

**2024/25**

**Swindon Borough Council & Group  
DRAFT Statement of Accounts**

<b>INTRODUCTION BY THE DIRECTOR OF FINANCE AND AUDIT .....</b>	<b>4</b>
<b>NARRATIVE REPORT .....</b>	<b>5</b>
UPDATES TO THE ACCOUNTS REQUIRED UNDER CHANGES TO ACCOUNTING PRACTICE.....	5
THE STATEMENTS .....	5
FINANCIAL OVERVIEW .....	5
AUDIT REPORT.....	16
FURTHER INFORMATION .....	16
<b>STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS.....</b>	<b>17</b>
<b>THE FINANCIAL STATEMENTS .....</b>	<b>18</b>
COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT (CIES).....	19
MOVEMENT IN RESERVES STATEMENT (MiRS) .....	20
BALANCE SHEET .....	22
CASH FLOW STATEMENT.....	24
<b>NOTES TO THE FINANCIAL STATEMENTS.....</b>	<b>25</b>
<b>DISCLOSURES RELATING TO THE COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT .....</b>	<b>26</b>
1. EXPENDITURE AND FUNDING ANALYSIS.....	26
2. SUBJECTIVE ANALYSIS OF SERVICE EXPENDITURE .....	30
3. MATERIAL ITEMS OF INCOME AND EXPENSE.....	30
4. OTHER OPERATING EXPENDITURE .....	31
5. FINANCING AND INVESTMENT INCOME AND EXPENDITURE .....	31
6. DEDICATED SCHOOLS GRANT.....	31
7. TAX & GRANT INCOME .....	32
8. MEMBERS' ALLOWANCES.....	33
9. OFFICERS' REMUNERATION .....	34
10. EXIT PACKAGES .....	35
11. EXTERNAL AUDIT COSTS.....	35
12. BETTER CARE FUND .....	36
13. ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS	37
14. TRANSFERS TO/FROM EARMARKED RESERVES.....	40
15. IMPACT OF PRIOR PERIOD ADJUSTMENTS.....	41
<b>DISCLOSURES RELATING TO THE BALANCE SHEET.....</b>	<b>42</b>
16. PROPERTY, PLANT AND EQUIPMENT.....	42
17. INVESTMENT PROPERTIES .....	47
18. HERITAGE ASSETS.....	48

19.	CAPITAL COMMITMENT .....	48
20.	CAPITAL EXPENDITURE AND CAPITAL FINANCING .....	48
21.	LONG-TERM DEBTORS .....	50
22.	SHORT-TERM DEBTORS.....	50
23.	SHORT-TERM CREDITORS .....	51
24.	PROVISIONS.....	51
25.	CAPITAL ADJUSTMENT ACCOUNT .....	52
26.	REVALUATION RESERVE.....	54
27.	PENSIONS RESERVE .....	54
28.	COLLECTION FUND ADJUSTMENT ACCOUNT.....	55
29.	LEASES .....	56
30.	PRIVATE FINANCE INITIATIVES AND SIMILAR CONTRACTS .....	58
31.	PENSIONS SCHEMES ACCOUNTED FOR AS DEFINED CONTRIBUTION SCHEMES.....	61
32.	DEFINED BENEFIT PENSION SCHEMES .....	61
33.	FINANCIAL INSTRUMENTS.....	66
34.	NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS .....	69
	<b>DISCLOSURES RELATING TO THE CASHFLOW STATEMENT.....</b>	<b>72</b>
35.	CASH FLOW STATEMENT – OPERATING ACTIVITIES .....	72
36.	CASH FLOW STATEMENT – INVESTING ACTIVITIES .....	73
37.	CASH FLOW STATEMENT – FINANCING ACTIVITIES .....	73
	<b>GENERAL DISCLOSURES .....</b>	<b>74</b>
38.	ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT HAVE NOT YET BEEN APPLIED	74
39.	CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES .....	74
40.	ASSUMPTIONS MADE ABOUT THE FUTURE & OTHER MAJOR SOURCES OF ESTIMATION UNCERTAINTY .....	75
41.	EVENTS AFTER THE BALANCE SHEET DATE / CONTINGENT LIABILITY .....	76
42.	RELATED PARTIES .....	76
43.	LONG TERM INVESTMENTS .....	78
	<b>THE SWINDON BOROUGH COUNCIL GROUP ACCOUNTS.....</b>	<b>79</b>
	THE GROUP COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT.....	80
	THE GROUP MOVEMENT IN RESERVES STATEMENT.....	81
	THE GROUP BALANCE SHEET .....	83
	THE GROUP CASH FLOW STATEMENT .....	84
44.	LONG TERM INVESTMENTS – GROUP CONSOLIDATION.....	84
45.	GROUP PROPERTY, PLANT & EQUIPMENT.....	86

<b>ACCOUNTING POLICIES .....</b>	<b>88</b>
<b>SUPPLEMENTARY STATEMENTS.....</b>	<b>97</b>
<b>THE COLLECTION FUND.....</b>	<b>98</b>
NOTES TO THE COLLECTION FUND.....	99
46.    RATEABLE VALUE .....	99
47.    COUNCIL TAX BASE .....	99
<b>THE HOUSING REVENUE ACCOUNT (HRA).....</b>	<b>100</b>
STATEMENT OF MOVEMENT IN THE HOUSING REVENUE ACCOUNT .....	101
NOTES TO THE HRA.....	102
48.    HOUSING STOCK.....	102
49.    VACANT POSSESSION VALUATION .....	102
50.    MAJOR REPAIRS RESERVE .....	103
51.    HRA CAPITAL EXPENDITURE.....	103
52.    HOUSING REPAIRS ACCOUNT.....	103
53.    HRA CAPITAL RECEIPTS .....	104
54.    HRA COST OF CAPITAL CHARGE .....	104
55.    HRA ARREARS & PROVISIONS FOR BAD DEBT .....	104
<b>ANNUAL GOVERNANCE STATEMENT .....</b>	<b>105</b>
<b>AUDITOR’S REPORT.....</b>	<b>106</b>
<b>GLOSSARY .....</b>	<b>107</b>

## **Introduction by the Director of Finance and Audit**

The 2024/25 financial year has continued to be challenging for the Council. Like many local authorities, Swindon has continued to feel the ongoing effects of inflation, alongside increasing demand for services. The budget was balanced by the end of the year despite significant pressures on the budgets, particularly for Adults and Children's Social Care and Housing Services.

The 2025/26 budget was set based on the use of capital funds to meet revenue costs, a facility known as exceptional financial support. The continued increases in demand for and costs of services, particularly for Adults and Children's social care, SEND and housing combined with the, as yet unknown, impact of funding reforms means there continues to be considerable uncertainty about the council's funding position.

Work is progressing on the Swindon 2028 transformation plan to enable the Council to both respond to the anticipated financial challenges and deliver against the Council's Missions set out in the Swindon Plan.

On 11<sup>th</sup> June the Government published the spending review covering three years from 2026/27 to 2028/29. The move to multi-year funding settlements will aid financial planning over the medium term.

Kim Chequer

Director of Finance and Audit

June 2025

## Narrative Report

These accounts relate to the financial year ended 31 March 2025 and have been prepared in accordance with the Code of Practice on Local Authority Accounting in Great Britain (The Code). The Code is to be adopted by Local Authorities when publishing their accounts. The accounting convention adopted is historical cost, modified by the revaluation of certain categories of tangible property, plant and equipment (PPE) assets. Any diversion from the Code is stated where applicable.

### Updates to the Accounts Required Under Changes to Accounting Practice

There have been no prior period updates to the accounts from changes to accounting practice. IFRS16 Leases has been implemented under a cumulative catch-up process, without restating prior period balances.

### The Statements

The financial statements follow recommended practice and are split between core statements of the authority and their notes, and supplementary statements.

### Financial Overview

Swindon Borough Council is a Unitary Council that, alongside its other core functions, also provides Council housing. It is required to account for its expenditure in three distinct categories:

- General Fund (GF) Revenue Account

This includes day-to-day expenditure on all services except those directly relating to council housing. Expenditure is financed mainly from government grant, (Formulae Grant, Dedicated Schools Grant (DSG)), other specific grants, fees & charges and Council Tax.

- Housing Revenue Account (HRA)

Included within this account is all expenditure on the day-to-day management of the Council's housing stock. Expenditure is principally funded from council house rents. HRA income cannot be used to fund GF services beyond the extent that it buys support from those services.

- Capital

All improvements and enhancements to the Council's long-term assets are included in this category. This expenditure is funded from the sale of capital assets, borrowing, Government grant support or contributions from developers/revenue. Capital funding cannot be used for revenue activities unless a capitalisation directive is authorised by the Secretary of State.

### Financial Overview – The General Fund (GF)

The net GF budget for the year was set at £178.8m. This excludes funding for schools, which is provided via the Dedicated Schools Grant (DSG).

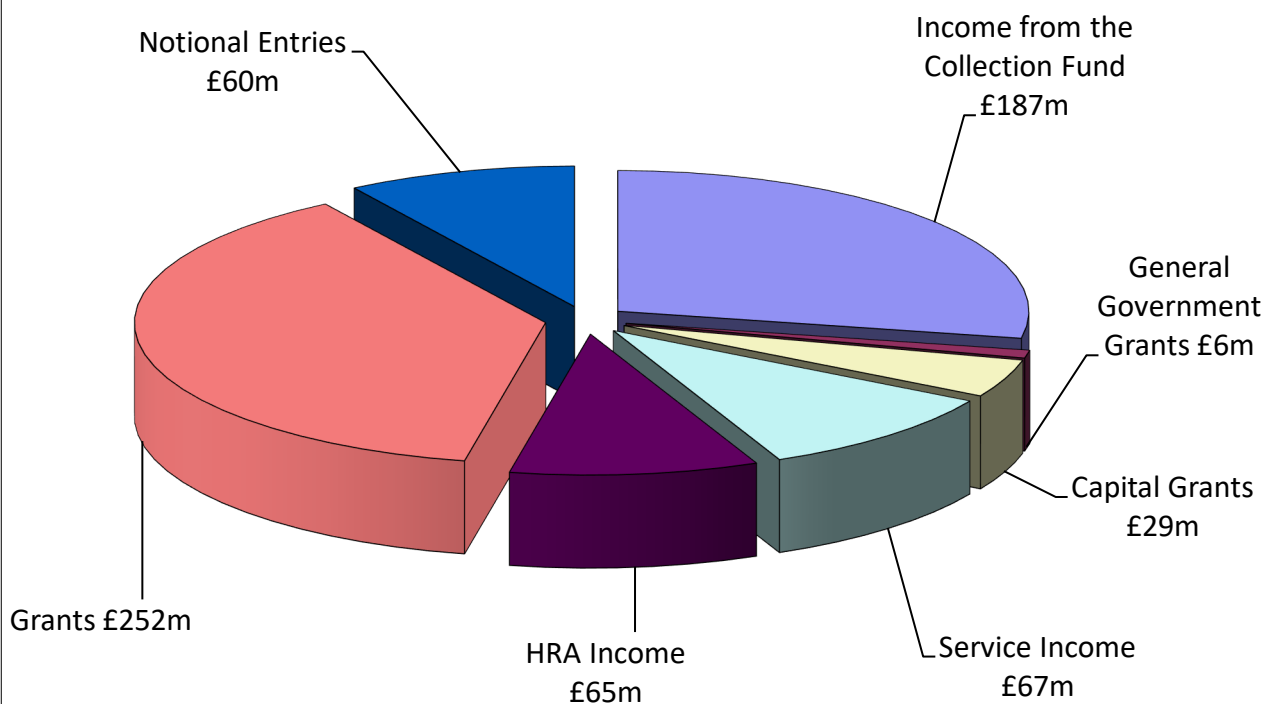
The overall budget was delivered with the balance on the general fund able to be increased but there remain variations within individual Service Areas. As has been reported throughout the year, this includes significant pressures on Children services, which has been partially offset from savings in other services.

The following table provides more detail on the outturn position for the year for each of the Council's service areas.

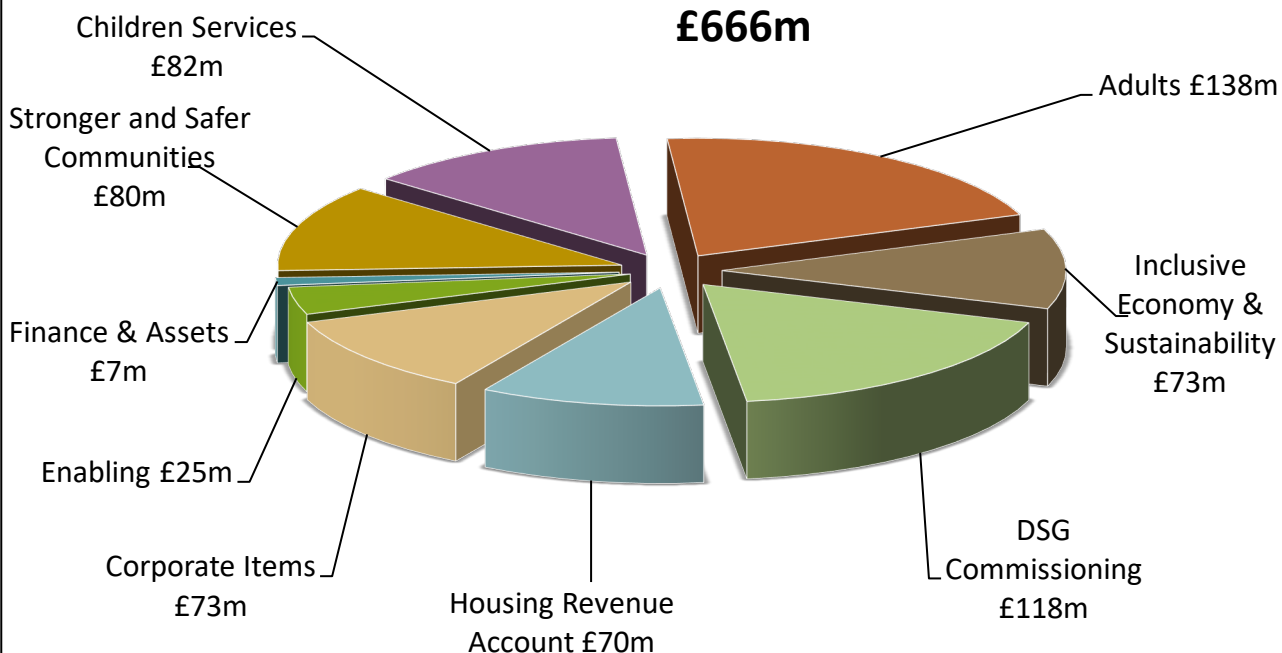
	Budget £000	Actual £000	Variance £000
Enabling	19,069	18,848	(221)
Finance & Assets	(11,381)	(17,581)	(6,200)
Stronger and Safer Communities	4,472	5,161	689
Children Services	67,382	70,663	3,281
Adults	83,868	84,165	297
Inclusive Economy & Sustainability	15,450	16,919	1,469
Net Cost of General Fund Services (outturn)	<b>178,860</b>	<b>178,175</b>	<b>(685)</b>
<i>Reconciliation to Comprehensive Income &amp; Expenditure Statement</i>			
Parish Precepts		11,637	
Net Corporate Income and Expenditure		59,647	
Net HRA, Capital, Reserves and other Appropriations in Net Cost of Services		27,447	
<b>Sub-total</b>		<b>276,906</b>	
Taxation and Non-Specific Grant Income		(222,314)	
<b>Net (Surplus)/Deficit For Year on Provision of services in CIES</b>		<b>54,592</b>	

The following charts analyse the main income flows to the Council in 2024/25, and the gross expenditure on services. Income includes grants funding revenue expenditure, HRA income, service fees and charges, net corporate notional income streams representing the surplus/deficit on provision of services and the transfer of capital grants.

