

# Summary Statement of Accounts



For the year  
ending 31  
March 2016

Cambridge City Council

# Summary Statement of Accounts

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This document is available on our website at [www.cambridge.gov.uk](http://www.cambridge.gov.uk)

# Summary Statement of Accounts

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## Introduction

The services provided by local councils affect everyone's quality of life. Money is needed to carry out the functions and services that the Council provides and the Council's accounts are an important element in demonstrating the stewardship of public money. They show the resources available and how they have been used to deliver everyday services to the City's residents, visitors, businesses and other organisations.

Each year, the Council is legally required to produce a Statement of Accounts that presents the Council's financial activities and gives details of the overall financial position, however, much of the information in the document is of a technical nature in order to satisfy statutory requirements.

The following Summary Accounts are intended to be a more user-friendly version of the detailed publication and to provide a brief overview of the Council's financial position for the year ending 31st March 2016.

## Head of Finance's Statement

The Council's Statement of Accounts has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2015/16 based on International Financial Reporting Standards.

The figures in this summary were originally compiled having regard to proper accounting practice. To help make this summary easier to understand we have simplified the presentation of some figures.

The full 2015/16 Statement of Accounts has been audited by Ernst & Young who gave an unqualified audit opinion.

### **Caroline Ryba**

A full copy of the Council's 2015/16 audited accounts is available on our website or from:

Head of Finance  
Cambridge City Council  
PO Box 700  
Cambridge  
CB1 0JH

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## Review of 2015/16

The City Council's priority strategic objectives for 2015/16 were set out in a series of Portfolio Plans. This section reports progress against those plans and other performance data, and gives a sense of how the funding reported in the accounts was used to achieve Council objectives. During 2015/16 we achieved the following under each portfolio:

### City Centre and Public Places

- ◆ Kept streets and open spaces in Cambridge clean and tidy. 97% of relevant land and highways was assessed as being at an acceptable level in 2015/16, which was slightly higher than the target of 96% for the year. We dealt with 1,238 incidents of fly-tipping and collected waste from 150 dog fouling bins across the city. We also removed 27 abandoned cars and 28 untaxed vehicles from the 356 cases we investigated and responded to 610 reports of graffiti. We maintained over 1 million square metres of grass on parks and open spaces.
- ◆ Began an improvement programme in the buildings and grounds of our bereavement sites to improve the services we can offer. We also put in place a more commercial approach for burials, cremations and commemorations and achieved efficiency savings of £105,000.
- ◆ Launched the independent destination management organisation, Visit Cambridge and Beyond, in February 2016 to deliver tourism services in the Cambridge area. Over the course of the year, the service saw income growth of 8%.
- ◆ Initiated a review of our Streets and Open Spaces service, aiming to identify operational efficiencies and deliver budget savings. The review was originally envisaged to be completed by the end of 2015/16, but is now scheduled for completion in 2016/17.
- ◆ Published a public tree strategy setting out the Council's policies for the management of trees in the city. Local people were able to participate in an extensive consultation exercise, so that effective arrangements for the care of trees could be put in place.
- ◆ Began a review of the Council's moorings policy, including service provision and associated fees and charges, taking into account the views of the public, boat occupants and others. The review was due to be completed by the end of 2015/16, but its findings will now be reported to committee in October 2016.
- ◆ Ran a pilot Cambridge civic pride campaign. This increased the involvement of community groups, "friends" groups and individual volunteers in looking after their local environment. Initiatives included community clean-ups, community litter-picks and an anti-dog fouling campaign. A total of 153 volunteer hours have been secured so far, which will form the baseline for activity in future years.
- ◆ Strengthened our relationship with Parks' Friends Groups, setting out how we will work together in a mutually beneficial and constructive way, to help improve parks and open spaces in the city.
- ◆ Put in place a city centre accessibility statement and supporting action plan, following a review, to help people with disabilities to navigate and access services in the city centre.

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## Housing

- ◆ 137 new affordable homes were completed on strategic growth sites against a projected figure of 99; along with 62 new social homes completed through the City Council's own development programme (against an original projection of 95).
- ◆ Prepared, with partners, a successful business case for a Greater Cambridge Housing Development Agency. This will be under the auspices of the Greater Cambridge City Deal and will help deliver new affordable housing in the area.
- ◆ Ensured that 100% of affordable new housing from registered providers was built to level 4 of the code for sustainable homes standard.
- ◆ Worked with health and social care partners to support vulnerable people in sustaining independent lifestyles and housing in community settings. This included increasing the number of intermediate care beds at Ditchburn Place and the development of a hospital discharge protocol, joint funding of a new county-wide Handyperson service to help reduce falls in the home and membership of a Falls Prevention Steering Group. We also supported the local Mental Health Crisis Concordat Declaration.
- ◆ Continued to act as the landlord for 7,118 council houses in Cambridge. We collected 98.45% of rents due from these properties during 2015/16, against a target of 98.0% for the year. An average of 86% of tenants were satisfied with estate services across the four quarters of 2015/16, against a target of 90% for the year. 99.8% of responsive repairs were completed with the target time, against a target of 99% for 2015/16.
- ◆ Identified £1.5 million of savings in the Council's housing landlord service following a fundamental review. This review followed the implementation of national legislation which led to a 4% reduction in rental income.
- ◆ Agreed the Cambridge Landlord Accreditation and Safety Scheme to improve standards of private rented property in the city and begun to implement its commitments, which included introductory landlord training and Legionnaires awareness courses, the development of a draft Cambridge Property Standard and the appointment of an officer to reduce the number of empty properties.
- ◆ Investigated over 250 cases relating to housing disrepair, poor management and tenancy (such as illegal eviction and harassment). Most of these cases were resolved without the need to resort to formal action but where required we undertook effective enforcement action. A total of 30 statutory notices were served and we successfully undertook prosecutions for 5 properties.
- ◆ Focussed our housing advice service on reducing homelessness. This helped prevent nearly 800 homelessness cases by offering early advice about alternative housing options. A Social Lettings Agency (Town Hall Lettings) was also established to provide routes to appropriate housing.
- ◆ Contained rough sleeping increases to 12.6% in the city against a backdrop of 31% nationally. The number of individuals sleeping rough in Cambridge rose from a baseline target of 135 to 152 in 2015-16.
- ◆ Ensured that the average number of households in bed and breakfast at any one time was at 3.25, below our target of 5.

