	180
North Yorkshire Fire Authority	21	54
Harrogate Borough Council	76	194
Parish Councils	3	8
<b>Total</b>	<b>524</b>	<b>1,335</b>