## Council Funding Sources 2024/25 £666m



## Where the Money was Spent on Services 2024/25 £666m



## Financial Overview – The Collection Fund

The Council Tax Collection Fund is credited with Council Tax income and debited with Swindon Borough Council's budgeted call on the fund plus the precepts of the Fire and Police Authorities and Town and Parish Councils. The Fund is used to smooth the difference between the actual and budgeted amount of Council Tax collected each year. Any surplus or deficit on the Fund is reflected in the following year's Council Tax calculations.

A Business Rates Collection Fund account is also held within the overarching Collection Fund. In general terms this operates in the same way as the Council Tax Collection Fund account. The Collection Fund as a whole has a net surplus of £3.1m at 31 March 2025 which has reduced since 31 March 2024 when it was £5.5m.

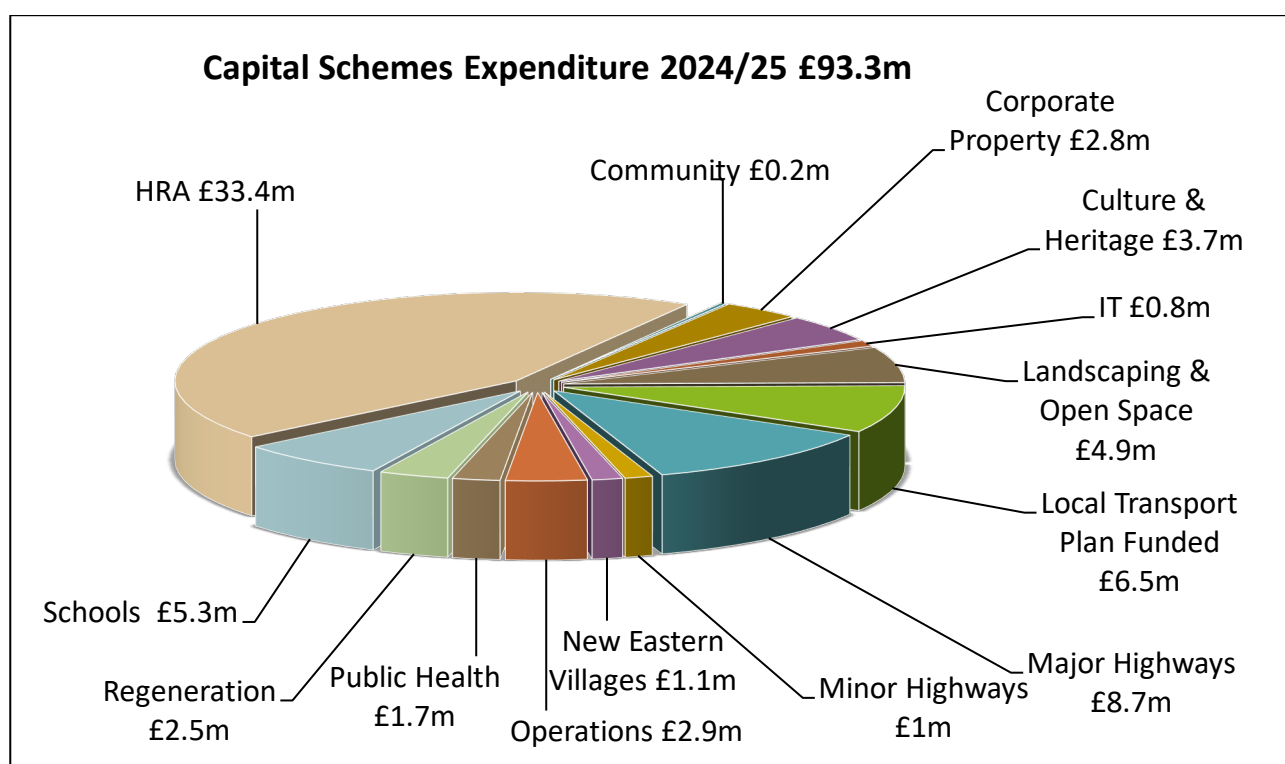
The accounting treatment for the Collection Fund means the Council shows only its own proportion of balances through the accounts on an agency basis. This does not change the Collection Fund itself, which is prescribed under statute, but does remove the overall Collection Fund balance from the Council's Balance Sheet. It is replaced by a Collection Fund Adjustment Account to account for the Authority's movement on the fund, and debtors or creditors for amounts owed to/from major preceptors.

## Financial Overview – The Housing Revenue Account (HRA)

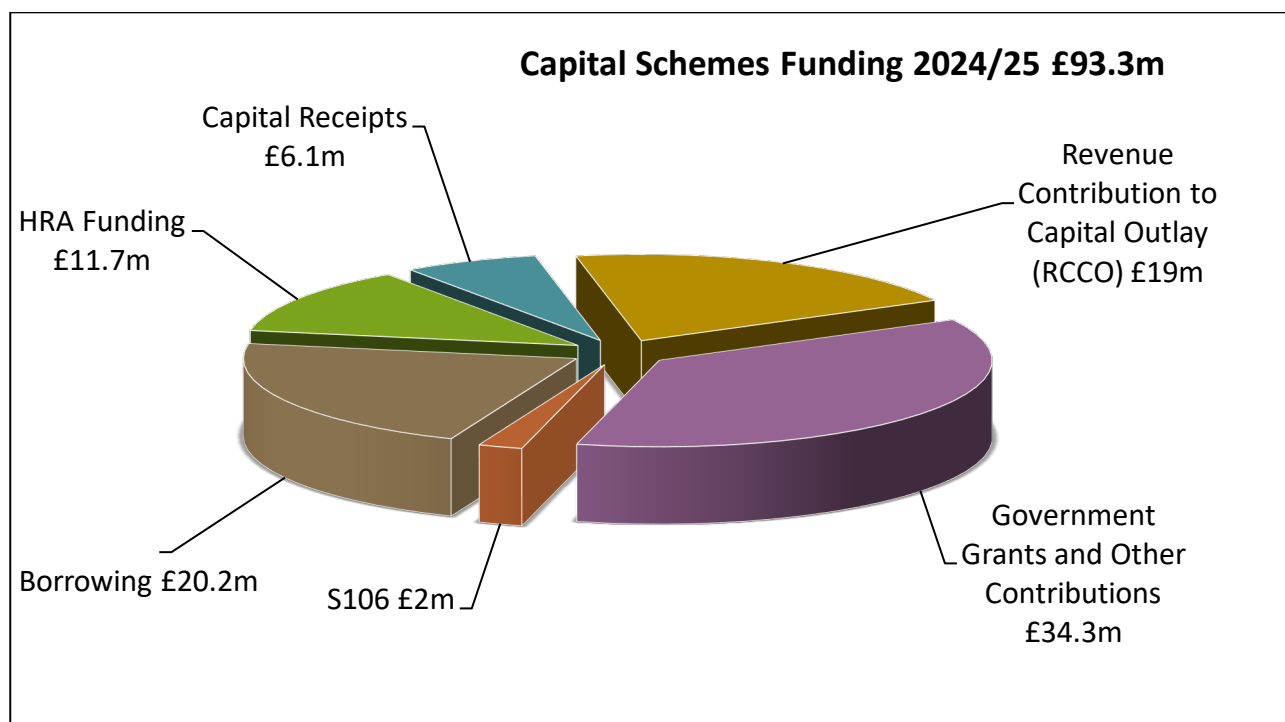
During the year the HRA came in overspent by £5.5m. This has seen the HRA reserve decrease to £4.1m at 31 March 2025.

## Financial Overview – Capital Income & Expenditure

During the year, the Council incurred additional borrowing of £25.9m towards capital expenditure of £93.3m. This expenditure is analysed in the following chart into key service areas of the Council.



In-year borrowing contributes to total borrowing of £395.4m, inclusive of HRA debt, with a related capital finance requirement of £577.8m. This should be seen in the context of a non-current asset base of £1,404m.



## Financial Overview – Other Key Disclosures

### Pension Liability

The net pension liability as disclosed in the balance sheet, under International Accounting Standard 19 (IAS19) requirements is reported as £54.5m (£57.4m for 2023/24). The base position on the fund was a valuation that produced a net asset of £115m, however, the Authority is limited in the extent of that asset which it can report as receivable in future after accounting for funding uncertainties. This asset ceiling adjustment of £169.8m reduces the net asset to the net liability on the balance sheet.

Within the pension liability is a balance for unfunded Teacher pensions. The actuary has applied a roll forward approach to this for 31/3/25 balances due to challenges with underlying data. It remains in line with previous years' at around £9m.

### Major Asset Transfers

The Council continues to see transfer of schools into Academy status. Once transferred to Academy status the underlying assets are not classed as Council property but disposed of under long-term finance leasing at nil value. There were three such transfers in 2024/25 removing £36.7m from the balance sheet value of non-current assets. There were three transfers in 2023/24 removing £24m.

### Business Combinations

The Authority is involved with three local developments which, although continuing to have immaterial impact on the accounts, will affect the Borough more over future years. The main development is the joint venture (JV) for the Wichelstowe southern development area

(Wichelstowe LLP). This has seen the creation of a joint venture company with a housing developer; the Authority contributing land and the developer funding the infrastructure and building the housing, which will then go for sale with split proceeds.

The second development is the ongoing activity from two energy production solar farm companies, Swindon Chapel Farm Solar Plc and Swindon Common Farm Solar Community Interest Plc. The third development relates to the establishment of a group of companies for the construction of dwellings for sale or rent through the Swindon Housing Development Company Ltd. The Authority is parent company to these. It was also parent company to Public Power Solutions (PPS), which previously operated waste and recycling services in the Borough but has not been in operation and is being wound down.

The Authority has a joint 50% ownership in the JV, which has the relevant share of net equity consolidated in the group statements, and is the controlling shareholder for the remaining companies and fully consolidates these in the group accounts.

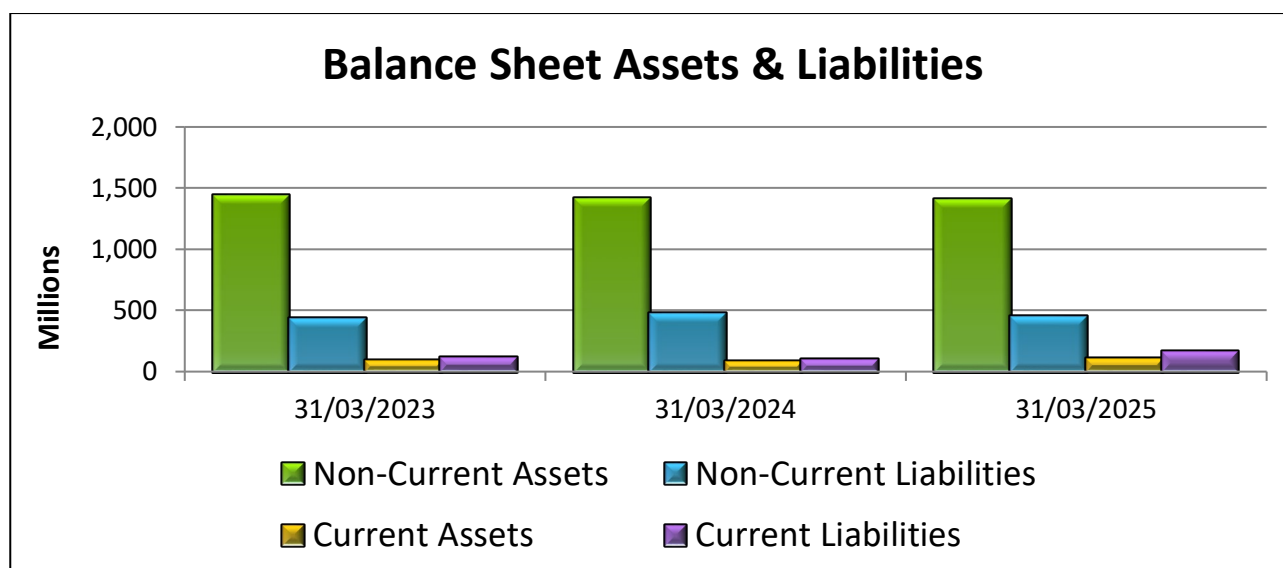
### **Impact of Materiality**

Materiality impacts the accounting statements by either reducing the number of disclosures or the amount of detail within them, for example by combining several balances together which has no impact on understanding of the statements. It also acts as an aid when assessing the impact of events or transactions and whether they change the understanding of the statements if not corrected or highlighted. In preparation of the accounts materiality is concerned with whether a reader would reach an incorrect conclusion on the authority's financial position from the way in which data, or the lack of, is presented. Inconsistencies between balances in separate notes are due to rounding variances and are not adjusted for.

### **Financial Overview – Financial Outlook**

General Fund earmarked reserves have slightly increased during 2024/25. This was mainly due to planned support to the general fund budget and carrying forward of grant balances utilised over several years. Planned use of reserves will see continued reduction in future years, recognising the need to ensure the long-term sustainability of the Council. The General Fund balance increased from £8.5m to £9.1m.

Non-current assets have reduced by £12m, mainly due to the revaluation of Property assets and academy disposals. The liabilities of the Council generally remain constant, with the pension liability being a specific and significant variable. The chart below shows the year-by-year values of main balance sheet categories.



Most Authorities also face challenging financial positions, and the changing relationship with Central Government may impact on future cash flows. With the potential for future cash flow changes Treasury Management will continue to be important in ensuring that cash is available when needed.

#### Financial Overview – Medium Term Financial Plan

The Local Government finance settlement for 2025/26 represented another single year settlement with funding increases being significantly lower than the cost pressures the council is experiencing. The absence of a multi-year funding settlement combined with the business rates reset and funding reforms means future funding is uncertain beyond 2025/26.

The planning assumption is that funding will remain at the same levels, or increase in line with inflation. This incorporates the current funding streams of Revenue Support Grant, Better Care Fund and the baseline level of retained business rates.

Assumptions about future increases in council tax are based on those used by the Office for Budget Responsibility however, this would be subject to both future government policy decisions and local tax setting decisions.

Allowance has been made for growth in the council tax base and business rates, in line with recent experience.