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- ◆ Reduced homelessness decision times from an average of 45 working days in 2014-15 to 26 working days in 2015-16, with the percentage of homelessness decisions made within target (33 working days) rising to 74% from 56% in 2014-15.
- ◆ Ensured that no City Homes tenant was evicted solely because of the removal of the “spare room subsidy”.

### Planning Policy and Transport

- ◆ Carried out work on the Local Plans to support their examination in public and further work identified by the Inspector and consulted publicly on associated Modifications to Plan.
- ◆ Articulated the interests of Cambridge in strategic planning work at sub-regional level and in the ongoing working arrangements with the Local Enterprise Partnership.
- ◆ Continued to work jointly with the County Council and South Cambridgeshire District Council on activities supporting the implementation of Greater Cambridge City Deal projects. Progress has been made with Phase 1 City Deal schemes and the first City Deal planning application for the Chisholm Trail is expected to be submitted by the end of May 2016.
- ◆ Dealt with around 1,600 planning applications. Planning application performance generally remained above government targets and a new discharge of conditions process was introduced to further improve performance. 97% of major planning applications were determined within 13 weeks, compared to a target of 65% for 2015/16. 74% of minor applications were determined within 13 weeks, which was above the target of 65% for the year.
- ◆ The North West Cambridge development is a finalist for an RTPi Excellence award and a range of other projects have been nominated for design awards.
- ◆ Planning enforcement performance has been variable during a period of staff turnover.
- ◆ Put in place further 20 mph zones in the East area plus Victoria Road to help improve road safety for all users and facilitated increased use of alternative modes of travel. The 2015 Cambridgeshire County Council Traffic monitoring report showed a 4.7% increase in cycling in Cambridge from 2014.
- ◆ Established a business case for a preferred option for the redevelopment of the Park Street car park site. This was approved in January 2016 and will see an increase in the number of cycle parking spaces available in the centre of Cambridge. 28 additional spaces were put in place in Guildhall Street and the racks in Sidney Street re-orientated to accommodate more cycles.
- ◆ Implemented a new shared Building Control Service to the agreed timetable and continued work towards a shared planning service.
- ◆ Continued to manage car parks in the city. There were 2,438,741 visits to Council car parks in 2015/16, which exceeded the target of 2,427,196 for the year. We started to offer season tickets at our multi-storey car parks, offering low-emission vehicles a discount.

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## Communities, Arts and Recreation

- ◆ Helped give debt and other financial advice to those who need it and increased access to affordable loans, bank accounts and other financial products for those who currently have difficulty accessing them. This has included putting in place an 'AdviceHub' in our Customer Services reception area to provide a 'one stop shop' approach to addressing the needs of customers, with access to Citizen's Advice Bureau, Credit Union and HB/Homelink and Universal Credit, Home Energy and tenancy support services.
- ◆ Promoted financial education and saving with young people by setting up a Junior Savers project with a local school. 70 accounts were opened in Kings Hedges School in the year and the project is set to continue into the future with further children joining.
- ◆ Continued to offer activity programmes, places to meet and spaces available for hire at our community centres. There were 138,705 visits to Council community centres in 2015/16, which exceeded the target of 135,000 visits for the year. 83% of visits were by people from priority groups (including children and young people, older people, families, local people, people with disabilities, and BAME people), which was higher than the target of 82%.
- ◆ Initiated a review of community provision. The timetable for this was revised in January 2016 with an update report now going to scrutiny committee in June 2016.
- ◆ Supported the implementation of the new cultural trust, Cambridge Live. Performance against its business plan has been on track.
- ◆ Put in place management approaches for new community facilities at Storey's Field and Clay Farm.
- ◆ Continued to provide a range of leisure facilities, including indoor and outdoor swimming pools, gyms and outdoor pitches. There were a total of 532,892 swims in Council swimming pools, against a target of 525,000 for 2015/16. There were a total of 222,869 non-swimming visits to Council sports facilities, against a target of 175,000 for 2015/16.
- ◆ Identified sports facilities for North West Cambridge, although development work was delayed due to delays in house building.
- ◆ Delivered seven out of ten prioritised s106-funded capital projects, with the remaining three being grants to external organisations that are not yet ready to complete their projects and receive the allotted funds.
- ◆ Increased the participation of people on low incomes in our community, leisure and arts facilities. Concession members increased by 3.3% and disability members by 12.6%. We also provided targeted activities, including swimming lessons for low income families with young children with 290 children attending as a result of referrals from local schools and family centres.
- ◆ Extended the influence young people have in the Council's decision-making at the Council's Area Committees through a Young People's Engagement Project. The project included carrying out a children's survey and holding Agenda Days. These highlighted issues about parks and litter and changes have been made as a result of the views the young people expressed.

