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Supplementary Statements



2005/2006 £000	Housing Revenue Account Income and Expenditure Account		2006/2007 £000	
		INCOME		
(9,298)		Dwelling rents (gross)	-	
(132)		Non-dwelling Rents (gross)	48	
(402)		Charges for Services & Facilities	-	
(125)		Contribution from General Fund	-	
741		Housing Revenue Account Subsidy payable/receivable (incl MRA)	(229)	
	(9,216)			(181)
		EXPENDITURE		
2,866		Repairs & Maintenance	(3)	
2,373		Supervision & Management	133	
163		Rents, Rates, Taxes and Other Charges	-	
29		Rent Rebates	-	
51		Increase in provision for Bad or Doubtful Debts	-	
2,357		Depreciation of Fixed Assets	-	
35		Debt Management Costs	-	
	7,874			130
	(1,342)	HRA SHARE OF THE OPERATING INCOME AND EXPENDITURE INCLUDED IN THE WHOLE AUTHORITY INCOME AND EXPENDITURE ACCOUNT		(51)
	4,169	Amortised Premiums & Discounts		
	1,083	HRA Investment Interest Payable		
	(65)	HRA Investment Interest Receivable		
	3,845	Surplus or deficit for year on the HRA Income and Expenditure Account		(51)

2005/2006 £000	Statement of Movement on the Housing Revenue Account Balance		2006/2007 £000	
	3,845	(Surplus)/deficit for year on the HRA Income and Expenditure Account		(51)
	(3,772)	Net additional amount required by statute to be debited or (credited) to the HRA Balance for the year		-
	73	(Increase)/Decrease in HRA Balance for the Year		(51)
	(1,172)	HRA Balance Brought Forward		(1,099)
	(1,099)	HRA Balance Carried Forward		(1,150)

Note 1 – Changes in Accounting Policies

As explained in the Statement of Accounting Policies, the 2006-2007 Code of Practice has brought several changes to the format and detail of these accounts. It has

- removed the notional interest charges, and thereby
- removed the requirement for an Assets Management Revenue Account,
- applied UK GAAP accounting practices to convert the former Housing Revenue Account into an Income and Expenditure Account,

- generated the need for a Statement of Movement on the Housing Revenue Account Balance which reconciles the above Income and Expenditure Account to the movement on the HRA Balance for the year.

To ensure consistency for comparison purposes the notional interest previously reported in the 2005-2006 figures has been reversed

Note 2 – Discontinued Operations – LSVT

In November 2005 the results of the Housing tenants vote were announced, showing a significant majority in favour of Housing Stock Transfer from the Council to a new Registered Social Landlord (RSL). Green Vale Homes was therefore formed to be the new RSL. With financial support from the then Office of the Deputy Prime Minister (ODPM), the Council's housing stock and other assets and liabilities were transferred to Green Vale Homes on 27th March 2006. This explains why a number of the following notes show £nil balances as at 31st March 2006.

The most significant balance remaining within the Housing Revenue Account is the funds balance itself. The rules surrounding Housing Stock Transfer require the Housing Revenue Account to remain open for a further 12 months following the year of transfer. This means that any balance remaining after this period is available for transfer into General Fund Reserves (in the case of Rossendale this will be 1st April 2007 - see Note 35 to the Core Financial Statements.)

As a consequence of the above LSVT, there are no fixed assets attributable to the HRA in this year of close-down.

Note 3 - Analysis of the transactions in the Statement of Movement on the Housing Revenue Account Balance

2005/2006 £000			2006/2007 £000	
529		Capital expenditure funded by the Housing Revenue Account	-	
(161)		Transfer to/from Major Repairs Reserve	-	
(71)		HRA share of contributions to or from the Pensions Reserve	-	
(4,069)		Transfer from Capital Financing Account	-	
(3,772)		Net additional amount required by statute to be debited or (credited) to the HRA Balance for the year		-

Note 4. Fixed Assets

	2005/2006 £000s	2006/2007 £000s
Book Value at 1 st April	107,669	-
Revaluation & Restatement of Fixed Assets at 1st April 2005	(3,607)	-
Additions	3,317	-
LESS Capital Receipts from Disposals	(101,705)	-
Depreciation charged to Revenue Account	(2,357)	-
Expenditure written off	(3,317)	-
Net Book Value at 31st March	-	-

Note 5. Major Repairs Reserve

	2005/2006 £000s	2006/2007 £000s
Balance at 1 st April	267	-
ADD Depreciation Charged to the Housing Revenue Account	2,357	-
ADD Transfers (to)/from the Housing Revenue Account during the year	(161)	-
LESS Capital Expenditure charged to the Major Repairs Reserve	(2,463)	-
Balance at 31st March	-	-

Note 6. Provision for Bad Debts

	2005/2006 £000s	2006/2007 £000s
Balance at 1 st April	217	-
Provisions made/debts repaid in year	53	-
Debts written off - Housing Rents	(31)	-
- Sundry Debtors	(44)	-
Debts transferred to Greenvale Homes	(187)	-
Debts transferred to General Fund	(8)	-
Balance at 31st March	-	-

Note 7. Government Grants Received

	2005/2006 £000s	2006/2007 £000s
Defective Houses	2	-
Management & Maintenance Allowance	4,852	41
Major Repairs Allowance	2,197	-
Charges for Capital	1,401	-
	8,451	41
Less: Rent	(9,185)	-
Interest on Receipts	(7)	-
Prior year adjustment	-	188
Housing Revenue Account Subsidy receivable/(payable)	(741)	229