#### Forecast Expenditure

Following the experience of recent years, the key expenditure pressures are anticipated to be related to demand pressures in children and adults social care. More generally, the council will face pressures relating to population growth.

The Bank of England's inflation assumptions expect inflation to be fairly stable during 2025 and over the medium term, however the significant increases in the council's cost base over recent years means that variations in inflation compared to current assumptions can have a more significant impact on the MTFP.

The medium term financial plan estimates for inflation and financing costs have regard to published forecasts. These assumptions will need to be carefully monitored over time as the medium-term financial plan is refreshed.

### The Council's Strategy

The impact of the increased pressures on the base budget arising from inflation and demand has been unprecedented and it is evident that the savings required to achieve a sustainable budget cannot be achieved solely by individual service area savings plans.

The Swindon 2028 transformation plan is the council's response to make sure the council is set up and operates in a way that maximises resident outcomes, whilst also being financially sustainable.

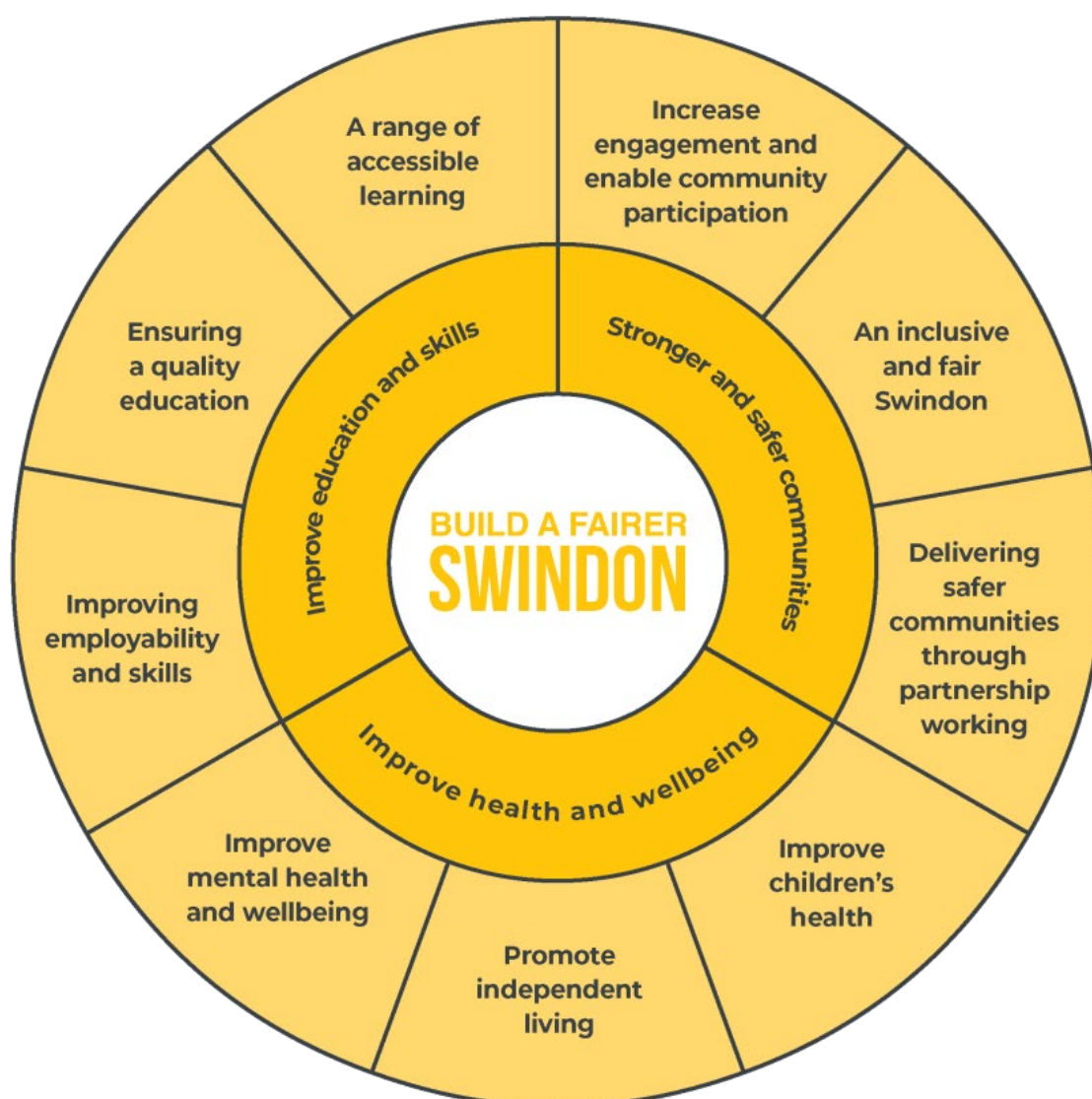
### Financial Projections from 2025/26

<b>Budget Summary</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>
Base Budget	178.8	188.4	194.6
Inflation	11.7	4.5	4.4
Spending Pressures	30.4	18.5	20
Savings Plans	(14.4)	(8.9)	(9.5)
Funding Changes	(8.5)	2.2	0
Reversal of Planned use of reserves	5.1	0	0
<b>Proposed Budget before EFS</b>	<b>203.1</b>	<b>204.7</b>	<b>209.5</b>
Exceptional Financial Support (EFS)	(14.7)	14.7	0
<b>Proposed Net Budget after EFS</b>	<b>188.4</b>	<b>219.4</b>	<b>209.5</b>
Less Funded By:			
Council Tax	139.8	148	156.5
Business Rates	39.7	40.7	41.7
Revenue Support Grant	5.7	5.9	6.1
Collection Fund Surplus	3.2	0	0
<b>Total Funding</b>	<b>188.4</b>	<b>194.6</b>	<b>204.3</b>
<b>Indicative Gap</b>	<b>0</b>	<b>24.8</b>	<b>5.2</b>

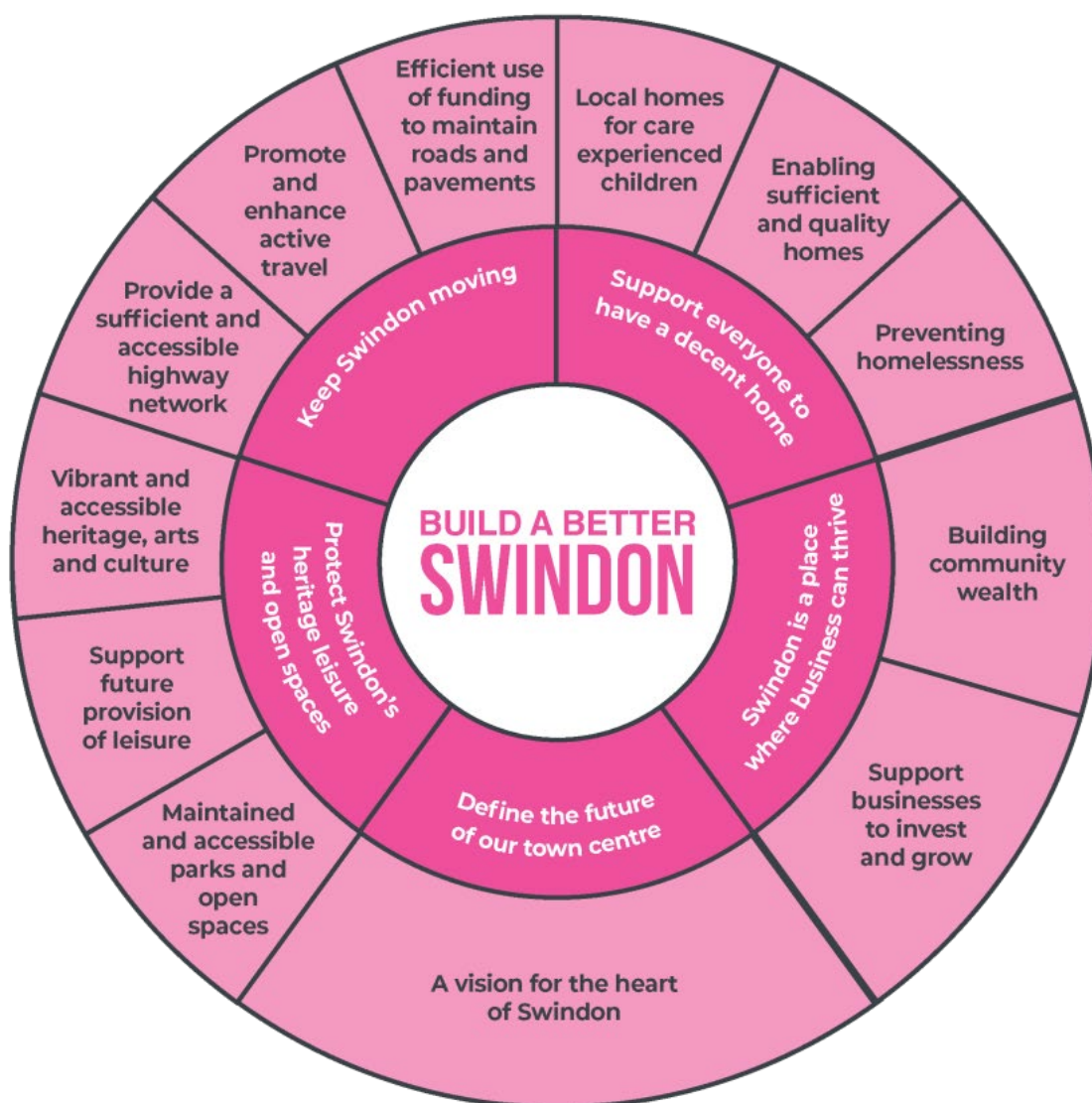
### Organisational Overview

Following a borough-wide engagement exercise held in early 2024, the Council finalised the [Swindon Plan](#) in July 2024 that sets out our long-term priorities to improve the quality of life for all of the Borough's residents:

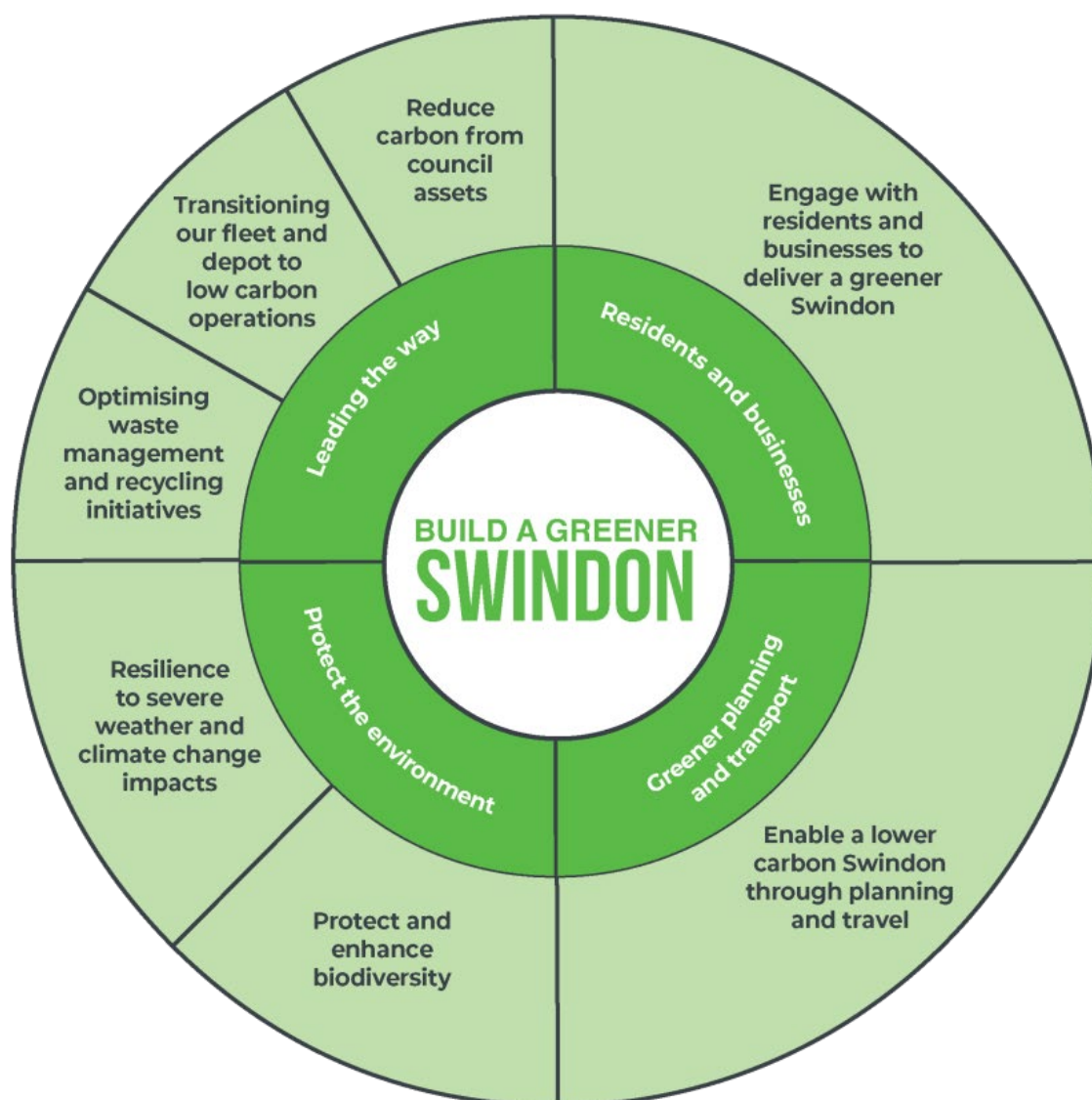
- **Build a Fairer Swindon** - Making Swindon a fairer place, reducing disadvantages and reducing big disparities in life expectancy, education levels and social justice.



- **Build a Better Swindon** - Creating a town ready for the challenges of the coming decades. Where possible, leading town centre improvement and creating more affordable housing with the private sector.



- **Build a Greener Swindon** - Fully playing our part as a council and a town in combatting climate change. Working with communities to find new ways of doing things that help, not hinder, the natural environment.



Acknowledging the ongoing financial pressures on public finances, the Swindon Plan sets out how the Council is looking to progress each mission working with communities and partners across the private, public and voluntary sectors

An accompanying [performance framework](#) sets out the action we will take to progress each objective over the next three years and how we will measure progress.

In December 2024, the first of what will be a bi-annual [performance report](#) was tabled at the Council's Cabinet meeting. This looks at our progress up to the end of September 2024 in delivering the commitments set out in the Swindon Plan performance framework.

Within this performance report, the following progress was noted:

- Build a Fairer Swindon: 26 deliverables in Progress and 22 Achieved
- Build a Better Swindon: 23 deliverables in Progress and 19 Achieved
- Build a Greener Swindon: 18 deliverables in Progress and 5 Achieved

A new Performance Governance Framework was set which outlines the process from Individual Deliverable/ KPI owners, to Directorate Leadership Teams, Mission Boards, CMT Performance & Improvement Board, Informal Cabinet and then bi-annual reporting to Cabinet.