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- ◆ Put in place an Arts Plan that will provide a framework to help support local community groups and partnerships in the city. Over 1100 individuals and groups are now members of Cambridge Arts Network and receive regular newsletters. 110 people attended the Cambridge Arts Network conference in March, including over 30 separate community groups.
- ◆ Revised our sports development service, which now promotes greater opportunity for residents in disadvantaged communities to lead healthy, active lives. Work has included running popular Doorstep clubs and Street Games as well as other activities.
- ◆ Publicly marked the end of World War 2, including a focus at the Big Weekend that included community and civic engagement with speeches from the Mayors of Cambridge and Heidelberg.
- ◆ Improved understanding in organisations of our Community Grants criteria and eligibility to help increase the quality of applications, so that the grant is used in a way that most benefits Cambridge residents. Work included, revising application documents, holding application briefings and the offering officer support, partnering with Cambridge Council for Voluntary Service and Cambridge Ethnic Community Forum for specialist and individual support.

### Environment, Waste and Public Health

- ◆ Collected just over 20,000 tonnes of material for recycling from the blue and green bins and recycling points across the city. Some 89 tonnes of bulky waste and recyclable material were also collected at community clear-up days. 43.3% of household waste was sent for reuse, recycling or composting against a target of 45.3%.
- ◆ Relocated our waste operation to Waterbeach as part of our shared waste service with South Cambridgeshire District Council. Current service standards have been maintained through this change.
- ◆ Increased the amount of commercial food waste recycled. Monthly tonnage now exceeds the target of 40 tonnes per month and is achieving a saving on our landfill costs of over £2,000 per month.
- ◆ Continued to our work to protect tenants by driving down anti-social behaviour. We investigated almost 1,600 neighbour cases and in the vast majority our initial input was enough to improve the situation but where it was not we took action, successfully conducting 10 prosecutions.
- ◆ Received 1,897 complaints relating to noise nuisance and served a total of 44 abatement notices, with nine successful prosecutions where notices had not been complied with.
- ◆ Inspected food premises in the city and prompted improvements to hygiene practice where necessary. 613 inspections of food premises were carried out against a target of 778 for 2015/16. 92.3% of businesses inspected were compliant, which was slightly below the target of 93% for 2015/16.
- ◆ Contributed to the Healthier Catering Commitment for Cambridgeshire / Healthier Options project and although this project did not secure the engagement of schools a more direct approach to local community groups has been developed to take this work forward.



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- ◆ Supported work to improve the take up of low emission taxis and buses. Work included the submission of a funding bid to the Office for Low Emission Vehicles (OLEV), in partnership with the County Council, to support the introduction of hybrid and electric vehicles into the bus and taxi fleets in Cambridge. The policy was originally due for adoption by the end of 2015/16 but due to the delay in OLEV giving guidance the policy is due to go to committee in June and October 2016.
- ◆ Initiated a review of the Council's public toilets and public realm bin provision to improve our operational efficiency and use of these assets. The location of all street and open space bins has been digitally mapped and the information made publicly available on our website. The public toilet review was originally envisaged for completion by the end of 2015/16, but is now scheduled for completion in 2016/17.
- ◆ Carried out 14 'Ward Blitzes' in the year to improve the quality of public realm. Environmental Data Reports were used at our area committees to help target local action, including education and enforcement. Over 200 abandoned locks were removed from the city centre as part of a clean-up initiative and a new agreement made with the OWL charity at Papworth Trust to receive unclaimed bikes.
- ◆ Initiated a plan to relocate the Streets & Open Spaces service from Mill Road Depot to Cowley Road. Implementation of the relocation plan, as part of wider Mill Road Depot redevelopment scheme, is anticipated in late 2016/17.

### Strategy and Transformation

- ◆ Continued to respond to enquiries from residents, businesses, members of the public and others. We handled over 275,000 telephone enquiries, 40,000 face-to-face enquiries, and 30,000 email transactions through the Council's Customer Service Centre (CSC). 86% of calls to the CSC were resolved at first point of contact, which was slightly below the target of 90% for 2015/16. Average waiting times at the CSC were 8 minutes and 16 seconds, which was below the target of 10 minutes for 2015/16.
- ◆ Established shared service operations in Legal, ICT and Building Control with our partners at South Cambridgeshire District Council and Huntingdonshire District Council designed to save 15% of overall costs.
- ◆ Developed the Council's digital strategy. Although it was not finally agreed by the end of 2015/16 as originally envisaged, some projects have progressed including investment in digital inclusion projects delivered by community groups.
- ◆ Supported work on the City Deal infrastructure programme, skills targets and affordable housing projects, to support the sustainable growth of the Greater Cambridge economy.
- ◆ We have not initiated a governance review for a combined authority for Greater Cambridge as focus has shifted onto the devolution agenda in the light of Government policies and proposals.
- ◆ Worked with partnering councils to progress proposals for devolution, albeit complicated by the Government's proposals for an East Anglian devolution deal late in the year.
- ◆ Worked with councils in similar "fast growth" cities to identify the opportunities challenges facing cities experiencing high levels of high-value growth and to make the case for policy flexibility to Government.