Note 8. Capital Expenditure on Land, Houses and Other Property

	2005/2006 £000s	2006/2007 £000s
Total Capital Programme expenditure Fixed Assets - Council Houses	3,317	-
		-
This is financed as follows:-		-
Major Repair Reserve	2,463	-
Supported Borrowing	599	-
Revenue Contribution	255	-
Total	3,317	

Note 9. Vacant Possession

The total vacant possession value as at 1st April 2006 was £nil (£215.5m at 1st April 2005). The difference between the vacant possession value and the balance sheet value of dwellings shows the economic cost to the Government of providing council housing at less than open market value

Note 10. Capital Receipts

	2005/2006 £000	2006/2007 £000
Sale of Council Houses	4,437	-
Right to Buy Mortgage Repayments	35	-
ODPM repayment of debt relating to stock transfer to Greenvale Homes	28,832	-
	33,304	-

Although £15,334 was received during 2006/2007 these mortgage debts are now attributable to the General Fund after the Stock Transfer.

Note 11. Revenue Balances

	2005/2006 £000	2006/2007 £000
Balance Brought Forward	1,172	1,099
Surplus/(Deficit) for the year	(73)	51
Balance Carried Forward	1,099	1,150



2005/2006 £000s		NOTE	2006/2007 £000s
	Income		
23,858	Council Tax Income	1	25,080
4,404	Council Tax Benefit		4,557
9,655	Non-Domestic Rates	4	10,294
37,917	Total income		39,931
	Expenditure		
	Precepts & Demands		
19,872	Lancashire County Council		20,974
4,803	Rossendale Borough Council		4,940
2,253	Lancashire Police Authority		2,380
1,089	Lancashire Fire Authority		1,151
	Non-Domestic Rates		
9,499	Payment to National Pool		10,141
102	Cost of Collection Allowance		101
261	Provision for Bad Debts	2	245
37,880	Total expenditure		39,932
37	Surplus/ (Deficit) for year		-
335	Balance at end of year		371
372	Balance at end of year		371



Note 1. Council Tax Base

Council tax income derives from charges raised according to the value of residential properties, which have been classified into eight valuation bands estimating 1st 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 the precepting authorities and the 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: 21,040 for 2006/2007). This basic amount of council tax for a Band D property (£1,397.23 for 2006/2007 – see note 5 for details) is multiplied by the proportion specified for the particular band to give an individual amount due.

The council tax base has been calculated as follows:-

Band	Ratio to Band D	Total No of properties	Total equivalent number after Discounts & Exemptions	2006/2007 Band D equivalent	2005/2006 Band D equivalent
Special	5/9	50	47.75	26.50	24.60
A	6/9	15,210	13,161.50	8,774.30	8,759.50
B	7/9	4,388	4,000.00	3,111.10	3,109.60
C	8/9	3,605	3,355.25	2,982.40	2,948.40
D	1	3,066	2,909.25	2,909.30	2,887.00
E	11/9	1,712	1,635.25	1,998.60	1,976.30
F	13/9	615	584.25	843.90	834.50
G	15/9	414	397.25	662.10	634.60
H	2	28	26.25	52.50	55.50
		29,088	26,116.75	21,360.70	21,230.00
Less adjustment for anticipated changes to the base and losses on collection.				(320.70)	(318.00)
Band D equivalent number of properties				21,040.00	20,912.00



Note 2. Provision for Bad Debts

Total 2005/2006 £000s		Council Tax 2006/2007 £000s	Business Rates 2006/2007 £000s	Total 2006/2007 £000s
1,334	Balance 1 st April	1,325	60	1,385
261	Provision made in year	194	51	245
(210)	Debts Written Off	(175)	(75)	(250)
1,385	Balance 31st March	1,344	36	1,380

Note 3. Arrears

	2005/2006 £	2006/2007 £
Council Tax	2,634	2,592
Business Rates	249	246
Balance 31st March	2,884	2,838

Note 4. National Non-Domestic Rates

NNDR is organised on a national basis. The Government specifies an amount (42.2p 2005/2006 and 43.3p in 2006/2007) 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 ratepayers in its areas but it 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 fixed amount per head of population.

The NNDR income after relief's and provisions was £10,294k for 2005/2007 (£9,655k for 2005/2006).

The rateable value for the Council's area at the end of the financial year 2006/2007 was £31,077k (2005/2006 was £29,130k).



Note 5. Precepting Bodies 2006/2007

Precepting Bodies	2005/06			2006/07						
	Band D £	Increase	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Rossendale Borough Council	227.57	2.20%	155.05	180.90	206.74	232.58	284.26	335.95	387.63	465.16
Lancashire County Council	950.29	4.90%	664.57	775.33	886.09	996.85	1,218.37	1,439.89	1,661.42	1,993.70
Lancashire Police Authority	107.72	4.99%	75.39	87.96	100.52	113.09	138.22	163.35	188.48	226.18
Lancashire Fire Authority	52.10	5.00%	36.47	42.55	48.63	54.71	66.87	79.03	91.18	109.42
Total (excl Whitworth)	1,337.68	4.45%	931.49	1,086.73	1,241.98	1,397.23	1,707.73	2,018.22	2,328.72	2,794.46
Whitworth Parish Council	19.35	4.91%	13.53	15.79	18.05	20.30	24.81	29.32	33.83	40.60
Total Whitworth Parish	1,357.03	4.46%	945.02	1,102.52	1260.03	1,417.53	1,732.54	2,047.54	2,362.55	2,835.06



The Council is required to prepare summarised Group Accounts. The council has a 100% interest in Rossendale Transport Limited, a company set up in accordance with the provisions of the Transport Act 1985 to run the Council's municipal bus operation. In turn Rossendale Transport has a wholly-owned subsidiary of Coachways Ltd. These Group Accounts show the consolidated financial position of the Council and its interest in Rossendale Transport Limited, and Coachways Ltd its subsidiary. The 2004/2005 Group Accounts have been restated to reflect the adoption of FRS17 by Rossendale Transport Ltd in line with the Council's accounting policies.