In January 2025, Mission Boards commenced for each of the three missions. They are co-chaired by a CMT member and the Cabinet Ambassador for the Mission. All relevant officers attend to discuss progress quarterly against their deliverables and measures so that any escalations can be taken to CMT.

Performance has continued to be an intrinsic part of the Corporate Management Team (CMT) Performance & Improvement Board which is attended by CMT and Directors. The main mechanism for this is through the Corporate Scorecards and the Mission Dashboards:

- [Build a Fairer Swindon](#)
- [Build a Better Swindon](#)
- [Build a Greener Swindon](#)

Directors are expected to attend the Performance & Improvement Board with a one page Director Performance Summary with an overview of Performance/ KPI's going well or improved, Performance/ KPI's requiring improvement or worsening and the KPI of most concern.

### **Audit Report**

The draft accounts are required to be approved by the 30 June 2025 by the Director of Finance and Audit, the Council's designated Section 151 Officer, and independently audited and published in their audited form by 27 February 2026. The Council's auditors are Grant Thornton UK LLP and their audit report is at the end of this document.

### **Further Information**

If readers would like to know more about the accounts of the Council, please write to Kim Chequer, Director of Finance and Audit, Civic Offices, Euclid Street, Swindon SN1 2JH, or email [kchequer@swindon.gov.uk](mailto:kchequer@swindon.gov.uk)

# Statement of Responsibilities for the Statement of Accounts

## The Council's Responsibilities

The Council is required:

To make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs (Section 151 of the Local Government Act 1972). During the financial year 2024/25, the designated officer was the Director of Finance and Audit.

To manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.

## The Officer's Responsibilities

The Director of Finance and Audit had the responsibility to ensure that these final accounts were prepared in accordance with best practice. The Code of Practice on Local Authority Accounting in Great Britain ("the Code") requires the Statement to give a true and fair view of the financial position of the authority at the accounting date and its income and expenditure for the year ended 31st March 2025.

In preparing this Statement of Accounts, the Director Finance and Audit:

- Selected suitable accounting policies and then applied them consistently;
- Made judgements and estimates that were reasonable and prudent;
- Complied with the Code.

The Director Finance and Audit also:

- Kept proper accounting records which were up to date;
- Took reasonable steps for the prevention and detection of fraud and other irregularities.

## Approval of the Accounts

I certify that the above responsibilities have been accounted for in the production of these statements and that they give a true and fair view of the financial position of the authority at 31 March 2025.

Signed: *Kim Chequer*

Date: 27 June 2025

Kim Chequer

Director of Finance and Audit

## Approval of the Final Accounts

The Council's Audit Committee, being the relevant body within the Authority for such purpose, approved the final accounts on the date below. The dates of approval are also taken as the dates that the accounts were authorised for issue.

Signed:

Date:

Chair of Audit Committee

# The Financial Statements

## Comprehensive Income and Expenditure Statement (CIES)

This statement summarises the income and expenditure on all functions of the Authority and shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Authorities raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. Negative figures denote income.

	2023/24 Restated	2023/24 Gross Expenditure £000	2023/24 Gross Income £000	2023/24 Net Expenditure £000	2024/25 Gross Expenditure £000	2024/25 Gross Income £000	2024/25 Net Expenditure £000
Note	Continuing Operations:						
	Enabling	24,605	(3,221)	21,384	24,732	(3,765)	20,967
	Finance & Audit	6,533	(35,032)	(28,499)	8,193	(36,737)	(28,544)
	Stronger and Safer Communities	76,005	(71,943)	4,062	79,052	(71,689)	7,363
	Children Services	79,059	(9,076)	69,983	80,943	(9,428)	71,515
	Adults	135,491	(53,418)	82,073	137,806	(49,298)	88,508
	Inclusive Economy & Sustainability	89,570	(30,187)	59,383	72,150	(38,823)	33,327
6	DSG Commissioning	109,820	(102,218)	7,602	116,969	(108,889)	8,080
	HRA - Housing	56,998	(59,394)	(2,396)	54,410	(66,388)	(11,978)
	HRA - Operations	14,900	(183)	14,717	16,585	(201)	16,384
	<b>Surplus / Deficit on Continuing Operations</b>	<b>592,981</b>	<b>(364,672)</b>	<b>228,309</b>	<b>590,840</b>	<b>(385,218)</b>	<b>205,622</b>
4	Other operating expenditure			40,238			59,069
5	Financing & investment (income)/expenditure			12,676			12,215
7	Taxation and non-specific grant income			(226,191)			(222,314)
	<b>(Surplus) / Deficit on Provision of Services</b>			<b>55,032</b>			<b>54,592</b>
16	(Surplus) / Deficit on revaluation of PPE assets			(34,269)			(29,702)
32	Re-measurements on pension assets / liabilities			34,234			2,789
	<b>Other Comprehensive Income and Expenditure</b>			<b>(35)</b>			<b>(26,913)</b>
	<b>Total Comprehensive Income and Expenditure</b>			<b>54,997</b>			<b>27,679</b>

## Movement in Reserves Statement (MiRS)

This statement shows the movements between the CIES revenue account and balance sheet 'usable reserves' (i.e. revenue and capital reserves that can be applied to fund relevant expenditure or reduce local taxation) and other reserves. The (Surplus) / Deficit on the Provision of Services line shows the true economic cost of providing the authority's services, more details of which are shown in the CIES. The 'General Fund Balance' column shows that after accounting adjustments and reserve transfer the General Fund balance has increased by £684k. Earmarked GF reserves are a part of the statutory General Fund balance, whilst HRA balances are a statutory ring-fenced section for housing.

	GF Balance £'000	HRA £'000	Earmarked GF Reserves £'000	Earmarked HRA Reserves £'000	Capital Receipts Reserve £000	Major Repairs Reserve £000	Capital Grants Unapplied £000	Total Usable Reserves £000	Unusable Reserves £000	Total Authority Reserves £000
<b>1 April 2024</b>	<b>(8,496)</b>	<b>(9,639)</b>	<b>(46,946)</b>	<b>(998)</b>	<b>(8,365)</b>	<b>(1,881)</b>	<b>(57,011)</b>	<b>(133,336)</b>	<b>(792,628)</b>	<b>(925,964)</b>
(Surplus) / Deficit on Service provision	42,747	11,845	0	0	0	0	0	54,592	0	54,592
Other (Income) / Exp.	0	0	0	0	0	0	0	0	(26,913)	(26,913)
<b>Total Comprehensive (Income) / Exp.</b>	<b>42,747</b>	<b>11,845</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>54,592</b>	<b>(26,913)</b>	<b>27,679</b>
Adjusts between accounting & funding basis (note 13)	(36,873)	(6,735)	0	0	(1,267)	1,881	7,398	(35,596)	35,596	0
Transfer of DSG deficit	(6,746)	0	0	0	0	0	0	(6,746)	6,746	0
<b>Net (Increase)/ Decrease before Reserves</b>	<b>(872)</b>	<b>5,110</b>	<b>0</b>	<b>0</b>	<b>(1,267)</b>	<b>1,881</b>	<b>7,398</b>	<b>12,250</b>	<b>15,429</b>	<b>27,679</b>
Transfers to / (from) Other Reserves (note 14)	188	381	(188)	(381)	0	0	0	0	0	0
<b>(Increase)/ Decrease in-year</b>	<b>(684)</b>	<b>5,491</b>	<b>(188)</b>	<b>(381)</b>	<b>(1,267)</b>	<b>1,881</b>	<b>7,398</b>	<b>12,250</b>	<b>15,429</b>	<b>27,679</b>
<b>31 March 2025</b>	<b>(9,180)</b>	<b>(4,148)</b>	<b>(47,134)</b>	<b>(1,379)</b>	<b>(9,632)</b>	<b>0</b>	<b>(49,613)</b>	<b>(121,086)</b>	<b>(777,199)</b>	<b>(898,285)</b>

Movement in Reserves Statement continued

	GF Balance £'000	HRA £'000	Earmarked GF Reserves £'000	Earmarked HRA Reserves £'000	Capital Receipts Reserve £000	Major Repairs Reserve £000	Capital Grants Unapplied £000	Total Usable Reserves £000	Unusable Reserves £000	Total Authority Reserves £000
<b>1 April 2023</b>	<b>(8,335)</b>	<b>(12,340)</b>	<b>(52,854)</b>	<b>(1,294)</b>	<b>(11,388)</b>	<b>(1,855)</b>	<b>(44,145)</b>	<b>(132,211)</b>	<b>(848,750)</b>	<b>(980,961)</b>
(Surplus) / Deficit on Service provision	36,977	18,055	0	0	0	0	0	55,032	0	55,032
Other (Income) / Exp.	0	0	0	0	0	0	0	0	(35)	(35)
<b>Total Comprehensive (Income) / Exp.</b>	<b>36,977</b>	<b>18,055</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>55,032</b>	<b>97</b>	<b>54,997</b>
Adjusts between accounting & funding basis (note 13)	(28,131)	(15,058)	0	0	3,023	(26)	(12,866)	(53,058)	53,058	0
Transfer of DSG deficit	(3,099)	0	0	0	0	0	0	(3,099)	3,099	0
<b>Net (Increase)/ Decrease before Reserves</b>	<b>5,747</b>	<b>2,997</b>	<b>0</b>	<b>0</b>	<b>3,023</b>	<b>(26)</b>	<b>(12,866)</b>	<b>(1,125)</b>	<b>56,122</b>	<b>54,997</b>
Transfers to / (from) Other Reserves (note 14)	(5,908)	(296)	5,908	296	0	0	0	0	0	0
<b>(Increase)/ Decrease in- year</b>	<b>(161)</b>	<b>2,701</b>	<b>5,908</b>	<b>296</b>	<b>3,023</b>	<b>(26)</b>	<b>(12,866)</b>	<b>(1,125)</b>	<b>56,122</b>	<b>54,997</b>
<b>31 March 2024</b>	<b>(8,496)</b>	<b>(9,639)</b>	<b>(46,946)</b>	<b>(998)</b>	<b>(8,365)</b>	<b>(1,881)</b>	<b>(57,011)</b>	<b>(133,336)</b>	<b>(792,628)</b>	<b>(925,964)</b>

## Balance Sheet

This statement shows the balance sheet assets and liabilities of the Council at the 31 March. The net assets of the authority (assets less liabilities) are matched by reserves held. Reserves are reported in two categories; those that are useable 'cash-backed' reserves and can be used in funding revenue or capital spend, and those that are unusable for funding and represent as yet unrealised gains and losses.

Note		31st March 2024 £000	31st March 2025 £000
16/49	Property, Plant & Equipment	1,369,273	1,355,746
17	Investment property	4,750	4,580
18	Heritage	29,215	29,215
43	Long term investments	6,745	7,887
21	Long term debtors	6,713	6,959
	<b>Total Non-Current Assets</b>	<b>1,416,696</b>	<b>1,404,387</b>
	Cash & Cash equivalents	32,071	17,520
	Inventories & Work in Progress	786	962
22	Short term debtors	45,011	53,817
33	Short term investments	300	15,293
	Assets held for sale (current)	6,527	19,040
	<b>Current Assets</b>	<b>84,695</b>	<b>106,632</b>
23	Short term creditors	(78,311)	(79,432)
33	Short term borrowing	(20,348)	(82,936)
24	Provisions (short term)	(1,141)	(931)
	<b>Current Liabilities</b>	<b>(99,800)</b>	<b>(163,299)</b>
33	Long term borrowing	(350,850)	(312,541)
30/33	Long term creditors	(36,682)	(44,177)
24	Provisions (long term)	(8,812)	(7,558)
32	Pension Liability	(57,410)	(54,545)
7	Capital Grants receipts in advance	(21,873)	(30,614)
	<b>Non-Current Liabilities</b>	<b>(475,627)</b>	<b>(449,435)</b>
	<b>Net Assets</b>	<b>925,964</b>	<b>898,285</b>

**Balance Sheet continued**

Note		31st March 2024 £000	31st March 2025 £000
	General Fund Balance	(8,496)	(9,180)
	HRA Balance	(9,639)	(4,148)
14	GF Earmarked Reserves	(46,946)	(47,134)
14	HRA Earmarked Reserves	(998)	(1,379)
50	Major Repairs Reserve	(1,881)	0
	Capital Receipts Reserve	(8,365)	(9,633)
	Capital Grants Unapplied	(57,011)	(49,612)
MiRS*	<b>Usable Reserves</b>	<b>(133,336)</b>	<b>(121,086)</b>
25	Capital Adjustment Account	(244,774)	(228,290)
26	Revaluation Reserve	(611,448)	(615,267)
27	Pension Reserve	57,410	54,545
28	Collection Fund Adjustment Account	(1,507)	(2,539)
	Pooled Investment Funds Adjustment Account	523	437
6	DSG Deficit	8,400	15,146
	Deferred Capital Receipts	(1,232)	(1,231)
	<b>Unusable Reserves:</b>	<b>(792,628)</b>	<b>(777,199)</b>
	<b>Total Reserves</b>	<b>(925,964)</b>	<b>(898,285)</b>

\*MiRS – Movement in Reserves Statement

The unaudited accounts were issued on 27 June 2025.

*Kim Chequer*

**Kim Chequer**

Director of Finance and Audit

S151 Officer

## Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents of the authority during the reporting period. The statement shows how the authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. Investing activities represent the extent to which cash outflows have been made for resources, which are intended to contribute to the authority's future service delivery. Negative figures denote losses or reductions.

Note		2023/24 £'000	2024/25 £'000
	Net surplus or (deficit) on the provision of services	(55,032)	(54,592)
35	Adjustments to net surplus or deficit on the provision of services for non-cash movements	117,999	100,304
35	Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities	(52,137)	(38,093)
	<b>Net cash flows from Operating Activities</b>	<b>10,830</b>	<b>7,619</b>
36	Investing Activities	(17,125)	(33,835)
37	Financing Activities	4,436	11,665
	<b>Net increase or (decrease) in cash and cash equivalents</b>	<b>(1,859)</b>	<b>(14,551)</b>
	Cash and cash equivalents at the beginning of the reporting period	33,930	32,071
	<b>Cash and cash equivalents at the end of the reporting period</b>	<b>32,071</b>	<b>17,520</b>

# **Notes to the Financial Statements**

# Disclosures Relating to the Comprehensive Income and Expenditure Statement

## 1. Expenditure and Funding Analysis

The objective of the Expenditure and Funding Analysis (EFA) is to demonstrate to council tax and rent payers how the funding available to the authority (i.e. government grants, rents, council tax and business rates) for the year has been used in providing services in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. The EFA also shows how this expenditure is allocated for decision making purposes between the council's service functions. Transfers to earmarked reserves are items not chargeable to the GF or HRA.