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- ◆ Supported, with City Deal partners, the establishment of a Cambridge Promotions Agency.
- ◆ Dealt with 588 reports of anti-social behaviour of which 228 involved intensive casework.
- ◆ Strengthened our partnership working with the police, including putting in place a local “Prevent” initiative (a British-born imam ran a number of group sessions for young people in a local mosque). We produced an action plan for working together following a community engagement event and conducted training for over 160 plus frontline staff on their responsibilities under ‘Prevent’.
- ◆ Resettled 3 refugee families (14 individuals) within Cambridge under the Syrian Vulnerable Person Resettlement Scheme and have committed to taking to take 50 refugees in total.
- ◆ Gained “White Ribbon Campaign” status in February 2015 and started to deliver on the first year of its action plan, including a forum on domestic and sexual violence/abuse, which brought together the different communities in Cambridge. A new Council webpage was developed and shared with the community providing information on our Housing Advice Service and links to the County Domestic Abuse & Sexual Violence Partnership, which maintains an up-to-date Domestic Violence Directory.
- ◆ Worked with the Office of the Police & Crime Commissioner on their restructure of restorative justice in the city and 21 referrals were made to the scheme from the police, city council and local housing authorities
- ◆ Ran a programme of awareness-raising sessions in secondary schools, with a focus on anti-social behaviour, healthy relationships and alcohol to around 900 students. Arranged street surgeries in the Abbey area to raise awareness with residents and attended community events to do the same.
- ◆ Worked with other partners to deal with anti-social behaviour associated with some of the street-life community, such as begging, street drinking and rough sleeping. There are a number of preventative activities in progress, such as joint begging patrols by Council officers, Police and the Street Outreach Team, revitalising the Alternative Giving Scheme and delivering workshops on community safety and anti-social behaviour as part of tenancy resettlement work in hostels. Enforcement action is also being considered where individuals are not engaging and their behaviour is having a significant impact on the wider community.
- ◆ Introduced a Public Spaces Protection Order in Petersfield Green, the front garden of Ditchburn Place and Mill Road Cemetery in June 2015. There has been one breach of the order and positive feedback from the public.

### Finance and Resources

- ◆ Continued to administer housing benefit and support for council tax. We paid £39m in Housing Benefit and £6.35m in Council Tax support to approximately 8,200 people. The average number of days taken to process new claims in 2015/16 was 15 days, which was below the target of 16 days.
- ◆ Ensured that on-going welfare reforms are efficiently and effectively planned, managed and implemented, and that support is given to the most vulnerable in the city, trying to

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mitigate hardship where possible. Work included scrutiny of regulations to ensure awareness of the impact of changes, supporting vulnerable customers, offering Discretionary Housing Payments where appropriate and engaging with internal and external partners.

- ◆ Supported the initial roll-out of Universal Credit and worked with partners to provide support to the most vulnerable who will be claiming. This involved entering into a Delivery Partnership Agreement with the DWP and arranging with Cambridge CAB to facilitate personal budgeting support referrals.
- ◆ Invested in our commercial property portfolio to enhance the Council's income and thereby provide funding for a range of frontline services.
- ◆ Agreed an Office Accommodation Strategy to consolidate office space and costs.
- ◆ Continued to develop and implement a transformation programme to deliver efficiencies and modern services.
- ◆ Required all our new contractors to pay the Living Wage Foundation's Living Wage and reviewed our existing contracts to identify opportunities to introduce a requirement to pay it. We also promoted Living Wage accreditation to local businesses and organisations. By the end of the year 36 employers in the city were accredited.
- ◆ Agreed an Anti-Poverty Strategy, with an action plan, and started delivery of that action plan, in particular, supporting voluntary organisations in tackling poverty. Work included:
  - helping residents on low incomes to reduce their energy and water costs
  - increasing the number of apprenticeship opportunities in City Council services
  - providing 1,000 free holiday lunches to families
  - running cooking skills sessions
  - providing nursery provision at Buchan Street and Romsey Mill
  - assisting people who need it get debt and other financial advice, and
  - increased access to affordable loans, bank accounts and other financial products for those who currently have difficulty accessing them.

### Revenue Spending and Income

#### General Fund Services

For 2015/16, the Council agreed a budget for net spending by committees of £19.3 million. The Council Tax for City Council services was set at £176.75 for Band D properties.

The outturn figures, as reported to members, do not reflect a number of statutory accounting adjustments made at the year end. These accounting adjustments do not impact on the level of General Fund Reserves.

The table below compares the outturn figures for the General Fund with the revised budget.

