

Waltham Forest Council
Summary of Accounts
2017/18



John Turnbull CPFA, Strategic Director of Finance
and Governance

www.walthamforest.gov.uk



Strategic Director of Finance and Governance's Statement

Introduction

This document contains summarised information from the Council's 2017/18 Statement of Accounts, giving details of revenue and capital expenditure together with a summary of the Council's assets and liabilities.

Revenue spending funds the day-to-day provision and delivery of services and is financed from government grants, council tax, business rates and other income.

Capital Expenditure (like the building of a new School sixth form block) is the spending on items that benefit the community for longer than one year, and is financed from loans, grants, capital receipts and revenue contributions.

A copy of the 2017/18 Statement of Accounts can be found on the Council's website at: www.walthamforest.gov.uk/content/council-finances

Financial Review

During the year ended 31 March 2018, the Council continued to control its spending to just below the agreed budget while increasing its balances and maintaining an appropriate level of earmarked reserves. The Council continues to work towards a sustainable and financially responsible Medium Term Financial Strategy to meet Central Government targets and maintain services.

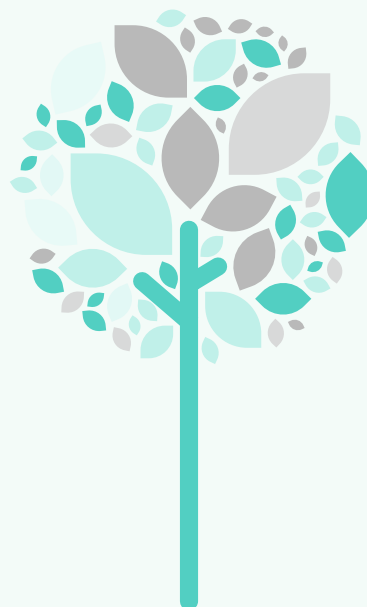
The Band D Council Tax for the year ended 31 March 2018 was **£1,537.99**, £63.81 higher than 2016/17. Of this, £280.02 (£4.02 higher than 2016/17) was a precept in respect of the Greater London Authority (mainly police, fire and bus services), while £1,257.97 (£59.79 higher than 2016/17) was the local borough element. This increase reflects a 1.99% increase in the core council tax plus an additional 3% for Adult Social Care. This raised **£92.784 million** towards the annual running costs of the Borough.

The gross revenue expenditure of the Council for the year was **£858 million**. This was in line with the budgeted amount.

In my opinion, the Statement of Accounts presents a true and fair view of the financial position of the London Borough of Waltham Forest as at 31 March 2018 and its income and expenditure for the 2017/18 financial year.

I hope that you find this summarised information useful and that the charts and tables give a good overview of the Council's finances for the year.

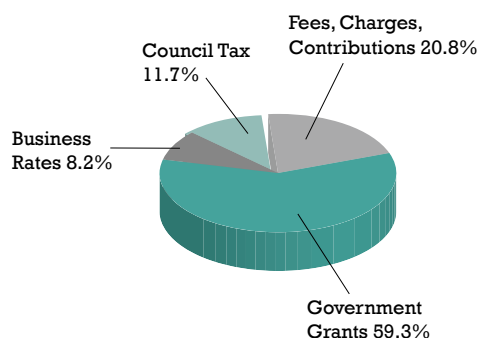
John Turnbull CPFA
Strategic Director of Finance and Governance



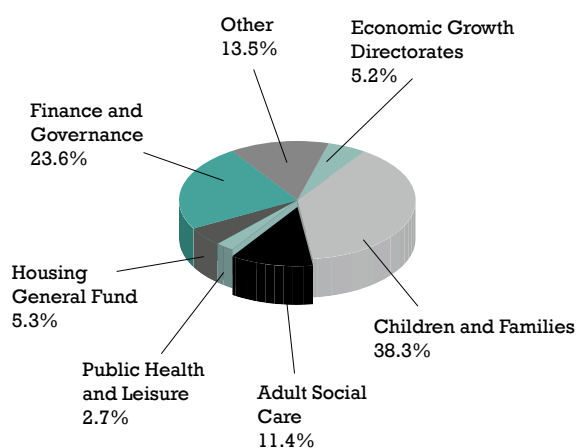
The cost of the council services

Day to day spending (revenue expenditure)

Where the money came from	£'000
Fees, Charges, Contributions	171,113
Government Grants	488,451
Business Rates	67,188
Council Tax	96,482
	823,234



Services provided	£'000
Economic Growth Directorates	42,600
Children and Families	314,978
Adult Social Care	93,835
Public Health and Leisure	22,666
Housing General Fund	43,262
Finance and Governance	194,272
Other	111,621
	823,234

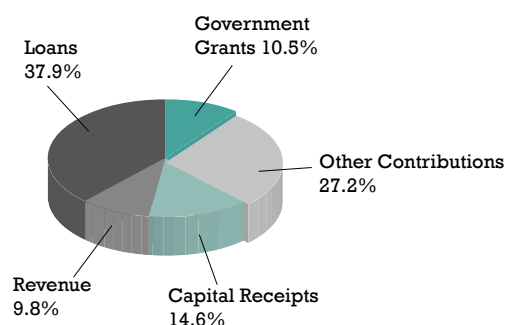


General Fund balance	£'000
Balance at 1 April 2017	14,572
Net movement on balances	0
Balance at 31 March 2018	14,572

Capital expenditure

Capital expenditure represents money spent by the Council on purchasing, upgrading and improving assets such as roads and buildings that will be of benefit to the community over many years.