These group accounts also now include the trust funds held and operated by the Council but kept separate from the main operational accounts. Note 36 gives a full analysis of these trust funds.

Group Income and Expenditure Account

2005/2006 NET EXPENDITURE £000s		2006/2007 NET EXPENDITURE £000s
11,138	Net cost of continuing services	11,536
(1,348)	Housing revenue account services transferred to Green Vale Homes	(51)
9,790	Net cost of services	11,485
42	(Gains)/Losses on disposal of Fixed Assets	(4,426)
44	Whitworth Town Council Precept	47
(16)	(Surpluses)/Deficits on Trading Undertakings	69
3,264	Contribution of housing capital receipts to Government Pool	-
6,022	Amortised Premiums & Discounts	-
1,611	Interest payable	305
(339)	Interest and investment income	(268)
25	Taxation	98
280	Pensions interest cost and expected return on pension assets	47
20,723	Net expenditure before reserves movements	7,357
(4,804)	Precept on Collection Fund	(4,940)
(5,050)	Government Grants	(6,570)
10,869	(Surplus)/Deficit for the year	(4,153)

Reconciliation of the Single Entity (Surplus)/Deficit for the year to the Group (Surplus)/Deficit

2005/2006 £000s		2005/2006 £000s
10,992	(Surplus)/Deficit on Rossendale Borough Council Income & Expenditure Account for the year	(3,761)
	(Surplus)/Deficit arising from other entities included in the group accounts analysed into the amounts attributable to:	
(194)	Rossendale Transport Ltd	(387)
69	Coachways Ltd	-
2	Trust Funds	(5)
10,869		(4,153)

Group Statement of Total Recognised Gains and Losses

2005/2006 £000s	Group Statement of Total Recognised Gains and Losses	2006/2007 £000s
(10,869)	(Surplus)/Deficit for the year on the Income and Expenditure Account	(4,153)
(73,903)	(Surplus)/Deficit arising on revaluation of fixed assets	(1,470)
1,000	Actuarial (gains)/losses on pension fund assets and liabilities	(5,237)
(633)	Other (gains)/losses recognised in the S.T.R.G.L	194
37	(Surplus)/Deficit for the year on the Collection Fund	1
(84,368)	Total recognised gains for the year	(10,665)

Group Balance Sheet as at 31st March 2006

31st March 2005 £000s			£000s	31st March 2005 £000s
262		Intangible Assets	506	
		Tangible Assets		
13,518		Operational Assets	16,010	
5,686		- Other Land & Buildings	5,598	
13		- Vehicles, Plant, Furniture & Equipment	33	
598		- Community Assets	598	
434		Non Operational Assets		
1,248		- Investment Assets	-	
		- Assets under construction	1,064	
		- Surplus assets held for disposal		
	21,759			23,809
7		Long-term Investments	7	
99		Long-term Debtors	67	
	106			74
	21,865	Total long-term Assets		23,883
157		Current Assets	138	
6,879		Stocks & work in progress	(9,235)	
(2,007)		Debtors	(1,996)	
100		Bad Debts Provision	-	
2,841		Investments	2,112	
	7,970	Cash at Bank		9,489
	24,625			33,372
(7,972)		Current Liabilities	(7,771)	
(259)		Creditors	(193)	
	(8,231)	Bank Overdraft		(7,964)
	21,604	Total Assets less Current Liabilities		25,408
(2,565)		Long Term Borrowing	(1,850)	
(4,769)		Government Grants Deferred	(4,593)	
(295)		Grants Unapplied	(201)	
(985)		Provisions	(533)	
(18,611)		Liability related to defined benefit Pension Scheme	(13,359)	
	(27,225)			(20,536)
	(5,621)	Total assets less liabilities		4,872
1,325		Fixed Asset Restatement Account	1,980	
7,401		Capital Financing Account	9,463	
115		Usable Capital Receipts Reserve	2,270	
64		Deferred Capital Receipts	49	
(18,328)		Pension Reserve	(13,285)	
1,487		Earmarked Reserves	1,647	
2,315		Fund Balances and Reserves	2,748	
	(5,621)	Net equity		4,872

Group Cash Flow statement

2005/2006				2006/2007	
£000	£000			£000	£000
	40	Net Cash (Inflow)/Outflow from Revenue Activities		(477)	
		Dividends from joint ventures and associates			
	0	Cash inflows		-	
		Returns on Investments and Servicing of Finance			
7,820		Cash Outflows	Interest paid	305	
(411)		Cash inflows	Interest received	(377)	
	7,409				(72)
	47	Taxation			23
		Capital Expenditure and Financial Investment			
8,515		Cash Outflows	Purchase of fixed assets and other capital expenditure	5,750	
(6,414)		Cash Inflows	Sale of fixed assets	(1,217)	
(4,737)			Capital grants received	(2,402)	
(116)			Other capital cash receipts	(1,971)	
	(2,752)				160
	4,744	Net Cash (Inflow)/Outflow before financing			(366)
		Management of Liquid Resources			
	(2,636)	Management of liquid resources	Net increase)/decrease in short-term deposits		100
		Financing			
12,315		Cash Outflows	Repayment of amounts borrowed	2,557	
(17,339)		Cash Inflows	New loans raised	(1,628)	
	(5,024)				929
	(2,916)	Net (Increase)/Decrease in cash			663

Note 1

Note 1. Accounting Policies

Rossendale Borough Council's accounting policy is to revalue its fixed assets over a rolling five year programme. However, Rossendale Transport Ltd has not followed this process but they do include £525,000 relating to the bus depot at Rawtenstall which was last revalued in 1992.