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(£000s)	Final Budget	Actual	Difference
Community Services	9,990	9,860	(130)
Environment	7,933	6,754	(1,179)
Housing (General Fund)	3,393	3,311	(82)
Strategy & Resources	(2,018)	(3,591)	(1,573)
<b>Total Committee Expenditure</b>	<b>19,298</b>	<b>16,334</b>	<b>(2,964)</b>
Capital accounting adjustments	(5,423)	(5,423)	0
Capital Plan Expenditure Funded from General Fund Reserves	10,742	8,534	(2,208)
Contribution to NNDR earmarked reserve – recovery of deficit in future years	0	497	497
<b>Total</b>	<b>24,617</b>	<b>19,942</b>	<b>(4,675)</b>
<b>Financed by:</b>			
Revenue Support Grant	(3,012)	(3,012)	0
New Homes Bonus	(4,963)	(4,976)	(13)
Non-domestic rates share - net income	(680)	(1,132)	(452)
Non-domestic rates reliefs - compensatory government grants	(829)	(964)	(135)
Other grants	0	(86)	(86)
Council Tax	(6,998)	(7,000)	(2)
Contributions from Earmarked Reserves – before statutory accounting adjustments	(7,036)	(7,259)	(223)
Contributions to/(from) General Fund Reserves	(1,099)	4,487	5,586
<b>Total</b>	<b>(24,617)</b>	<b>(19,942)</b>	<b>4,675</b>

The Council's actual net committee revenue expenditure was £2,964,000 less than the final budget set for the year. A variety of factors contributed to this overall position including overachievement of income on car parks, commercial property and waste totalling around £1,400,000, and an underspend on staff costs (net of agency costs) of around £730,000.

The total amount of capital expenditure funded from revenue was below the budget by £2,208,000 largely reflecting slippage on the timing of expenditure.

Under statutory regulation the amount of business rates credited to the General Fund in 2015/16 is based on an estimate, with any resulting difference being recovered from the General Fund, or paid to it in future years. Taking into account the levy payment due to central government for the year on growth above the assumed baseline, the charge for recovery of previous years' deficits and business rate relief compensatory grants from central government, the income credited to the General Fund was £587,000 above the budget. However, £497,000 will be paid back to the Collection Fund in future years and this has been set aside in an earmarked reserve.

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Overall, a net contribution to General Fund reserves of £4,487,000 was made against a budgeted use of reserves of £1,099,000. At the 31 March 2016 the reserve stood at £16,012,000.

### Housing Revenue Account

The table below compares the final outturn figures (before statutory accounting adjustments) for the HRA as reported to Housing Scrutiny Committee in June 2016, with the final budget for 2015/16.

(£000s)	Final Budget	Actual	Difference
Dwellings Rents and Other Income	(41,189)	(41,240)	(51)
Expenditure	27,503	23,144	(4,359)
<b>Net cost of HRA services</b>	<b>(13,686)</b>	<b>(18,096)</b>	<b>(4,410)</b>
Interest receivable on HRA balances	(326)	(466)	(140)
Loan Interest	7,541	7,541	0
Depreciation adjustment (transfer from Major Repairs Reserve)	(3,285)	(770)	2,515
Revaluation loss on non-dwelling assets	0	186	186
Direct Revenue Financing of Capital	20,191	17,101	(3,090)
Contributions from HRA earmarked reserves to General HRA reserves – before statutory adjustments	0	(422)	(422)
<b>(Surplus)/deficit for the year</b>	<b>10,435</b>	<b>5,074</b>	<b>(5,361)</b>

The variance on the depreciation adjustment of £2,515,000 compensated for a reduced depreciation charge included in the expenditure line, following a review of remaining useful dwelling lives during 2015/16. There was also a significant underspend in repairs and maintenance, the majority of which resulted from the planned maintenance programme. Employee related costs were lower across the HRA than budgeted.

There was an underspend on direct revenue funding of capital of £3,090,000, of which £1,686,000 has been rephased into 2016/17. Overall the outturn position was a contribution from HRA reserves of £5,074,000 against a budget of £10,435,000. HRA reserves stood at £9,791,000 at 31 March 2016.

### Earmarked Reserves

There was an overall reduction in General Fund earmarked reserves of £8,080,000 in 2015/16. This reflected the review of reserves (particularly Repairs and Renewals Reserves) included in the February 2015 Budget Setting Report. Whilst some of these reserves were redesignated (for example £6,500,000 for an Invest for Income fund) around £8 million of these balances (along with other capital receipts) were invested in the year in new commercial property at Orchard Park in Cambridge and Cambridge Retail Park in Haverhill. These properties will generate the Council a significant rental income.

There was an overall reduction in HRA earmarked reserves of £204,000. This reflected the return of a number of balances to general HRA reserves.

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## Capital Spending and Receipts

In 2015/16 the Council spent £42,424,000 on property, plant and equipment. Of this £10,124,000 was on major repairs and improvements to council dwellings, £1,512,000 on vehicles, plant and equipment and £30,003,000 on assets in the course of construction. Of the assets in the construction spend £20,012,000 was on new housing developments, including those on Clay Farm and at the Homerton college site, where construction commenced in the year. £12,058,000 was transferred from assets in the course of construction to HRA dwellings on completion of new homes, including on sites at Campkin Road, Wadloes Road and Atkins Close.