	2024/25 Net Exp. Report to Cabinet £000	2024/25 Remove Not Chargeable to the GF or HRA £000	2024/25 Net Exp. Chargeable to GF and HRA £000	2024/25 Changes Between Funding & Accounting Basis £000	2024/25 Net Expenditure In the CIES £000
Enabling	18,848	(84)	18,763	2,204	20,967
Finance & Audit	(17,580)	2,593	(14,987)	(13,557)	(28,544)
Stronger and Safer Communities	5,160	604	5,764	1,599	7,363
Children Services	70,663	710	71,373	142	71,515
Adults	84,165	4,060	88,226	282	88,508
Inclusive Economy & Sustainability	16,919	(7,070)	9,849	23,478	33,327
DSG Commissioning	0	(1,000)	(1,000)	9,080	8,080
HRA - Housing	(16,681)	5,110	(11,571)	(407)	(11,978)
HRA - Operations	16,681	0	16,681	(297)	16,384
<b>(Surplus)/Deficit on Continuing Operations</b>	<b>178,175</b>	<b>4,923</b>	<b>183,098</b>	<b>22,524</b>	<b>205,622</b>
Other Income & Expenditure	11,637	0	11,637	47,432	59,069
Financing and Investment Income and Expenditure	0	0	0	12,215	12,215

Taxation and Non-Specific Grant Income	(190,497)	0	(190,497)	(31,817)	(222,314)
<b>(Surplus) / Deficit on Provision of Services</b>	<b>(685)</b>	<b>4,923</b>	<b>4,238</b>	<b>50,354</b>	<b>54,592</b>

Reconciliation of Movement to Balances	Opening	(Surplus) or Deficit on Provision of Services	Closing
General Fund	(8,496)	(684)	(9,180)
HRA	(9,638)	5,491	(4,147)
<b>Net Exp. Chargeable to the GF and HRA Balances</b>		<b>4,807</b>	
Earmarked reserves	(47,945)	(569)	(48,514)
<b>Remove Not Chargeable to the GF or HRA</b>	<b>(47,945)</b>	<b>(569)</b>	<b>(48,514)</b>
<b>(Surplus) / Deficit on Provision of Services</b>		<b>4,238</b>	

**Reconciliation of Reserve Movements not chargeable to GF or HRA as shown in Movement in Reserves (MiRS)**

Movement Reason	Net Reserve movement in EFA	Direct BS reserve transfer to GF balance	Net Transfers from earmarked reserves	Net Adjustment for reserves
<b>£000</b>	<b>4,923</b>	<b>(5,491)</b>	<b>569</b>	<b>0</b>

2023/24 Restated	2023/24 Outturn £000	2023/24 Presentational adjustment on Tariff £000	2023/24 Net Exp. Report to Cabinet £000	2023/24 Remove Not Chargeable to the GF or HRA £000	2023/24 Net Exp. Chargeable to GF and HRA £000	2023/24 Changes Between Funding & Accounting Basis £000	2023/24 Net Expenditure In the CIES £000
Enabling	17,895	0	17,895	662	18,557	2,828	21,385
Finance & Audit	(21,834)	835	(20,999)	3,870	(17,129)	(11,370)	(28,499)
Stronger and Safer Communities	4,315	0	4,315	0	4,315	1,191	5,506
Children Services	66,647	0	66,647	1,650	68,297	1,309	69,606
Adults	80,856	0	80,856	(662)	80,194	811	81,005
Inclusive Economy & Sustainability	18,386	0	18,386	678	19,064	40,319	59,383
DSG Commissioning	0	0	0	(291)	(291)	7,893	7,602
HRA - Housing	(14,514)	(503)	(15,017)	2,997	(12,020)	9,624	(2,396)
HRA - Operations	14,882	0	14,882	(1)	14,881	(164)	14,717
<b>(Surplus)/Deficit on Continuing Operations</b>	<b>166,633</b>	<b>332</b>	<b>166,965</b>	<b>8,903</b>	<b>175,868</b>	<b>52,441</b>	<b>228,309</b>
Other Income & Expenditure	10,320	0	10,320	0	10,320	29,918	40,238

Financing and Investment Income and Expenditure	0	0	0	0	0	12,676	12,676
Taxation and Non-Specific Grant Income	(177,446)	0	(177,446)	0	(177,446)	(48,745)	(226,191)
<b>(Surplus) / Deficit on Provision of Services</b>	<b>(493)</b>	<b>332</b>	<b>(161)</b>	<b>8,903</b>	<b>8,742</b>	<b>46,290</b>	<b>55,032</b>

Reconciliation of Movement to Balances	Opening	(Surplus) or Deficit on Provision of Services	Closing
General Fund	(8,335)	(161)	(8,496)
HRA	(12,339)	2,701	(9,638)
<b>Net Exp. Chargeable to the GF and HRA Balances</b>		<b>2,540</b>	
Earmarked reserves	(54,149)	6,267	(47,882)
<b>Remove Not Chargeable to the GF or HRA</b>	<b>(54,149)</b>	<b>6,267</b>	<b>(47,882)</b>
<b>(Surplus) / Deficit on Provision of Services</b>		<b>8,807</b>	

**Reconciliation of Reserve Movements not chargeable to GF or HRA as shown in Movement in Reserves (MiRS)**

Movement Reason	Net Reserve movement in EFA	Direct BS reserve transfer to GF balance	Net Transfers from earmarked reserves	Net Adjustment for reserves
<b>£000</b>	8,966	(2,701)	(6,267)	0

The following note details the adjustments that are made in the EFA and total comprehensive income and expenditure recognised by the Authority in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Authority to meet future capital and revenue expenditure.

‘Pensions’ adjustments are for the change in accounting for the pension liability under IFRS 19, which represents adjusting in-year payments made to the fund and including current / past service / interest costs per actuarial estimates. ‘Capital’ adds in depreciation, impairment and revaluation gains and losses. ‘Treasury’ accounts for adjustments in interest payable / receivable and minimum revenue provision that are not service expense within the CIES. ‘Other’ relates mainly to grant adjustments.

<b>2024/25</b>	<b>Pensions £'000</b>	<b>Capital £'000</b>	<b>Treasury £'000</b>	<b>Other £'000</b>	<b>Total £'000</b>
Enabling	(560)	2,917	(153)	0	2,204
Finance & Audit	1,080	6	(16,918)	2,275	(13,557)
Stronger and Safer Communities	(539)	3,937	(2,062)	263	1,599
Children Services	(891)	1,110	(77)	0	142
Adults	(642)	924	0	0	282
Inclusive Economy & Sustainability	(788)	25,302	(1,036)	0	23,478
DSG Commissioning	(1,339)	3,677	(4)	6,746	9,080
HRA - Housing	(320)	2,425	(2,512)	0	(407)
HRA - Operations	(297)	0	0	0	(297)
	<b>(4,296)</b>	<b>40,298</b>	<b>(22,762)</b>	<b>9,284</b>	<b>22,524</b>
Other Income & Expenditure	0	47,432	0	0	47,432
Financing and Investment Income and Expenditure	(1,358)	84	13,489	0	12,215
Taxation and Non-Specific Grant Income	0	(28,825)	0	(2,992)	(31,817)
<b>(Surplus) or Deficit on Provision of Services</b>	<b>(5,654)</b>	<b>58,989</b>	<b>(9,273)</b>	<b>6,292</b>	<b>50,354</b>

<b>2023/24 Restated</b>	<b>Pensions £'000</b>	<b>Capital £'000</b>	<b>Treasury £'000</b>	<b>Other £'000</b>	<b>Total £'000</b>
Enabling	(266)	1,640	(139)	1,593	2,828
Finance & Audit	(1,259)	0	(12,875)	2,764	(11,370)
Stronger and Safer Communities	(253)	1,444	0	0	1,191
Children Services	(430)	50	(41)	1,730	1,309
Adults	(280)	1,098	(7)	0	811
Inclusive Economy & Sustainability	(370)	41,726	(1,037)	0	40,319
DSG Commissioning	(717)	5,511	0	3,099	7,893
HRA - Housing	(171)	17,042	(7,247)	0	9,624
HRA - Operations	(164)	0	0	0	(164)
<b>Total Adjustments</b>	<b>(3,910)</b>	<b>68,511</b>	<b>(21,346)</b>	<b>9,186</b>	<b>52,441</b>
Other Income & Expenditure	0	29,918	0	0	29,918
Financing and Investment Income and Expenditure	1,170	1,187	10,319	0	12,676
Taxation and Non-Specific Grant Income	0	(49,073)	0	328	(48,745)
<b>(Surplus) or Deficit on Provision of Services</b>	<b>(2,741)</b>	<b>50,544</b>	<b>(11,027)</b>	<b>9,514</b>	<b>46,290</b>

## 2. Subjective Analysis of Service Expenditure

This disclosure shows the type of expenditure and income incurred through the CIES:

	2023/24	2024/25
<b>Expenditure and Income Type</b>	<b>£'000</b>	<b>£'000</b>
Employee related expenses	162,669	162,730
Other service expenses	346,230	365,703
Depreciation, amortisation and impairment	83,746	60,805
Interest Payments	18,348	17,228
Precepts & Levies	10,320	11,637
Payments to Housing Capital Receipts Pool	2,716	1,870
Gain or Loss on Disposal of Fixed Assets	27,202	45,562
<b>Total operating expenses</b>	<b>651,231</b>	<b>665,535</b>
Fees, charges & other service income	(114,667)	(131,738)
Interest and investment income	(5,672)	(5,013)
Income from Council Tax and Business Rates	(170,897)	(187,139)
Government grants and contributions	(304,963)	(287,053)
<b>Total Income</b>	<b>(596,199)</b>	<b>(610,943)</b>
<b>Surplus or deficit on the provision of services</b>	<b>55,032</b>	<b>54,592</b>

	2023/24	2024/25
<b>Description</b>	<b>£'000</b>	<b>£'000</b>
Non-grant contributions to service provision	(10,743)	(13,151)
Contributions from social care clients		
Income from fees & licenses	(19,297)	(26,956)
Includes parking, planning, permit and professional services income		
Income from rentals and hires	(62,236)	(68,102)
Includes income from rentals/hires, including HRA rents		
Income from sales of goods & services	(17,492)	(17,932)
Includes service charges, waste management and sales of goods		
Other Miscellaneous Income	(4,899)	(5,597)
<b>Total Fees, charges &amp; other service income</b>	<b>(114,667)</b>	<b>(131,738)</b>

## 3. Material Items of Income and Expense

Within the net cost of services of the CIES there are variances between years on service expenditure and income. Some of these changes will be due to general higher costs of purchasing external goods and services and changes in the cost of employing Council staff, some of which is offset by changes in income from fees and charges. Other changes will be due to the year-on-year variation of asset charges, such as depreciation and impairments. There are no unusual material items in 2023/24 or 2024/25.

#### 4. Other Operating Expenditure

Breakdown of items included under Other Operating Expenditure. The disposal of schools to academy status continues to see the high balances on disposal of non-current assets.

	2023/24 £'000	2024/25 £'000
(Gains)/losses on the disposal of non-current assets	27,202	45,562
Parish council precepts	10,320	11,637
Payments to the Government Housing Capital Receipts Pool	2,716	1,870
<b>Total Other Operating Expenditure</b>	<b>40,238</b>	<b>59,069</b>

#### 5. Financing and Investment Income and Expenditure

Breakdown of items included under Financing and Investment Income and Expenditure.

	2023/24 £'000	2024/25 £'000
Interest payable and similar charges	15,991	18,502
Interest receivable and similar income	(5,060)	(4,434)
Investment income	(612)	(579)
Movement on market value of investment property	1,005	170
(Gains)/losses on assets held for sale	182	(86)
Net interest on the net defined benefit liability	1,170	(1,358)
<b>Total Financing and Investment Income and Expenditure</b>	<b>12,676</b>	<b>12,215</b>

#### 6. Dedicated Schools Grant

Schools' funding is provided through the Dedicated Schools Grant (DSG). DSG is ring-fenced and can only be applied to meet expenditure properly included in the Schools Budget. The Schools Budget includes elements for a restricted range of services provided on an authority-wide basis and for the Individual School Budget, which is divided into a budget share for each school. Over- and under-spends on the two elements are required to be accounted for separately. Recent changes to legislation require a deficit recovery plan for any deficit value. The deficit is shown as a specific unusable reserve on the balance sheet with a debit balance.

	Restated Total 2023/24 £'000	Central Expenditure 2024/25 £'000	Schools Budgets 2024/25 £'000	Total 2024/25 £'000
Final DSG before Academy Recoupment	244,662			268,727
Academy figure recouped for the year	163,814			181,188
<b>DSG after Academy Recoupment</b>	<b>80,848</b>			<b>87,539</b>
Brought Forward from prior year	0			0
Carry Forward agreed in advance	0			0
<b>Agreed initial budgeted distribution</b>	<b>80,848</b>	<b>61,034</b>	<b>26,505</b>	<b>87,539</b>
In year adjustments	(28)	(177)	0	(177)
<b>Final budgeted distribution for year</b>	<b>80,819</b>	<b>60,857</b>	<b>26,505</b>	<b>87,362</b>
Less actual central expenditure	54,188	69,519		69,519
Less actual ISB deployed to schools	29,730		24,589	24,589
<b>Carry forward to next year</b> (including carry forward agreed in advance)	<b>(3,099)</b>	<b>(8,662)</b>	<b>1,916</b>	<b>(6,746)</b>

DSG unusable reserves at the end of Year	(5,300)	(8,400)
Addition to DSG unusable reserves at end of year	(3,099)	(6,746)
<b>Total of DSG unusable reserves at the end of the Financial Year</b>	<b>(8,399)</b>	<b>(15,146)</b>

## 7. Tax & Grant Income

The Authority credited the following grant related income to the Comprehensive Income and Expenditure Statement.

<b>Funding Body</b>	<b>2023/24 £'000</b>	<b>2024/25 £'000</b>
Heritage Lottery Fund	(45)	(133)
Department for Education (DfE)	(89,359)	(97,212)
Department for Work & Pensions (DWP)	(43,546)	(44,781)
Department of Communities & Local Government (DLUHC)	(50,007)	(48,296)
Department of Health	(11,634)	(12,333)
Department of Transport	(1,033)	(1,660)
Environment Agency / DEFRA	(324)	(236)
Home Office	(4,089)	(4,882)
Learning Skills Council / Skills Funding Agency	(497)	(657)
NHS	0	(13)
Youth Justice board	(404)	(372)
Sport England	(133)	0
Department for Business Energy & Industrial Strategy (BEIS)	(33)	0
Homes England	(75)	(437)
Grants from other organisations	(13,600)	(13,497)
Contributions & sponsorships from other organisations	(34,887)	(27,370)
<b>Total</b>	<b>(249,666)</b>	<b>(251,879)</b>

The value of Business Rates received by the authority under taxation and grant income is lower than the Billing Authority share disclosed in the Collection Fund statement due to the application of a government tariff.