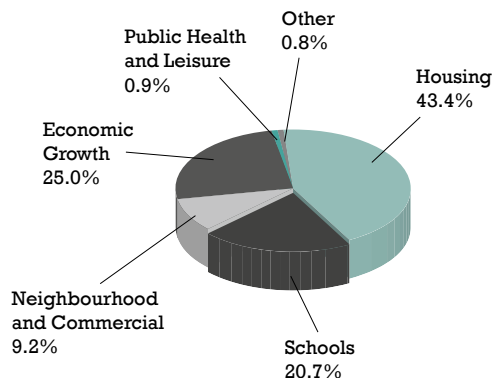
Where the money came from	£'000
Government Grants	13,302
Other Contributions	34,485
Capital Receipts	18,566
Revenue	12,410
Loans	48,118
	126,881



Where the money was spent	£'000
Housing	55,088
Schools	26,203
Neighbourhood and Commercial	11,732
Economic Growth	31,681
Public Health and Leisure	1,200
Other	977
	126,881

The following are examples of some of the areas in which the Council has invested in 2017/18

- * School buildings
- * Housing stock improvements and New Build
- * Waltham Forest Leisure Centre
- * Transport Schemes
- * Regeneration projects (including Wetlands and Ive Farm)
- * Purchase of Tramworks and Magistrates Court
- * Town Hall Campus



Housing Revenue Account

By law, Local Authorities are required to maintain a separate landlord account – the Housing Revenue Account (HRA). This table summarises the HRA's Income and Expenditure Account, showing resources that have been generated and consumed in the provision of Housing Services, adjusted by additional amounts required by statute to be charged against the HRA.

Housing Revenue Account Summary

	£'000
Income	
Council Property Rents (Gross)	(54,069)
Other Income	(7,813)
Total Income	(61,882)
Expenditure	
Repairs and Maintenance	8,412
Supervision and Management	22,429
Other Costs	15,030
Total Expenditure	45,871
Net Cost of Service	(16,011)
plus Other Operating Expenditure	(2,503)
Net Operating Expenditure	(18,514)
less net additional amounts required by statute to be charged to the HRA	18,783
Net HRA surplus for the year	269
add Balance 1 April 2017 surplus	(4,724)
HRA Balance 31 March 2018 surplus	(4,455)

There was a net decrease of 17 in the housing stock from 10,032 at 31 March 2017 to 10,015 at 31 March 2018. Made up of 52 Right to Buy sales, 16 demolitions, 37 New Build and 14 additions.

The council owned the following types and number of dwellings at 31 March 2018

Houses and bungalows	3,735
Low rise flats	1,487
Medium rise flats	3,338
High rise flats	972
Sheltered accommodation / multi occupied	483
Total	10,015

Balance Sheet as at 31 March 2018

The Balance Sheet shows the end of year financial position for the Council. It presents the financial value of the land, buildings and other assets owned by the Council, and the value of borrowings and other debts owed by the Council.

	£'000
Long Term Assets	1,862,033
Cash and cash equivalents	23,723
Investments, Debtors and Other Assets	110,777
Liabilities	(445,761)
Pension Liability	(539,383)
Total Net Assets	1,011,389
Financed by Usable Reserves	
Earmarked Reserves	99,497
Capital Reserves	59,157
Balances	19,027
Unusable Reserves	
Non-Cash Backed Reserves	833,708
Total Reserves	1,011,389

Notes

Long Term Assets is the value of the land, buildings, infrastructure and vehicles the Council owns.

Liabilities is the amount the Council owes and it includes the long term loans the Council has taken out to finance its expenditure on fixed assets and other capital items.

Pension Liability represents the commitment to pay retirement benefits to staff over future years.

Earmarked Reserves are funds held by the Council for specific purposes and includes unspent revenue monies held by schools.

Balances are funds maintained at an adequate level to provide a sound financial basis and to meet any unforeseen calls on the Council's resources.

Non-Cash Backed Reserves mainly consists of technical accounting balances.

Cash equivalents are investments which can be converted to cash at short notice.

For the purposes of this statement, some modifications have been made to provide information at a more summarised level.

The Council is constantly seeking to improve communications with citizens, businesses and other stakeholders, so please tell us whether this summarised document meets your requirements or what changes or additional information you would find helpful.

A copy of the audited 2017/18 Statement of Accounts is available on the Council's website: www.walthamforest.gov.uk/content/council-finances

Enquiries related to both documents can be made by email to CorporateFinanceGroup@walthamforest.gov.uk or by post to:

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