Expenditure on assets in the course of construction also included £4,040,000 on the new multi-agency community centre the Council is constructing at Clay Farm and £5,286,000 on homes being constructed to be let at intermediate market rents at Aylesborough Close and Water Lane, which will be managed by Cambridge City Housing Company, a wholly owned subsidiary of the Council.

As already discussed, the Council spent £9,626,000 on acquiring investment properties for rent at Orchard Park and Cambridge Retail Park in Haverhill.

Capital receipts continue to be generated through the sale of land, council houses, shared ownership dwellings and other property. The Council received £11,130,000 in the year, of which £857,000 had to be paid over to central government.

## Assets

Just as in the private sector, changes in the values of Council-owned property are reflected in the accounts each year. As a result of asset revaluations and the capital expenditure discussed above (and net of asset disposals) the value of Property, Plant and Equipment increased by £85,567,000 to £772,805,000 and the value of Investment Property increased by £22,509,000 to £144,274,000 as at 31 March 2016. Although these increases appear significant, it should be noted that revaluation increases are not realised until assets are disposed of.

## Liabilities

The Council did not need to undertake any new external borrowing during the year. The external debt of £214 million shown in the Balance Sheet at the end of the financial year relates to borrowing undertaken in 2011/12 to meet a one-off debt settlement payment to Central Government in relation to new Self-Financing arrangements for the Housing Revenue Account.

The Council's share of the assets and liabilities of the County Pension Fund show an estimated net liability of £106.8 million at 31 March 2016. This liability has no impact on the level of the Council's available reserves.

## Cashflows

The balance of cash and cash equivalents at 31 March 2016 was £9,186,000.

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## Council Staff

The number of staff employed by the Council fell during the year from 884 full time equivalents at 31 March 2015 to 800 at 31 March 2016. This net reduction reflects the transfer of staff to Cambridge Live, Visit Cambridge and Beyond and the Council's new external cleaning contractor. The number of staff employed by the Council was also significantly impacted by the commencement of the 3Cs shared service on 1 October. Staff in Legal and Building Control previously employed by Huntingdonshire and South Cambridgeshire District Councils transferred into the Council, whilst ICT staff previously employed by the Council transferred to Huntingdonshire.

## Looking ahead to 2016/17

The new community centre at Clay Farm is expected to open in the second half of the year and the homes for let at intermediate rent will be completed in 2016/17.

The Council's Business Transformation Programme will continue to develop major new initiatives, both in terms of sharing further services with other councils and in transforming those we continue to operate alone. Work has continued on reviewing the Council's building requirements, and a lease has been taken on premises in Cowley Road to facilitate the plan to vacate of the Mill Road depot site by March 2017. The Council has undertaken a senior management restructure to be implemented in April 2016.

Central government has announced a new, four year, spending deal for councils. Although the Council is well placed to deal with the challenges of reduced central government funding, including the phasing out of Revenue Support Grant and changes to New Homes Bonus, there will continue to be financial pressures on the Council. The Council will continue to work to understand the implications of the proposed move to 100% business rates retention and the risks that this will bring in the future.

As a result of a referendum held on 23 June 2016, the United Kingdom voted to leave the European Union. Along with the local government sector as a whole, the Council will need to consider the implications of this decision.





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## Income and Expenditure

This statement shows the costs of providing services in the year.

The total expenditure incurred in running our services was £105.3 million. Service income, such as fees and charges was £105.3 million. The net cost of each service, is shown in the table below.

	£m
Central services to the public (elections, land charges and local tax collection)	1.8
Cultural & related services	8.5
Environmental & related services	8.8
Planning services	5.9
Transport	(6.0)
Council housing (Housing Revenue Account)	(26.3)
Other housing services	6.8
Corporate and democratic services	2.7
Non-distributed costs	(2.2)
<b>Cost of Services</b>	<b>0.0</b>
Payments to the Government Housing Capital Receipts Pool	0.9
Surplus or deficit on the sale of assets	(3.1)
Reversal of Impairments on assets held for sale	(1.1)
Interest receivable	(1.4)
Interest payable	7.5
Revision to estimated recovery of Icelandic bank deposits	(0.1)
Gains and losses on trading	(0.1)
Net income from commercial and industrial properties and changes in their value	(20.1)
Net pensions interest cost and expected return on pensions assets	4.0
Council tax income	(7.0)
Business Rates Income	(3.8)
Non-ringfenced government grants	(9.4)
Capital grants and contributions	(4.9)
<b>Net Accounting surplus for the year</b>	<b>(38.6)</b>