	<b>2023/24 £'000</b>	<b>2024/25 £'000</b>
<b>Credited to Taxation and Non-Specific Grant Income</b>		
Collection Fund Income - Council Tax	(135,742)	(142,730)
Collection Fund Adjustments – Council Tax	226	(6,371)
Collection Fund Income - Business Rates	(53,460)	(57,740)
Collection Fund Income - Prior Year Surplus	(2,620)	(5,093)
Collection Fund Income - Business Rates Tariff	19,531	20,563
Collection Fund Adjustments – Business Rates	1,168	4,232
Revenue Support Grant	(5,155)	(5,497)
Other non-ring-fenced government grants	(1,066)	(853)
S106 - used in funding	(6,592)	(1,961)
Capital grants and contributions - to CGUA*	(42,481)	(26,864)
<b>Total</b>	<b>(226,191)</b>	<b>(222,314)</b>

\*Capital Grants Unapplied Account

The Authority has received a number of capital contributions that have yet to be recognised as income as they have conditions attached to them which are not reasonably assured to be met and may require the funds to be returned to the giver. The balances at the year-end are as follows:

	2023/24	2024/25
	£'000	£'000
<b>Capital Grants Receipts in Advance</b>		
<b>Balance at 1 April</b>	<b>(27,020)</b>	<b>(21,873)</b>
New funds received	(45,075)	(42,079)
Funds written out to fund capital schemes	50,184	33,338
Funds written out for repayment	38	0
<b>Balance at 31 March</b>	<b>(21,873)</b>	<b>(30,614)</b>

## 8. Members' Allowances

The Authority paid the following amounts to members of the council during the year.

	2023/24	2024/25
	£'000	£'000
Basic Allowances	519	532
Special Responsibility Allowances	226	237
Expenses	1	2
<b>Total</b>	<b>746</b>	<b>771</b>

## 9. Officers' Remuneration

The below shows estimates of remuneration to senior officers of the Corporate Management Team. There were a number of changes across the team which resulted in a number of interim appointments, some of which were made permanent during the year and one post incurred agency costs. In both years some senior officers were not in the pension scheme.

Position	Period	Remuneration £	Emp. Pension Contributions £	Total Remuneration £
<b>2024/25</b>				
Chief Executive Officer - Sam Mowbray	Full Year	179,819	38,481	218,300
Corporate Director of Childrens Services	Full Year	148,626	31,806	180,432
Corporate Director of Inclusive Economy & Sustainability	Full Year	143,500	30,709	174,209
Chief Operating Officer	Full Year	143,500	30,709	174,209
Corporate Director Integrated Adult Social Care	Full Year	139,678	29,891	169,569
Director of Finance and Audit (S151 Officer)	Full Year	112,750	24,128	136,878
Corporate Director of Stronger & Safer Communities	Started 01/07/24	107,625	23,032	130,657
<b>2023/24</b>				
Chief Executive Officer – Susie Kemp	Left 31/10/23	108,418	0	108,418
Chief Executive Officer – Sam Mowbray	Started 01/08/23	116,955	25,028	141,983
Corporate Director of Finance and Assets (S151 Officer)	Left 30/09/23	66,982	14,334	81,316
Director of Finance and Audit (S151 Officer)	Started 25/09/23	54,661	11,697	66,358
Corporate Director of Inclusive, Economy and Sustainability	Started 25/09/23 left 8/4/24	70,549	0	70,549
Corporate Director for Adults, Health and Housing	Left 02/02/24	125,421	26,840	152,261
Corporate Director Integrated Adult Social Care	Started 01/02/24	21,167	4,530	25,697
Corporate Director of Children Services	Agency until 01/06/23	120,834	25,858	146,692
Chief Operating Officer	Left Role 31/07/23	47,938	10,259	58,196
Chief Operating Officer	Started 11/09/23	71,342	15,267	86,609

The Authority's other employees due more than £50,000 remuneration for the year (excluding employer's pension contributions) were paid the following amounts:

Remuneration Band			Number of Employees	
£		£	2023/24	2024/25
50,000	to	54,999	94	97
55,000	to	59,999	51	51
60,000	to	64,999	33	53
65,000	to	69,999	32	21
70,000	to	74,999	11	26
75,000	to	79,999	14	9
80,000	to	84,999	5	10
85,000	to	89,999	3	4
90,000	to	94,999	2	2
95,000	to	99,999	3	4
100,000	to	104,999	2	3
105,000	to	109,999	2	1
110,000	to	114,999	1	0
115,000	to	119,999	0	1
125,000	to	129,999	0	1

## 10.Exit Packages

The Council incurred costs of £0.99m (£0.63m in 23/24) for known compulsory redundancy and other departure reasons payments.

Exit Package Band			Number of Employees			
			2023/24		2024/25	
			Compulsory	Other	Compulsory	Other
£		£				
0	to	19,999	10	15	13	22
20,000	to	79,999*	8	3	3	3
80,000	to	260,000*	0	0	3	0

\* Under the Code, ranges can be grouped if it could otherwise identify individual staff.

## 11.External Audit Costs

The Authority has the following scale fees in relation to the audit of the Statement of Accounts and certification of grant claims provided by the Authority's external auditors.

	2023/24	2024/25
	£'000	£'000
Statutory Audit of the Accounts	370	404
Review of Grant Claims	28	45
Other services	22	20
<b>Scale Fees Due</b>	<b>420</b>	<b>469</b>
<b>Total Fees including additional</b>	<b>420</b>	<b>469</b>

## 12. Better Care Fund

The government created the Better Care Fund in 2015 with the aim of developing and improving joint health and social care planning. The Better Care Fund is a pooling of existing Health and Social Care budgets. The Care Act 2014 amended the NHS Act 2006 to provide the legislative basis for the Better Care Fund. It allows for the NHS Mandate to include specific requirements relating to the establishment and use of an integration fund.

The Council entered into an arrangement in 2015, with Swindon Clinical Commissioning Group (CCG), now the Integrated Care Board (ICB) to comply with the requirements of the Better Care Fund. The Section 75 ("S75") agreement covers a range of budgets as well as the Better Care Fund. Each year a Deed of Variation to the S75 is drawn up and agreed by both partners, this variation document provides up to date budget allocations for the financial year.

Swindon's Better Care Fund was presented to and approved by Swindon's Health & Wellbeing Board and NHS England. The funding provided by each partner and risk share are identified within the Section 75 agreements. This results in the budgets not being a true pooled budget arrangement, as Swindon Borough Council generally retains responsibility for service and financial pressures on social care and public health services, and ICB retains responsibility for service and financial pressures on health services.

The following table is for information only and provides a memorandum of the split between parties. The budget is hosted by the Council on behalf of the two partners to the agreement, so it nominally collects and redistributes all funds, but does not control ICB commissioning activities and expenditure. It operates on an agency basis with amounts shown against the Council as Better Care Fund included within the Adults Section 75 arrangement balances. Costs from activities directly commissioned by the ICB are shown at the foot of the table.

	2023/24			2024/25		
	SBC £'000	ICB £'000	Total £'000	SBC £'000	ICB £'000	Total £'000
Adult Section 75	8,792	16,778	25,570	9,783	14,846	24,629
Public Health	0	0	0	0	33	33
Children - Commissioning & Service Delivery	0	2,902	2,902	0	2,573	2,573
Capital - DFG	972	0	972	1,663	0	1,663
<b>Total</b>	<b>9,764</b>	<b>19,680</b>	<b>29,444</b>	<b>11,447</b>	<b>17,452</b>	<b>28,898</b>
<b>Better Care Fund</b>						
SBC Commissioned activities	6,152	12,182	18,334	6,656	12,671	19,327
Capital - DFG	972	0	972	1,663	0	1,663
<b>Total</b>	<b>7,124</b>	<b>12,182</b>	<b>19,306</b>	<b>8,320</b>	<b>12,671</b>	<b>20,990</b>
Activities directly commissioned and recorded within Swindon ICB accounts.	0	6,116	6,116	0	6,462	6,462

### 13.Adjustments between Accounting Basis and Funding Basis under Regulations

Adjustments shown within the Movement in Reserves statement – the net balance of entries against Total Useable Reserves is matched by entries to an Unusable Reserve, generally used for accounting adjustments and not for supporting the General Fund:

2024/25	General Fund Balance £'000	Housing Revenue Account £'000	Capital Receipts Reserve £'000	Major Repairs Reserve £'000	Capital Grants Unapplied £'000	Total Usable Reserves £'000
Adjustments primarily involving the Capital Adjustment Account:						
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement						
Charges for depreciation of non-current assets	(26,738)	(9,851)	0	0	0	(36,589)
Charges for impairment and revaluation losses of non-current assets	(2,855)	(21,360)	0	0	0	(24,215)
Movement in the market value of investment properties	(170)	0	0	0	0	(170)
Capital grants and contributions applied	1,961	0	0	0	0	1,961
Revenue expenditure funded from capital under statute	(8,309)	0	0	0	0	(8,309)
Movement in the value of donated assets	0	0	0	0	0	0
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	(46,430)	(8,401)	0	0	0	(54,831)
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:						
Statutory provision for the financing of capital investment	8,695	0	0	0	0	8,695
Voluntary provision for the financing of capital investment	0	0	0	0	0	0
Capital expenditure charged against the GF and HRA balances	28	18,935	0	0	0	18,963
Adjustments for capital grants:						
Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement	26,864	0	0	0	(26,864)	0
Application of grants to capital financing transferred to the CAA	0	0	0	0	34,262	34,262
Adjustments primarily involving the Capital Receipts Reserve:						
Transfer of cash sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	5,942	3,327	(9,268)	0	0	1
Flexible use of UCR to finance transformational projects	0	0	6,132	0	0	6,132
Use of the Capital Receipts Reserve to finance new capital expenditure	0	0	0	0	0	0
Use of the Capital Receipts Reserve Voluntary debt funding	(1,870)	0	1,870	0	0	0

Contribution from the Capital Receipts Reserve to finance the payments to the Government capital receipts pool.	5,942	3,327	(9,268)	0	0	1
Adjustments primarily involving the Deferred Capital Receipts Reserve (England and Wales):						
Transfer of deferred sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	0	0	(1)	0	0	(1)
Adjustment primarily involving the Major Repairs Reserve						
HRA resources credited to the MRR	0	9,851	0	(9,851)	0	0
Use of the Major Repairs Reserve to finance new capital expenditure	0	0	0	11,732	0	11,732
Adjustments primarily involving the Pensions Reserve:						
Net reversal from CIES of items relating to IAS19 retirement benefits	4,889	764	0	0	0	5,653
Adjustments primarily involving the Collection Fund Adjustment Account:						
Amount by which council tax / business rate income credited to the CIES is different from that calculated for the year in accordance with statutory requirements	1,032	0	0	0	0	1,032
Adjustments primarily involving the Pooled Investment Funds Adjustment Account:						
Reversal of the Gains or Losses on AHFS	88	0	0	0	0	88
<b>Total Adjustments</b>	<b>(36,873)</b>	<b>(6,735)</b>	<b>(1,267)</b>	<b>1,881</b>	<b>7,398</b>	<b>(35,596)</b>

<b>2023/24</b>	<b>General Fund Balance £'000</b>	<b>Housing Revenue Account £'000</b>	<b>Capital Receipts Reserve £'000</b>	<b>Major Repairs Reserve £'000</b>	<b>Capital Grants Unapplied £'000</b>	<b>Total Usable Reserves £'000</b>
Adjustments primarily involving the Capital Adjustment Account:						
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement						
Charges for depreciation of non-current assets	(23,986)	(9,478)	0	0	0	(33,464)
Charges for impairment and revaluation losses of non-current assets	(23,642)	(26,639)	0	0	0	(50,281)
Movement in the market value of investment properties	(1,020)	0	0	0	0	(1,020)
Capital grants and contributions applied	6,592	0	0	0	0	6,592
Revenue expenditure funded from capital under statute	(4,004)	0	0	0	0	(4,004)
Movement in the value of donated assets	15	0	0	0	0	15
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	(24,180)	(7,870)	0	0	0	(32,050)
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:						
Statutory provision for the financing of capital investment	5,415	0	0	0	0	5,415

Swindon Borough Council – Statement of Accounts – 2024/25 DRAFT

Voluntary provision for the financing of capital investment	0	5,000	0	0	0	5,000
Capital expenditure charged against the GF and HRA balances	163	9,597	0	0	0	9,760
Adjustments for capital grants:						
Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement	42,481	0	0	0	(42,481)	0
Application of grants to capital financing transferred to the CAA	0	0	0	0	29,615	29,615
Adjustments primarily involving the Capital Receipts Reserve:						
Transfer of cash sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	185	4,663	(4,848)	0	0	0
Flexible use of UCR to finance transformational projects	(3,302)	0	3,302	0	0	0
Use of the Capital Receipts Reserve to finance new capital expenditure	0	0	1,854	0	0	1,854
Use of the Capital Receipts Reserve Voluntary debt funding	0	0	0	0	0	0
Contribution from the Capital Receipts Reserve to finance the payments to the Government capital receipts pool.	(2,716)	0	2,716	0	0	0
Adjustments primarily involving the Deferred Capital Receipts Reserve (England and Wales):						
Transfer of deferred sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	0	0	(1)	0	0	(1)
Adjustment primarily involving the Major Repairs Reserve						
HRA resources credited to the MRR	0	9,478	0	(9,478)	0	0
Use of the Major Repairs Reserve to finance new capital expenditure	0	0	0	9,452	0	9,452
Adjustments primarily involving the Pensions Reserve:						
Net reversal from CIES of items relating to IAS19 retirement benefits	2,550	191	0	0	0	2,741
Adjustments primarily involving the Collection Fund Adjustment Account:						
Amount by which council tax / business rate income credited to the CIES is different from that calculated for the year in accordance with statutory requirements	(2,500)	0	0	0	0	(2,500)
Adjustments primarily involving the Pooled Investment Funds Adjustment Account:						
Reversal of the Gains or Losses on AHFS	(182)	0	0	0	0	(182)
<b>Total Adjustments</b>	<b>(28,131)</b>	<b>(15,058)</b>	<b>3,023</b>	<b>(26)</b>	<b>(12,866)</b>	<b>(53,058)</b>

#### 14. Transfers to/from Earmarked Reserves

This note sets out the amounts set aside from the General Fund and HRA balances in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund and HRA expenditure. Transfers out are generally used to support specific projects, or budgeted contributions to the general fund.