Note 2. Detailed Analysis of Net Cost of Services

Consolidated Group 2005/2006			Consolidated Group 2006/2007	
£000s	£000s		£000s	£000s
669		Central Services to the Public	731	
5,411		Cultural, Environmental & Planning	7,008	
589		Highways, Roads & Transport Services	969	
1,121		Housing General Fund	2,716	
3,359		Corporate & Democratic Core	1,671	
767		Other Central Services	403	
(594)		Non-Distributed Costs	(1,435)	
	11,222	Net Cost of Continuing Services - Rossendale Borough Council		12,063
	(231)	Net Cost of Continuing Services - Rossendale Transport Ltd		(527)
	82	Net Cost of Continuing Services - Coachways Ltd		-
	10	Trust Funds		-
	55	Intra-group consolidation for Dividends due		-
	11,138	Net Cost of Continuing Services		11,536
	(1,348)	Housing Revenue Account services transferred to Green Vale Homes		(51)
	9,790	NET COST OF SERVICES		11,485

Note 3. Net Change in Liquid Resources

	£000s	£000s	£000s
Cash in Hand	3	3	-
Cash at Bank	2,838	2,109	729
Bank Overdraft	(259)	(193)	66
	2,582	1,919	663



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Other Statements

Scope Of Responsibility

Rossendale Borough Council is responsible for ensuring that:

- its business is conducted in accordance with the law and proper standards, and
- 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 overall responsibility, the Council is responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of its' 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 a reasonable 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 the 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 Rossendale Borough Council for the year ended 31st March, 2007 and up to the date of approval of the annual report and accounts. Its effectiveness is considered in section 4 below.

The Internal Control Environment

This The key elements of the Council's internal control environment include:

- The Constitution, which establishes arrangements for policy setting and decision making and the delegation of powers to members and officers;
- An established business planning process, which sets clear objectives and targets in light of the Council's policy priorities and financial resources;
- A performance management system of regular monitoring and reporting to members of the Council's performance against its plans;
- A risk management framework, which ensures that risks to the Council's objectives are identified and

appropriately managed;

- The Medium Term Financial Strategy, budget setting and budgetary management systems which aim to economically, effectively and efficiently use resources in line with corporate priorities and the regular reporting of financial performance to officers and members;

- Financial Regulations and Contract Procedure Rules and a clear supporting framework of financial procedures;

- A structure of centrally monitored devolved financial management that promotes management of the Council's finances at the appropriate organisational level;

- Comprehensive codes of conduct for members and officers that set out clear expectations for standards of behaviour together with job descriptions that make clear senior officer duties in matters of financial, performance and risk management;

- Well publicised and effective arrangements for dealing with complaints and whistle-blowing, and for combating fraud and corruption;

- A partnership with Lancashire County Council for the management of the internal audit service that works with officers to assess and develop the control environment and which supports management's assessment of compliance with established policies,

procedures, laws and regulations.

- Annual quality assurance statements by all Heads of Service which both acknowledge officer responsibilities in matters of internal control and make an annual evaluation of the adequacy of the internal controls within the service area

Review of Effectiveness

The Council has responsibility for conducting, at least annually, a review of the effectiveness of the system of internal control. This review is informed by, amongst other things, the work of the internal auditors and the executive managers within the authority 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 in their annual audit letter and other reports.

The Council's recent review of the effectiveness of the system of internal control, by Internal Audit in their 2006-07 Annual Report, demonstrates a continued improvement in the Council's internal control systems. Internal Audits overall opinion concluded that "the majority of systems of internal control were found to be adequate and effective, although in some cases, there may be scope for improvement." Where weakness

Statement on Internal Control

had been identified during the period action follow up reviews by Internal Audit "recognised that the majority of recommendations have either been implemented, or at least addressed". As a result major improvements were in the level of internal control were made since the initial Internal Audit reviews.

As in previous years the issue of the separation of duties continues to be a challenge for any organisation the size of Rossendale Borough Council. Given the size of the organisation the Internal Audit Annual Report recognises that "it is not always practical to achieve an appropriate separation of duties, but it is important to ensure that there is appropriate monitoring of action taken by staff placed in this position." The issue of the separation of duties is therefore something on which the Council and its officers continue to make appropriate and robust assessments of risk.

The Audit Commission has recently published its Annual Audit and Inspection Letter, amongst other things, the key messages to the Council are "improvements have been made to secure adequate performance in its use of resources...", "good progress has been made, in a relatively short timeframe, on data quality management and ethical governance arrangements" and "the IT control environment and arrangements

need to be improved to limit the exposure to IT fraud or abuse, although identified issues are being quickly addressed as part of the Council's ICT Strategy. In particular Use of Resources Report (March 2007) recognised the achievement made specifically in the area of internal control resulting in an improved score in this specific area of 2.

The Council and its officers welcome both the Internal and External Auditor's annual reports, detailed Internal Audit reports on service areas which make specific recommendations and those reports and assessments made by the Audit Commission. The Council continues to develop arrangements to address areas of weakness and ensure continuous improvement of the system is in place.