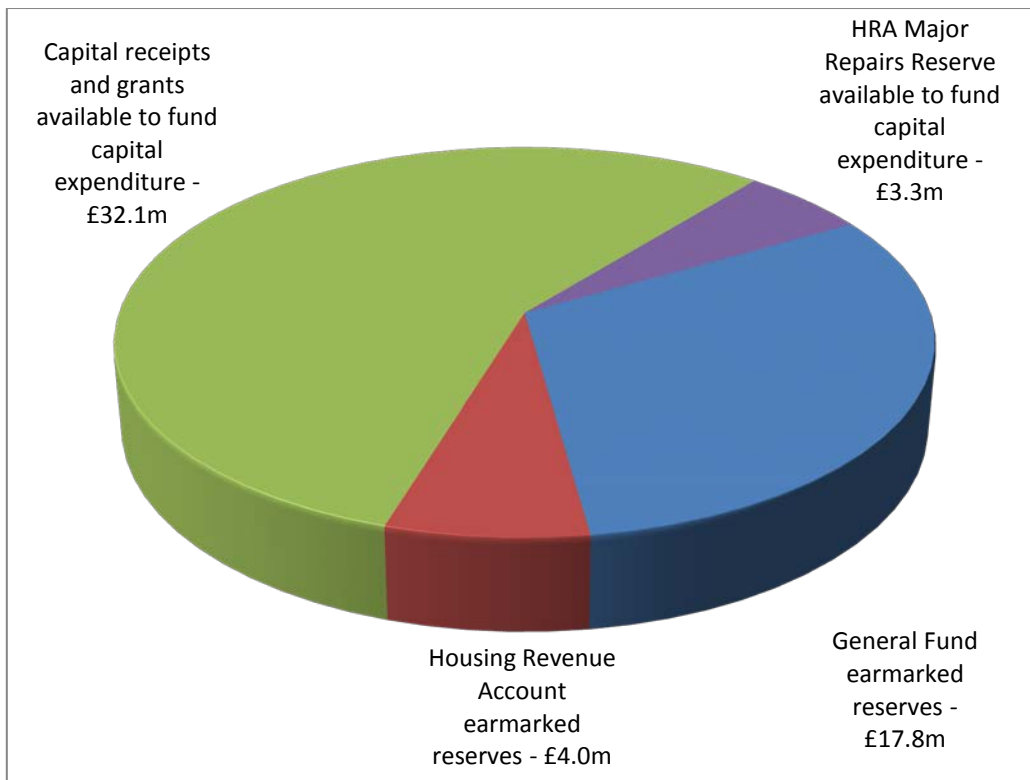
# Summary Statement of Accounts

## Movements in Usable Reserves

The Council's usable reserves decreased by £9.2 million in 2015/16. Total usable reserves were £83.0 million at 31 March 2016, as shown below :

	General Fund Balance £m	Housing Revenue Account (HRA) Balance £m	Other Usable Reserves £m	Total Usable Reserves £m
<b>Balance at 1 April 2015</b>	<b>(11.5)</b>	<b>(14.9)</b>	<b>(65.8)</b>	<b>(92.2)</b>
(Surplus) or deficit on the provision of services	(14.4)	(24.2)		(38.6)
Adjustments between accounting basis and funding basis under regulations	18.0	29.5	0.3	47.8
Transfers to or (from) earmarked reserves	(8.1)	(0.2)	8.3	
<b>Decrease or (Increase) in the year</b>	<b>(4.5)</b>	<b>5.1</b>	<b>8.6</b>	<b>9.2</b>
<b>Balance at 31 March 2016</b>	<b>(16.0)</b>	<b>(9.8)</b>	<b>(57.2)</b>	<b>(83.0)</b>

### Other usable reserves at 31 March 2016 comprised :



# Summary Statement of Accounts

## Balance Sheet

At the end of each financial year, we draw up a balance sheet that presents how much the Council's land and buildings are worth, what is owed to others (liabilities), what others owe us (debtors and investments) and how much cash and other reserves we have.

	Net Assets at 31 March 2016 £m
Value of land, property, equipment and vehicles	918.0
Long-term debtors and investments	33.3
Cash and short-term cash investments	65.9
Short term debtors	13.3
Short term land and property held for sale	4.3
Stock	0.3
Current liabilities	(26.4)
Long-term liabilities	(328.1)
<b>Net Assets</b>	<b>680.6</b>
Usable reserves	(83.0)
Unusable reserves	(597.6)
<b>Total Reserves</b>	<b>(680.6)</b>

Unusable reserves are not available to use to provide services. This category of reserves includes, for example, amounts which would only become available if the related assets were sold.

## Cash Movements

The council handled significant amounts of cash during the year.

	2015/16 £m
<b>Cash at 1 April 2015</b>	<b>7.3</b>
Cash receipts	304.9
Cash payments	(303.0)
<b>Cash at 31 March 2016</b>	<b>9.2</b>

## Summary Statement of Accounts

The detailed Statement of Accounts publication includes many notes of explanation and detailed analysis of figures in the main financial statements. A selection of the notes which may be of particular interest to the public have been summarised and are presented below.

### Employee Remuneration

The numbers of employees whose remuneration, excluding employer's pension contributions, was £50,000 or more in bands of £5,000 were :

	2015/16	2014/15
£50,000 to £54,999	2	2
£55,000 to £59,999	1	4
£60,000 to £64,999	2	2
£65,000 to £69,999	6	6
£70,000 to £74,999	5	3
£80,000 to £84,999	0	1
£85,000 to £89,999	0	2
£90,000 to £94,999	3	1
£115,000 to £119,999	0	1
£120,000 to £124,999	1	0
	<b>20</b>	<b>22</b>

## Summary Statement of Accounts

The remuneration of senior officers, who are included in the above table, is disclosed in more detail, including employer's pension contributions, below:

### Senior Officers Remuneration 2015/16

(£) Position / Name	Note	Salary	Honorarium	Pension Contribution	Total
Chief Executive (A Jackson)	1	122,503	0	21,315	143,818
Director of Environment (S Payne)		93,729	0	16,309	110,038
Director of Customer & Community Services (L Bisset)		93,729	0	16,309	110,038
Director of Business Transformation (R Ward)		90,419	0	15,733	106,152
Head of Corporate Strategy (A Limb)		69,452	0	12,085	81,537
Head of Finance (Section 151 Officer) (C Ryba)		69,452	0	12,085	81,537

Notes:

- 1 The Chief Executive received Election Payments of £6,957 in addition to the above.