	Balance 31/3/23 £'000	Transfers In £'000	Transfers Out £'000	Balance 31/3/24 £'000	Transfers In £'000	Transfers Out £'000	Balance 31/3/25 £'000
<b>HRA Earmarked</b>	<b>(1,294)</b>	<b>(137)</b>	<b>433</b>	<b>(998)</b>	<b>(392)</b>	<b>11</b>	<b>(1,379)</b>
Service Earmarked	(25,833)	(5,935)	7,473	(24,295)	(12,286)	10,593	(25,988)
Major Project Cashflowing	(1,244)	0	1,125	(119)	(380)	0	(499)
Schools	(4,336)	(63)	651	(3,748)	0	743	(3,005)
Infrastructure & Regeneration	(982)	0	107	(875)	(24)	96	(803)
Budget Delivery Cashflowing	(20,459)	(3,995)	6,545	(17,909)	(1,164)	2,234	(16,839)
<b>General Fund Reserves per BS</b>	<b>(52,854)</b>	<b>(9,993)</b>	<b>15,901</b>	<b>(46,946)</b>	<b>(13,854)</b>	<b>13,666</b>	<b>(47,134)</b>
<b>Total Earmarked Reserves</b>	<b>(54,148)</b>	<b>(10,130)</b>	<b>16,334</b>	<b>(47,944)</b>	<b>(14,246)</b>	<b>13,677</b>	<b>(48,513)</b>

The reserves above serve a number of purposes and can be summarised as:

Reserve	Purpose
HRA Earmarked	These reserves support the specific service requirements of the HRA
Schools	For schools' related rollovers
Service Earmarked	To support individual services of the GF, such as commuted sums, self-insurance, children's development and public health
Major Project Cash flowing	Ongoing Wichelstowe and PFI-related support
Infrastructure & Regeneration	To provide support to activities in these areas
Budget Delivery Cash flowing	To mitigate fluctuations in funding

## 15.Impact of Prior period Adjustments

The following table indicates the restatements necessary to the 2023/24 CIES classification to adjust for the internal re-alignment of services within reported Directorates.

	2023/24	2023/24	2023/24	Amounts Removed			Amounts Reclassified			2023/24	2023/24	2023/24
	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	Restated Gross Expenditure	Restated Gross Income	Restated Net Expenditure
Continuing Operations	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Enabling	70,128	(47,348)	22,780	(45,523)	44,127	(1,396)	0	0	0	24,605	(3,221)	21,384
Finance & Assets	6,533	(35,032)	(28,499)	0	0	0	0	0	0	6,533	(35,032)	(28,499)
Stronger and Safer Communities	0	0	0	0	0	0	76,005	(71,943)	4,062	76,005	(71,943)	4,062
Children Services	82,517	(10,445)	72,072	(3,458)	1,369	(2,089)	0	0	0	79,059	(9,076)	69,983
Adults	161,968	(79,341)	82,627	(26,477)	25,923	(554)	0	0	0	135,491	(53,418)	82,073
Economy & Development	90,117	(30,711)	59,406	(547)	524	(23)	0	0	0	89,570	(30,187)	59,383
DSG Commissioning	109,820	(102,218)	7,602	0	0	0	0	0	0	109,820	(102,218)	7,602
HRA - Housing	56,998	(59,394)	(2,396)	0	0	0	0	0	0	56,998	(59,394)	(2,396)
HRA - Operations	14,900	(183)	14,717	0	0	0	0	0	0	14,900	(183)	14,717
<b>Surplus / Deficit on Continuing Operations</b>	<b>70,128</b>	<b>(47,348)</b>	<b>22,780</b>	<b>(76,005)</b>	<b>71,943</b>	<b>(4,315)</b>	<b>76,005</b>	<b>(71,943)</b>	<b>4,315</b>	<b>592,981</b>	<b>(364,672)</b>	<b>228,309</b>

The EFA and group CIES were also restated for these realignments to services that impacted the CIES.

# Disclosures Relating to the Balance Sheet

## 16. Property, Plant and Equipment

In 2024/25 the Council made no material changes to its accounting estimates methods for Property, Plant and Equipment.

The revaluation programme is such that the top twenty assets by value are revalued annually, whilst the majority of the remaining items of Other Land and Buildings are revalued bi-annually. This results in the majority of assets going no longer than a year without undergoing revaluation review. Accumulated depreciation is written back at the revaluation date.

	<b>Council Dwellings</b>	<b>Other Land and Buildings</b>	<b>Vehicles, Plant, &amp; Equipment</b>	<b>Community Assets</b>	<b>Surplus Assets</b>	<b>Assets Under Construction</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Carried at historical cost	0	0	32,398	15,480	0	83,647	<b>131,525</b>
Value of assets revalued in year ending:							
31-Mar-25	571,595	305,448	0	0	20,459	0	<b>897,502</b>
31-Mar-24	0	111,134	0	0	13,786	0	<b>124,920</b>
<b>Total Value of category on the balance sheet</b>	<b>571,595</b>	<b>416,582</b>	<b>32,398</b>	<b>15,480</b>	<b>34,245</b>	<b>83,647</b>	<b>1,153,947</b>

The revaluation decreases recognised in the surplus/deficit on provision of services relates to a general fall in prices across the relevant asset categories for General Fund assets. HRA council dwellings are also subject to specific impairment where the value of new build property is affected by social housing valuations. The certified valuation date is the 31 December but the Valuer confirms any material change to the valuations at the end of the year. There has been an improvement in the housing market during the year which is reflected in the increase to HRA dwellings valuation, although such valuations are limited by application of a social housing discount factor.

In accordance with the temporary relief offered by the Update to the Code on infrastructure assets this note does not include disclosure of gross cost and accumulated depreciation for infrastructure assets because historical reporting practices and resultant information deficits mean that this would not faithfully represent the asset position to the users of the financial statements.

2024/25	Council Dwellings	Other Land & Buildings	Vehicles, Plant, & Equipment	Infrastructure Assets	Community Assets	Surplus Assets	Assets Under Construction	Total PPE
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or Valuation								
Adjustment to brought forward		(224)						
<b>At 1 April 2024</b>	<b>572,409</b>	<b>448,680</b>	<b>28,878</b>		<b>14,431</b>	<b>28,943</b>	<b>65,659</b>	<b>1,159,000</b>
Additions	28,440	26,177	3,520		1,049	171	18,175	77,532
Revaluation + / (-) recognised in the Revaluation Reserve	695	9,704	0		0	(57)	0	10,342
Revaluation + / (-) recognised in the Surplus/Deficit on the Provision of Services	(21,360)	(2,957)	0		0	(1,505)	0	(25,822)
Derecognition – disposals	(8,776)	(42,530)	0		0	(313)	0	(51,619)
Reclassification	187	(22,492)	0		0	7,006	(187)	(15,486)
<b>At 31 March 2025</b>	<b>571,595</b>	<b>416,582</b>	<b>32,398</b>		<b>15,480</b>	<b>34,245</b>	<b>83,647</b>	<b>1,153,947</b>
Accumulated Depreciation and Impairment								
Adjustment to brought forward		224						
<b>At 1 April 2024</b>	<b>(2,273)</b>	<b>(5,120)</b>	<b>(15,438)</b>		<b>0</b>	<b>(42)</b>	<b>0</b>	<b>(22,873)</b>
Depreciation charge	(9,456)	(13,870)	(3,545)		0	(14)	0	(26,885)
Depreciation w/b on Revaluation	8,989	9,526	0		0	0	0	18,515
Depreciation written to/from the CIES	0	1,671	0		0	0	0	1,671
Depreciation written to/from the CIES - Reclassifications	0	27	0		0	(27)	0	0
Derecognition – disposals	375	210	0		0	17	0	602
<b>At 31 March 2025</b>	<b>(2,365)</b>	<b>(7,556)</b>	<b>(18,983)</b>		<b>0</b>	<b>(66)</b>	<b>0</b>	<b>(28,970)</b>
Net Book Value as per the Balance Sheet								
<b>At 1 April 2024</b>	<b>570,136</b>	<b>443,560</b>	<b>13,440</b>	<b>233,146</b>	<b>14,431</b>	<b>28,901</b>	<b>65,659</b>	<b>1,136,127</b>
<b>At 31 March 2025</b>	<b>569,230</b>	<b>409,026</b>	<b>13,415</b>	<b>230,769</b>	<b>15,480</b>	<b>34,179</b>	<b>83,647</b>	<b>1,124,977</b>

2023/24	Council Dwellings	Other Land & Buildings	Vehicles, Plant, & Equipment	Infrastructure Assets	Community Assets	Surplus Assets	Assets Under Construction	Total PPE
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or Valuation								
<b>At 1 April 2023</b>	<b>551,820</b>	<b>495,146</b>	<b>18,338</b>		<b>13,014</b>	<b>28,032</b>	<b>61,159</b>	<b>1,167,509</b>
Additions	16,742	5,814	10,540		1,417	23	27,629	62,165
Revaluation + / (-) recognised in the Revaluation Reserve	16,099	(1,040)	0		0	(100)	0	14,959
Revaluation + / (-) recognised in the Surplus/Deficit on the Provision of Services	(26,639)	(21,349)	0		0	(4,323)	0	(52,311)
Derecognition – disposals	(8,742)	(24,621)	0		0	265	0	(33,098)
Reclassification	23,129	(5,046)	0		0	5,046	(23,129)	0
<b>At 31 March 2024</b>	<b>572,409</b>	<b>448,904</b>	<b>28,878</b>		<b>14,431</b>	<b>28,943</b>	<b>65,659</b>	<b>1,159,224</b>
Accumulated Depreciation and Impairment								
<b>At 1 April 2023</b>	<b>(2,205)</b>	<b>(6,799)</b>	<b>(12,375)</b>		<b>0</b>	<b>(103)</b>	<b>0</b>	<b>(21,482)</b>
Depreciation charge	(9,088)	(11,825)	(3,063)		0	(22)	0	(23,998)
Depreciation w/b on Revaluation	8,148	11,114	0		0	43	0	19,305
Depreciation written to/from the CIES	0	1,992	0		0	38	0	2,030
Depreciation written to/from the CIES - Reclassifications	0	(2)	0		0	2	0	0
Derecognition – disposals	872	176	0		0	0	0	1,048
<b>At 31 March 2024</b>	<b>(2,273)</b>	<b>(5,344)</b>	<b>(15,438)</b>		<b>0</b>	<b>(42)</b>	<b>0</b>	<b>(23,097)</b>
Net Book Value as per the Balance Sheet								
<b>At 1 April 2023</b>	<b>549,615</b>	<b>488,347</b>	<b>5,963</b>	<b>234,098</b>	<b>13,014</b>	<b>27,929</b>	<b>61,159</b>	<b>1,380,125</b>
<b>At 31 March 2024</b>	<b>570,136</b>	<b>443,560</b>	<b>13,440</b>	<b>233,146</b>	<b>14,431</b>	<b>28,901</b>	<b>65,659</b>	<b>1,369,273</b>

The authority has chosen not to disclose this information as the previously reported practices and resultant information deficits mean that gross cost and accumulated depreciation are not measured accurately and would not provide the basis for the users of the financial statements to take economic or other decisions relating to infrastructure assets.

	2023/24	2024/25
	£'000	£'000
<b>Net movement in Infrastructure Assets</b>		
<b>Net Book Value (modified historical cost) at 1 April</b>	<b>234,098</b>	<b>233,146</b>
Additions	8,514	7,327
Reclassifications	0	0
Depreciation	(9,466)	(9,704)
<b>Net book value at 31 March</b>	<b>233,146</b>	<b>230,769</b>

The authority has determined in accordance with Regulation 30M England of the Local Authorities (Capital Finance and Accounting) (England/Wales) (Amendment) Regulations 2022 that the carrying amounts to be derecognised for infrastructure assets when there is replacement expenditure is nil.

The infrastructure accounting policy for Swindon Borough Council was revised in 2021/22 to reflect component parts of the network and changes in the useful lives following review. Carriageway/Path/Lighting components and street furniture are now depreciated over 30 years, with structures over 100. The following table shows the revised estimated useful lives, the recorded net book value of the relevant component element of the network and their relative proportion of the overall net book value.

Infrastructure Components	Useful Life	In-year Depreciation	31/3/25 NBV £000	Percentage
Carriageways	30	(8,494)	171,883	74%
Footways/ Cycle Tracks	30	(158)	4,382	2%
Structures (bridges, tunnels, underpasses)	100	(408)	38,414	17%
Street Lighting	30	(534)	13,744	6%
Street Furniture	30	(110)	2,346	1%
<b>NBV per the Balance Sheet</b>		<b>(9,704)</b>	<b>230,769</b>	<b>100%</b>

In valuing surplus assets the valuers have used a desktop valuation with physical inspections. There has been no change in the valuation techniques used during the year for surplus assets. The material proportion of surplus assets (82%) relates to land available for development, which is considered the highest and best use of the asset.

Description of Asset	Valuation Hierarchy	Basis of Valuation	Observable and non-observable inputs	Key sensitivities				
Surplus assets	Level 2	Valued at Fair Value as at 31 December 2024 using the market approach.	Review of similar markets for development land.	The inputs listed are exposed to future market changes. These are either at a macro level based on factors such as the performance of the economy, or micro level such as the local demand for development, however, a material value of the surplus assets is for known future development.				
Sensitivity of asset				Asset	Valuation Range	Value as at 31/3/25	Valuation Variation	
						£'000	£'000	
The valuation report states that there is a valuation tolerance of +/- 10%, and the impact of this range on the closing value of surplus assets at 31/3/25 is shown.				Surplus assets	+/- 10%	34,182	3,418	

## 17. Investment Properties

The following table summarises the movement of the fair value investment properties over the year:

	2023/24 £'000	2024/25 £'000
Balance at start of the year	5,770	4,750
Net gains/losses from fair value adjustments	(1,020)	(170)
Balance at end of the year	4,750	4,580

The valuers have used a desktop valuation with physical inspections, with valuations taking account of the following factors: existing lease terms and rentals taken from the tenancy schedule and independent research into market evidence including Market rentals and yields. There has been no change in the valuation techniques used during the year for investment properties. In estimating the fair value of the Authority's investment property, the highest and best use of the properties is deemed to be their current use.

Description of Asset	Valuation Hierarchy	Basis of Valuation	Observable and non-observable inputs	Key sensitivities				
Investment property	Level 2	Valued at Fair Value as at 31 December 2024 using market and income approach.	Estimated rental value. Capitalisation rate. Local market rate.	The inputs listed are exposed to future market changes. These are either at a macro level based on factors such as the performance of the economy, or micro level such as the local tenant demand for property or house prices.				
Sensitivity of asset				Asset	Valuation Range	Value as at 31/3/25	Valuation Variation	
						£'000	£'000	
The Council owns one material investment property, Lysander House in Bristol, which it has considered the potential impact of valuation changes on. The valuation report states that there is a valuation tolerance of +/- 10%, and the impact of this range on the closing value of this investment at 31/3/25 is shown.				Lysander House	+/- 10%	4,580	458	

## 18. Heritage Assets

The valuation rules are relaxed in relation to heritage assets and values for collections have been taken by reference to accepted valuations by external insurers and the expertise of service staff. The nature of heritage assets means they are expected to have indefinite lives, as they are held for future prosperity without consumption of benefits. The Council's holdings can be broken down to collections held at the following sites:

	2023/24	2024/25
	£'000	£'000
<b>Collections held on location at:</b>		
Steam Railway Heritage Centre	14,200	14,200
Bath Road Museum	11,815	11,815
Lydiard Park House	2,500	2,500
Richard Jefferies Museum	120	120
Agricultural Store Coate	120	120
Whitehall Farm Stores	60	60
Transport Depot Stores	60	60
Civic Regalia	340	340
<b>Total Valuation</b>	<b>29,215</b>	<b>29,215</b>

## 19. Capital Commitment

At 31 March 2024, Council has approved a Capital Programme of £803m with £484m remaining budgeted to be spent on the construction or enhancement of Property, Plant and Equipment in 2025/26 and future years. Whilst a departure from the Code and not contractually committed, there is reasonable expectation that the work will be undertaken. External grants and borrowing will primarily fund this programme of works, which includes the major New Eastern Villages and Kimmerfields developments. Further expenditure depends on borrowing, grants and other contributions, some of which have already been received or promised. Similar remaining budgeted commitments at 31 March 2024 were £423m.