Adequacy of internal control should also be seen in the context of an improving financial position that has been gained over the last 12 months reflected in the Consolidated Balance Sheet, as at 31st March 2007. The Council, despite an anticipated small in year deficit ended the year in a much stronger and healthier financial position. The Council has now the capacity to achieve its upper end target for General Reserves of £750,000 and create a number of

specific reserves to cushion it against unknown financial risk and to fund the Council's continuing improvement programme.

Significant Internal Control Issues

On the basis of the review of the sources of assurance set out in this statement, Rossendale Borough Council continues to develop and embed satisfactory systems of internal control in order to facilitate the effective exercise of its functions and which include effective arrangements for the management of risk.

The system of internal control will be subject to continuous review to ensure that it continues to meet the needs of the Council and operates effectively. We will continue to improve and develop in a number of areas, including the further embedding of the following management disciplines: finance, performance and risk management. Some issues have been identified and have been raised in the Council's recent Comprehensive Performance Assessment (2007) and specific actions will be taken alongside those that are already contained in the Corporate Plan (including the Best Value Performance Plan) to address them. The table below summaries the various actions to be taken and their source. The latest version of the Corporate Plan and the Comprehensive Performance Assessment are available

on the Council's web site at www.rossendale.gov.uk. {Nb – CPA is due to be published July 07 in time for final adjustments to this statement on Internal Control, due for final Member approval on 27th September 07)



No.	Issues	Planned Action
Corporate Improvement Plan		
CP1	<p>1.3 Stronger relationship between Council and Communities</p> <p>By 2010 we will increase the percentage of electors who can identify their ward councillors</p> <p>LDS 7.4. (Target 44% by 2010. Baseline: 34.7% in 2006/07)</p>	<p>To encourage participation in the democratic process we will implement the improvement action plan developed for Area Forums and the Full Council- .LDS1.11</p>
CP4	<p>4.3 Improved awareness and understanding of the Council and its achievements</p> <p>Increase the number of people who feel they know how the Council is performing to 65% (Baseline: 24.6%)</p> <p>Achieve Gold level of the LGA Reputation Campaign</p> <p>Publish and distribute to public places the Council's performance on an annual basis</p>	<p>To deliver the Community Leadership Action Plan and Policy to deliver enhanced community leadership through activities such as: Regular Wards Walks, Citizens Handbook & increasing awareness of the public about democracy and council services. LD7.1 (LAA - C3,S5,S6,S26,S33,S36)</p> <p>To undertake regular Ward Walks with Elected members SSL7.2 (LAA - S20, 21, 22a, 22b, 22c, 1,13, 16, 17 H17, 18)</p> <p>Improve the public's understanding of the Council's performance by providing information about the Council's achievements and performance to the local press and at partner events and by publishing the Council's performance on a dedicated page of the Council's web-site.</p>
CP6	<p>6.1 Strong financial management and the delivery of value for money services (Improvement)</p> <p>We will achieve level 3 in the review of the Council's 'Use of Resources' by the Audit Commission by 2010</p>	<p>We will undertake a review of the cost base of all services across the Council with an aim to reduce the corporate cost base by £400 – 500k per annum FS6.9</p> <p>We will develop and implement an action plan to consolidate the Council's Use of Resources scores FS6.10</p> <p>We will continue to improve financial management throughout the organisation by applying the CIPFA Financial Model FS6.11</p> <p>We will review the Council's financial procedure rules to better reflect council operations & improve the understanding of these rules by Members, managers and staff. FS6.12</p> <p>We will complete comprehensive review of the Council's land and property holdings. LDS6.8</p>
CP6	<p>6.2 Equipping members to fulfil their role as leaders in the community (Community Network):</p> <p>Maintain the Member Development Charter</p>	<p>We will continue to support Members by delivering the Member Development Strategy LDS7.10</p>

No.	Issues	Planned Action
Internal Audit Reporting		
CP1	Officer and Member (i.e. those charged with Governance) response to individual internal audit reports and the Internal Auditors annual report.	1 – Internal audit report action plans agreed by Heads of Service and Managers 2 – Audit committee meetings minutes and approvals 3 – Heads of Service Statement on Internal Control: annual assurance statements

Duncan Ruddick
Leader of the Council



Carolyn Wilkins
Chief Executive



Capital Expenditure Report 2006/2007

CORPORATE PRIORITY	CAPITAL SCHEME	TOTAL CAPITAL SPEND £000	CAPITAL RECEIPTS £000	REVENUE CONTRIBUTION £000	NWDA £000	GRANT FUNDING		
						DCLG £000	PERFORMANCE GRANTS £000	OTHER £000
Delivering Quality Services to our Customers								
	Cemetery Maintenance Scheme	9	9					
	Operational Buildings Maintenance Scheme	6	6					
	Rawtenstall Market Café Fire	22	22					
	Haslingden Sports Centre Flood	14	14					
	Haslingden Sports Centre	14	14					
	Whitworth Civic Hall - Re-Build	1,118	1,047				56	15
	Capital Salaries	45	45					
	E-Government Partnership	16	16					
	Restructuring Costs	61	61					
	Customer Services DWP	78	78					
	I.T Strategy	118	118					
	Finance System	13	13					
	RBC costs associated with LSVT	218	218					
	Spatial Systems upgrade	69		34			35	
		1,801	1,661	34	0	0	91	15
Delivering Regeneration across the Borough								
	Accommodation Strategy	8	8					
	Futures Park Managed Unit	240	240					
	Swinnel Brook Culvert	18	18					
	Car Park upgrading (5yrs from 06/07)	26	26					
	Town Hall Relocation	301	301					
	SRB - Commercial Property Facelifiting	102			102			
	Lee Mill - Phase 3	50			50			
	Brownfield Recycling Project	17			17			