### Members Allowances

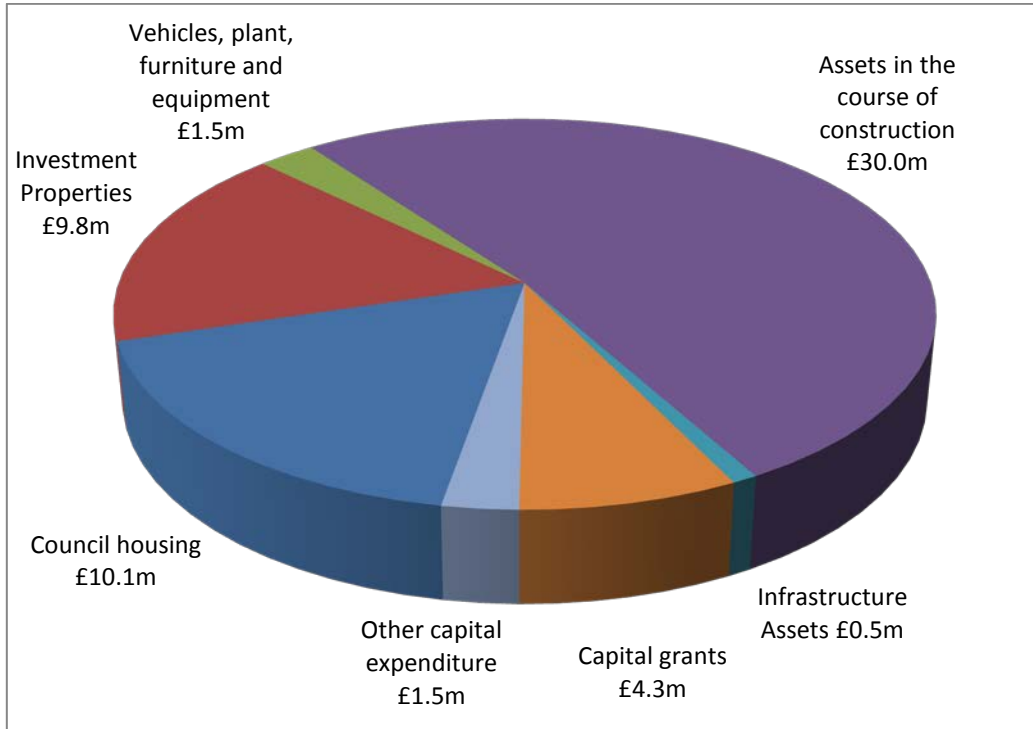
The total allowances paid to members during the financial year 2015/16 were £247,154 (£244,295 in 2014/15). Details of payments to individual members are published annually in a local newspaper. Additional civic responsibility payments were made to the Mayor and Deputy Mayor outside of the Members Allowances Scheme. These totalled £5,810 (£5,810 in 2014/15). Details can also be found on the Councillors pages on our website.

# Summary Statement of Accounts

## Capital Spending

We also spend money on buying assets and improving our council housing and other assets. We account for this type of expenditure separately from the day-to-day running costs of services.

Capital expenditure totalled £57.7 million in 2015/16.



This capital expenditure was financed as follows:

	£m
Capital receipts (from sale of council houses and other assets)	11.0
Government grants, donations and other contributions	8.5
Revenue and reserves	33.6
Use of cash balances	4.6
<b>Total</b>	<b>57.7</b>

# Summary Statement of Accounts

## Housing Revenue Account

The Housing Revenue Account (HRA) records income and expenditure relating to the management and maintenance of council housing.

During 2015/16 the Council was responsible for an average of 7,065 dwellings.

	£m
Dwelling rents	(37.0)
Non-dwelling rents	(0.7)
Charges for services and facilities	(3.1)
Other income	(0.5)
<b>Income</b>	<b>(41.3)</b>
Repairs and maintenance	6.9
Supervision and management	7.3
Rents, rates, taxes and other charges	0.2
Depreciation and impairment	0.4
Provision for bad debts	0.2
Share of corporate and democratic core and non-distributed costs	0.3
<b>Expenditure</b>	<b>15.3</b>
<b>Net cost of HRA services</b>	<b>(26.0)</b>
Surplus on sale of assets	(3.4)
Interest payable	7.5
Other income	(2.3)
<b>Accounting Surplus for the year</b>	<b>(24.2)</b>
Adjustments between accounting basis and funding basis under regulations	29.5
Contributions to earmarked reserves	(0.2)
<b>Net HRA deficit for the year</b>	<b>5.1</b>

The HRA deficit for the year of £5.1 million was deducted from the previously accumulated surplus. The HRA is 'ring-fenced' by law which means its income and reserves cannot be used for any purpose other than the provision and management of council housing. The accumulated surplus on the HRA at 31 March 2016 was £9.8 million.