Capital Expenditure Report 2006/2007

CORPORATE PRIORITY	CAPITAL SCHEME	TOTAL CAPITAL SPEND £000	CAPITAL RECEIPTS £000	REVENUE CONTRIBUTION £000	NWDA £000	GRANT FUNDING		
						DCLG £000	PERFORMANCE GRANTS £000	OTHER £000
	CPO for improvements	82				82		
	SRB 121 - Blackburn Rd Corridor	104				104		
	Elevate - Facelifing	860				860		
	Elevate - Environmental Works	267				267		
	Elevate - Block Repair	427				427		
		2,502	593	0	169	1,740	0	0
Keeping our Borough Clean and Green								
	Refuse Collection Vehicles	59	59					
	Open Spaces Vehicle	90	90					
	Operating lease buy outs - Refuse Collection	226	226					
	Refuse Bins	46	46					
		421	421	0	0	0	0	0
Promoting Rossendale as a Place to Live and Visit								
	Whittaker Park - Multi use games Area	2	2					
	Museum Improvements	2	2					
	Playground Improvements	6	6					
	Panopticon	20	20					
		30	30	0	0	0	0	0
Improving Health & Wellbeing								
	Disabled Facilities Grants	469	164			305		
	Disabled Access improvement	201	201					
	Decent Homes for Over 60's	63				63		
	Decent Homes Schemes	262				262		
		995	365	0	0	630	0	0
	TOTAL	5,749	3,070	34	169	2,370	91	15

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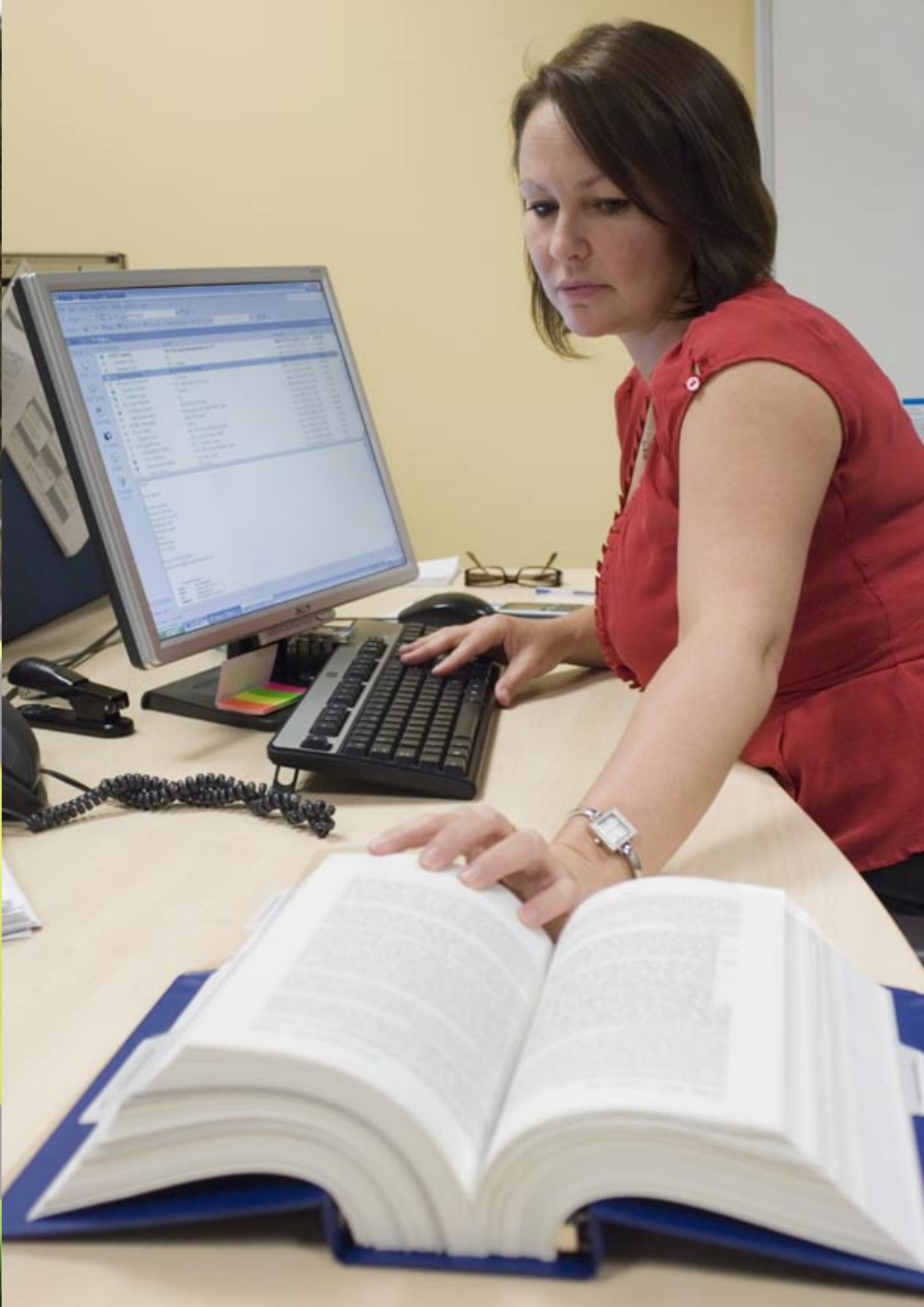
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6

Glossary



Accounting Standards Board

The role of the Accounting Standards Board (ASB) is to issue accounting standards. Accounting standards developed by the ASB are contained in 'Financial Reporting Standards' (FRSs). Soon after it started its activities in 1990, the ASB adopted the standards issued by the Accounting Standards Committee (ASC), so that they also fall within the legal definition of accounting standards. These are designated 'Statements of Standard Accounting Practice' (SSAPs). Whilst some of the SSAPs have been superseded by FRSs, some remain in force. Accounting standards apply to all companies, and other kinds of entities that prepare accounts that are intended to provide a true and fair view.

Accruals

The concept that income and expenditure are recognised as they are earned or incurred, not as money is received or paid.

Agency Services

Services provided by the Council, as an agent on behalf of the responsible body, where the principal reimburses the Council for the cost of the work carried out.

Asset Management Revenue Account

An account which the Council is required to maintain under the new capital accounting arrangements, which apply from 1994/95 onwards. All principal repayments and interest charges on loans are charged to the account.

Auditor's Opinion

The opinion required by statute from the Council's external auditors, indicating whether the statement of accounts presents fairly the financial position of the authority.

Budget

A statement of the Council's spending plans for revenue and capital expenditure over a specified period of time.

Capital expenditure

Spending on the acquisition or maintenance of assets either directly by the Council or indirectly in the form of grants to other persons or bodies. Section 40 of the Local Government and Housing Act 1989 defines 'expenditure for capital purposes'. Expenditure that does not fall within the definition must be charged to a revenue account.

Capital Receipts

Proceeds from the sale of fixed assets, such as land or buildings, or the repayment of capital grants or advances.

Collection Fund

The account which shows the transactions of the Council in relation to non-domestic rates and Council Tax, and the distribution of these to precepting bodies and the General Fund. The Collection Fund is consolidated with the other accounts of the Council.

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 historic buildings.

Comprehensive Performance Assessment

Comprehensive Performance Assessment (CPA) is a key element of the Government's performance framework for local government. It is intended to support improvement planning in local authorities and to lead to co-ordinated and proportionate audit and inspection, and increased freedoms and flexibilities for local government. Rossendale's CPA inspection took place during 2003/04.





his scrutinises every aspect of the Council's work and operations, and is based on a Corporate Self-Assessment stating how good services are and the Council's corporate capacity to improve. There are also two crosscutting inspections based on the themes 'balancing housing markets' and 'managing public space'. Councils are then given a score based on service delivery and working practices, and are rated as 'excellent', 'good', 'fair', 'weak' or 'poor'.

Consolidated Balance Sheet

The combined balance sheets of the Council's services.

Contingency Sum

A sum set aside to provide for foreseen but unquantifiable future commitments or for unforeseen expenditure that may become necessary during the year.

Cost of Management and Administration

An allocation to service accounts of the net cost of the administrative and professional departments which support all of the Council's services.

Creditor

An amount owed by the Council for goods received, or services rendered to it within the accounting period, but for which payment has not been made.

Current Costs Accounting (cca)

The presentation of the accounts in a form that aims to reflect the consequences of price and value charges.

Debt redemption

The repayment of external loans previously raised to finance capital expenditure.

Debtor

An amount of income due to the Council within the accounting period but not received at the balance sheet date.

Deferred capital receipts

Capital receipts to be received by instalments over agreed periods of time.

Deferred charges

Expenditure which may properly be deferred, but which does not result in, or remain matched with, tangible assets. An example of a deferred charge is expenditure on items such as improvement grants.

D.E.F.R.A.

The Department for the Environment, Food and Rural Affairs supports the Council in its recycling projects.

Depreciation

The measure of the wearing out,

consumption, or other reduction in the useful economic life of a fixed asset.

D.W.P.

The Department of Work and Pensions funds the Housing and Council Tax Benefits payable to borough residents and also funds the administration of those benefits.

E.R.D.F.

The European Regional Development Fund which supports regeneration projects such as Futures Park managed office units.

Financial reporting standard 17

FRS 17, issued by the Accounting Standards Board in November, 2000 and amended November, 2002, set out the accounting treatment for retirement benefits such as pensions and medical care during retirement.

General Fund

The main revenue fund of the Council. Day-to-day spending on services is met from the General Fund. Spending on the provision of housing, however, must be charged to a separate Housing Revenue Account.

H.I.P.s

Housing Investment Programmes

Housing Revenue Account (HRA)

An account which includes the expenditure and income arising from

the direct provision of housing by the Council.

Infrastructure assets

Assets that are inalienable, expenditure on which is recoverable only by continued use of the asset created. Examples of infrastructure assets are highways and footpaths.

Intangible assets

Intangible assets are non-financial assets that do not have physical substance but are identifiable and are controlled by the Council through custody or legal rights, such as software. Intangible assets are capitalised at cost and depreciated to the revenue account over their useful economic life.

Large scale voluntary transfer (LSVT)

This relates to the transfer of the housing stock, as voted by the tenants, and is generally referred to as a large scale voluntary transfer due to its size.

Leasing

A method of utilising assets where a rental charge is paid for a specified period of time, instead of outright purchase.

Loans outstanding

The total amounts borrowed from external lenders for capital and temporary revenue purposes but not

repaid at the balance sheet date.

Local Authority Business Growth Incentive Scheme (LABGIS)

This is a means to reward Councils for increases in the rateable value of business properties above a certain threshold. Rossendale has received this for the first time in 2006/07 and used the extra income to create a Reserve for future Economic Development activity

Major Repairs Allowance

Since April 2001, local authorities have received from the Government an annual Major Repairs Allowance (MRA) to cover depreciation and ongoing major repairs, but which is not intended to cover the backlog in repairs to Council dwellings. The MRA can be accumulated year on year, to allow authorities flexibility in spending on their Housing Revenue Account stock.

Major Repairs Reserve

The Major Repairs Reserve holds any unspent balances of the annual Major Repairs Allowances, to be carried forward to future years in order to fit in with the planned approach to asset management.

Minimum Revenue Provision

The minimum amount which must be charged to the Council's revenue account each year and set aside

as provision for credit liabilities, as required by the Local Government and Housing Act 1989.

National non-domestic rates (NNDR)

A national non-domestic rate poundage for commercial premises is set annually by the government and collected by all local authorities. The proceeds are redistributed between local authorities in proportion to their adult populations.

Net book value

The amount at which assets are included in the balance sheet, i.e. their historical cost of current value, less the cumulative amounts provided for depreciation.

Non-operational assets

Assets held by the Council, but not directly occupied, used or consumed in the delivery of services. Examples of non-operational assets are investment properties and assets that are surplus to requirements, pending sale or redevelopment.

N.W.D.A.

The North West Regional Development Agency which supports regeneration projects such as Futures Park managed office units and the Brownfield Recycling Programme.



Office of the Deputy Prime Minister (OPDM)

The Office of the Deputy Prime Minister became the Department for Communities and Local Government (DCLG) on 5 May 2006 with a powerful remit to promote community cohesion and equality, as well as responsibility for housing, urban regeneration, planning and local government. DCLG is responsible for national policy on local government in England, examining the future of local government and local democracy; reviewing performance and measurement through inspection and audit; driving through the modernisation agenda of efficiency and improvement of service delivery; and maintaining and developing a framework for local government finance. In 2005/2006 the ODPM played a major role in supporting the LSVT of the Council's housing stock to Green Vale Homes.

Operational assets

Assets held and occupied, used or consumed by the Council in the direct delivery of those services for which it has either a statutory or discretionary responsibility.

Precept

The levy made by precepting authorities on billing authorities, requiring the latter to collect income

from Council Tax payers on their behalf.

Primacy of Legislative Requirements

The non-cash effects of transactions and other events should be reflected, as far as is possible, in the financial statements for the accounting period in which they occur and not in the period in which any cash involved is received or paid. (This replaces the principle of matching that underlays the accruals concept.)

Provision

An amount set aside in the accounts for liabilities that are certain to be incurred in the future, but which cannot be quantified accurately at the balance sheet date.

Public Works Loan Board (PWLB)

A Government agency that provides longer term loans to local authorities.

Rent allowance

A subsidy payable by the Council to a low income tenant in private rented accommodation.

Rent rebate

A subsidy payable by the Council to low income tenants in Council Houses.

Reserve

Amounts included in one financial year's accounts to provide for payment for goods or services, whether revenue or capital, in a future financial year.

Revenue account

An account that records an authority's day-to-day expenditure and income on such items as salaries and wages and other running costs of services.

Section 137 expenditure

Section 137 of the Local Government Act 1972, as amended by Section 36 of the Local Government and Housing Act 1989, empowers authorities to incur expenditure for the benefit of some or all of their inhabitants that is not authorised under other powers, within set maximum values per head of relevant population.

Statement of Recommended Practice

A Statement of Recommended Practice (SORP) on Accounting Practices for local authorities is prepared regularly to assist in the determination of recommended accounting practices and the SORP's form enables it to be related to the Financial Reporting Standards issued by the Accounting Standards Board. In England and Wales, the SORP constitutes 'proper accounting practice' under the terms of Section 66(4) of the Local Government and Housing Act 1989. The Chartered Institute of Public Finance and Accountancy (CIPFA) is the recognised SORP setting body for local government in England and Wales. To be applicable in Scotland the SORP requires approval by the

Local Authority (Scotland) Accounts Advisory Committee (LASAAC). A joint Committee (CIPFA/LASAAC) has been established to enable the SORP to be recognised in England, Wales and Scotland.

Statement of Standard Accounting Practice (SSAP) 9

SSAP 9 gives guidance on the accounting treatment of both stocks and long-term contracts. Stocks should be valued at the lower of cost and net realisable value (actual or estimated selling price after deduction).

Tangible Assets

Tangible assets the yield benefits to the Council and the services it provides for a period of more than one year.





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If you would like a summary of this information in large print, on audio cassette or language other than English, please let us know and we will be happy to arrange it.

Please telephone 01706 217777 or contact Communications Section, Town Centre Offices, Rawtenstall, BB4 7LZ

آگر آپ کو ان معلومات کا خلاصہ بڑے حروف میں، آڈیو کیسٹ پر، یا انگریزی کے علاوہ کسی اور زبان میں درکار ہے تو برائے مہربانی ہمیں بتائیں۔ ہم خوشی آپ کے لئے اس کا انتظام کریں گے۔
برائے مہربانی 01706 217777 پر ٹیلیفون کریں یا پھر کیوٹی کنیشن سیکشن سے اس پتہ پر رابطہ قائم کریں:

আপনি যদি এসব তথ্যের সার সংক্ষেপ বড় হরফের ছাপায়, অডিও ক্যাসেটে অথবা ইংরেজী ছাড়া অন্য কোন ভাষায় পেতে চান তাহলে অনুগ্রহ করে আমাদেরকে জানালে আমরা অত্যন্ত খুশী মনে তার ব্যবস্থা করব।

অনুগ্রহ করে ০১৭০৬ ২১৭৭৭৭ এই নাম্বারে অথবা কমিউনিকেশন সেকশন, টাউন সেন্টার অফিস, রটেনস্টল বি.বি.৪ ৭এল.জেড. এই ঠিকানায় যোগাযোগ করুন।