## 20. Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred in the year is shown in the table below together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Authority, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Authority that has yet to be financed. The CFR was £560.6m as at 31/03/24 and has increased by £17.2m to £577.8m as at 31/03/25.

	2023/24	2024/25
	£'000	£'000
Property, Plant & Equipment	45,732	51,495
HRA Dwellings & AUC	24,954	33,424
<b>Total Additions to Balance Sheet</b>	<b>70,686</b>	<b>84,919</b>
Revenue Expenditure Funded from Capital Under Statute	4,004	8,309
<b>Total Expenditure to be Financed</b>	<b>74,690</b>	<b>93,228</b>
HRA Funding	(9,452)	(11,732)
Capital Receipts	(1,854)	(6,132)
Revenue Contribution to Capital Outlay (RCCO)	(9,760)	(18,963)
Government Grants and Other Contributions	(29,615)	(34,262)
S106	(6,592)	(1,961)
<b>Sources of non-borrowing finance</b>	<b>(57,273)</b>	<b>(73,050)</b>
<b>Opening CFR</b>	<b>553,639</b>	<b>560,641</b>
Balance of capital expenditure financed from borrowing	17,417	20,178
Balance of capital expenditure financed from borrowing - ROU Assets	0	5,740
Reduction from MRP	(5,415)	(8,695)
Reduction from Voluntary HRA repayments	(5,000)	0
<b>Movement in CFR</b>	<b>7,002</b>	<b>17,223</b>
<b>Closing CFR</b>	<b>560,641</b>	<b>577,864</b>

## 21. Long-term Debtors

The balance of long-term debtors consists of the following elements:

	Balance at 31 March	2024	2025
		£'000	£'000
Mortgage Advances		229	225
Finance Lease Asset		1,232	1,231
Long term loans		5,252	5,503
<b>Total</b>		<b>6,713</b>	<b>6,959</b>

## 22. Short-term Debtors

The balances of short-term debtors are summarised in the following table.

	Balance at 31 March	2024	2025
		£'000	£'000
Central government bodies		8,822	6,044
Other local authorities		1,370	1,412
NHS bodies		1,979	1,837
Collection Fund		25,447	27,879
Sundry organisations and individuals		26,734	33,161
Payments in Advance		4,364	5,437
<b>Sub-total</b>		<b>68,716</b>	<b>75,770</b>
Impairment of debtors		(7,878)	(8,500)
Collection Fund loss allowance		(15,827)	(13,453)
<b>Net Debtors</b>		<b>45,011</b>	<b>53,817</b>

## 23. Short-Term Creditors

	Balance at 31 March	2024	2025
		£'000	£'000
Central government bodies		(23,552)	(18,086)
Other local authorities		(830)	(971)
NHS bodies		(1,140)	(2,210)
Collection Fund		(6,706)	(5,107)
Short-term Lease Payments		0	(1,967)
Sundry organisations and individuals		(28,830)	(37,246)
Receipts in advance		(17,253)	(13,845)
<b>Total</b>		<b>(78,311)</b>	<b>(79,432)</b>

## 24.Provisions

### Insurance

The provision is in respect of employers and public liability claims where incidents have already taken place but the claims have yet to be settled. The provision is based on the total of the individual claim “reserves” estimated by the Council’s loss adjusters and Insurance Manager. It includes a provision for outstanding Municipal Mutual Insurance (MMI – relating to old Mesothelioma claims) claims that are now becoming certain that payment will be necessary in future.

### Capitalised Landfill

This provision represents the sixty year liability for the reclamation of the Shaw landfill site. The cost of the provision represents a capital cost as part of the decommissioning of the asset.

### Rates Appeals

This provision is required under the revised business rate accounting of the collection fund and is based upon estimates of valuations appeals.

### Other

The other provisions mainly relate to Housing, where housing review costs are known to be payable every fourth year, or where the Authority is required to underwrite accommodation costs and may need be charged if amounts are not paid.

Expenditure relating to these provisions occurs when the Insurers close claims, when confirmation of NDR balances can be used is received, or as temporary housing needs require. This occurs during the course of any year and is not fixed to specific dates. The provisions are reviewed annually to ensure they cover prudently estimated liabilities.

2024/25	Insurance £'000	Landfill £'000	Rates Appeals £'000	Other £'000	Total £'000
<b>Balance Outstanding at start of year</b>	<b>(2,176)</b>	<b>(2,115)</b>	<b>(5,538)</b>	<b>(124)</b>	<b>(9,953)</b>
Additional provisions made	(419)	0	0	0	(419)
Amounts used	686	259	938	0	1,883
<b>Balance outstanding at year end</b>	<b>(1,909)</b>	<b>(1,856)</b>	<b>(4,600)</b>	<b>(124)</b>	<b>(8,489)</b>
Relating to short-term	(931)	0	0	0	(931)
Relating to long-term	(978)	(1,856)	(4,600)	(124)	(7,558)

## 25.Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions.

The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Authority as finance for the costs of acquisition, construction and enhancement. The Account contains accumulated gains and losses on Investment Properties.

The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

The movement in reserves statement provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

	2023/24 £'000	2024/25 £'000
<b>Balance at 1 April</b>	<b>(273,902)</b>	<b>(244,774)</b>
Reversal of capital related items debited or credited to the CIES:		
Charges for depreciation of noncurrent assets	33,464	36,589
Charges for impairment of noncurrent assets	52,522	25,886
Depreciation written back on disposals	(1,049)	(591)
Depreciation written back on general gain/loss	(2,241)	(1,671)
Revenue expenditure funded from capital under statute	4,004	8,309
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	33,099	55,422
Application of the HRA debt	(5,000)	0
	<b>114,798</b>	<b>123,944</b>
Adjusting amounts written out of the Revaluation Reserve	(23,986)	(25,883)
Deferred Receipts	(1)	(1)
Use of the Capital Receipts Reserve to finance new capital expenditure	(1,854)	(6,132)
Use of the Major Repairs Reserve to finance new capital expenditure	(9,452)	(11,732)
Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	(6,592)	(1,961)
Application of grants to capital financing from the Capital Grants Unapplied Account	(29,615)	(34,262)
Statutory provision for the financing of capital investment charged against the General Fund	(5,415)	(6,806)
Statutory provision for the financing of capital investment charged against the General Fund – ROU Lease liability	0	(1,889)
Capital expenditure charged against the General Fund and HRA balances	(9,760)	(18,963)
Movement in the value of donated assets	(15)	0
Movement in the market value of investments	1,020	170
Adjusting balance for rounding	(1)	(1)
	<b>(85,670)</b>	<b>(107,460)</b>
<b>Balance at 31 March</b>	<b>(244,774)</b>	<b>(228,290)</b>

## 26. Revaluation Reserve

The Revaluation Reserve contains gains made by the Authority arising from increases in the value of its non-current assets. The balance is reduced when assets with accumulated gains are:

- Revalued downwards or impaired and the gains are lost
- Used in the provision of services and the gains are consumed through depreciation
- Disposed of and the gains are realised.

The Reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

	2023/24 £'000	2024/25 £'000
<b>Balance at 1 April</b>	<b>(601,165)</b>	<b>(611,448)</b>
Revaluation of assets in asset table note	(14,964)	(11,187)
Depreciation added back on revaluation	(19,305)	(18,515)
<b>Surplus or deficit on revaluation of non-current assets not posted to the Surplus or Deficit on the Provision of Services</b>	<b>(34,269)</b>	<b>(29,702)</b>
Adjustments against historic cost	8,936	7,970
Accumulated gains on assets sold or scrapped	15,050	17,913
<b>Balance at 31 March</b>	<b>(611,448)</b>	<b>(615,267)</b>

## 27. Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Authority accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs.

	2023/24	2024/25
	£'000	£'000
<b>Balance at 1 April</b>	<b>25,917</b>	<b>57,410</b>
Remeasurement of the net defined benefit liability	34,234	2,789
Net reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the CIES	(2,741)	(5,653)
Rounding on closing balance	0	(1)
<b>Balance at 31 March</b>	<b>57,410</b>	<b>54,545</b>

Statutory arrangements, however, require a benefit earned to be financed as the Authority makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Authority has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid. Note 32 contains more detail on the pension fund.

## 28.Collection Fund Adjustment Account

The Collection Fund Adjustment Account manages the differences arising from the recognition of council tax income in the Comprehensive Income and Expenditure Statement as it falls due from council tax payers compared with the statutory arrangements for paying across amounts to the General Fund from the Collection Fund.

	2023/24	2024/25
	£'000	£'000
<b>Balance at 1 April</b>	<b>(4,007)</b>	<b>(1,507)</b>
Amount by which council tax income credited to the CIES is different from council tax income calculated under statute	1,306	(5,243)
Amount by which business rates income credited to the CIES is different from business rates income calculated under statute	1,194	4,211
<b>Balance at 31 March</b>	<b>(1,507)</b>	<b>(2,539)</b>

## 29. Leases

### Authority as Lessee

#### Change in Accounting Policy and Transition to IFRS 16 Lease Accounting

In 2024/25 the Authority applied IFRS 16 Leases for the first time. The main impact of the new requirements is that for arrangements previously accounted for as off balance sheet operating leases, a right-of-use asset and a lease liability are to be brought into the balance sheet at 1 April 2024. Leases for items of low value and leases that expire on or before 31 March 2025 are exempt from the new arrangements.

IFRS 16 has been applied retrospectively, but with the cumulative effect recognised at 1 April 2024. This means that right-of-use assets and lease liabilities have been calculated as if IFRS 16 had always applied but recognised in 2024/25 and not by adjusting prior year figures. However, some practical expedients have been applied as required or permitted by the Code:

- Lease liabilities are measured at the present value of the remaining lease payments at 1 April 2024, discounted by the Council's incremental borrowing rate at that date
- The weighted average of the incremental borrowing rates used to discount liabilities was 4.84%
- Right-of-use assets are measured at the amount for the lease liability, adjusted for any prepaid or accrued lease payments that were in the balance sheet on 31 March 2024

This has resulted in the following additions to the balance sheet:

- £5.740m Property, plant and equipment – land, buildings and vehicles, plant and equipment (right-of-use assets)
- £1.883m Non-current creditors (lease liabilities)
- £1.996m Current creditors (lease liabilities)

The newly recognised lease liabilities of £3.851m compares with the operating lease commitments of £2.929m at 31 March 2024. This is explained by the fact that the new lease liabilities include additional agreements and the continuation of operating leases that would have ended by 31 March 2024.

### Authority as Lessee for Right of Use Assets

#### Movement of Right-of-use assets

This table shows the change in the value of the right-of-use assets held under lease by authority:

	2024/25 £'000	2024/25 £'000	2024/25 £'000
	Land and Buildings	Vehicles, Plant and Equipment	Total
<b>Balance at 1 April</b>	0	0	0
Additions	5,725	15	5,740
Revaluation	0	0	0
Depreciation	(1,908)	(3)	(1,911)
Disposal	0	0	0
<b>Balance at 31 March</b>	<b>3,817</b>	<b>12</b>	<b>3,829</b>

The authority incurred the following expenses and cash flows in relation to leases:

	2024/25 £'000
Interest expense on lease liabilities	198
Expense relating to short-term leases	30
Expense relating to exempt lease of low-value items	29
<b>Balance at 31 March</b>	<b>257</b>

The lease liabilities are due to be settled over the following time bands (measured at the undiscounted amounts of expected cash payments);

	2024/25 £'000
	Total
Less than one year	(1,967)
One to five years	(1,884)
<b>Total</b>	<b>(3,851)</b>

#### Authority as Lessor

Finance Leases

The Authority has leased out a range of property across the Borough where it holds assets on commercial estates, farms and office space. Most of these are classified as operating leases, but one lease for a recreational site is a finance lease.

#### Operating Leases

The Authority leases out property under operating leases for the following purposes:

- For the provision of community services, such as sports facilities, tourism services and community centres
- For economic development purposes to provide suitable affordable accommodation for local businesses.

The future minimum lease payments receivable under non-cancellable operating leases in future years are:

	2023/24	2024/25
	£'000	£'000
Not later than one year	8,361	8,681
Later than one year and not later than five	28,656	29,791
Later than five years	116,808	116,875
<b>Total Payments Due</b>	<b>153,825</b>	<b>155,347</b>

The minimum lease payments do not include rents that are contingent on events taking place after the lease was entered into, such as adjustments following rent reviews.

### 30. Private Finance Initiatives and Similar Contracts

#### Schools PFI Scheme

In 2004/05 the Council entered into a PFI contract with Equion plc. to provide seven schools in the northern sector of Swindon. The Department for Education & Skills sponsored the project and has issued the Council with a Notional Credit Approval of £62.8m. The Council is committed to making payments estimated at £269.5m under the contract although the actual level of payments will depend on contract performance by the provider. Periodic contract reviews may also increase or decrease payments depending on inflation and utility costs. This payment covers a range of on-going services in the management of the schools, with the expectation that the schools will be available for educational use throughout the school term and day. The contract expires in 2032.

As the Council is deemed to control the services that are provided under its PFI scheme and as ownership of the schools will pass to the council at the end of the contracts, the council carries the PPE used under the contracts on the Balance Sheet. Assets are transferred out if a PFI schools changes to academy status. There are no known implications to the accounting model, or impact of onerous contracts, from agreed academy transfers that have taken place.

The original recognition of this PPE was balanced by the recognition of a finance lease liability for amounts due to the scheme operator to pay for the assets. In a departure from the Code, that is not material, lifecycle costs are recorded through revenue as modelled, rather than carried forward as a payment in advance if renewal works have not been undertaken. This ensures a consistent flow through revenue and limits the impact of significant prepayment balances building up over the duration of the contract.

As part of the transition to IFRS16 the value of the associated lease liability for the service concession arrangement is required to be revalued by accounting for future contingent rents (increases in the amount to be paid for the property arising during the contract), as part of the overall liability. This has seen an increase to the carrying liability of £9.653m.

The amounts payable to the PFI operators each year are analysed into different elements:

- Fair value of the services received during the year – debited to the relevant service in the Income and Expenditure Account
- Finance cost – an interest charge of 13% on the outstanding Balance Sheet liability, debited to Interest Payable and Similar Charges in the Income and Expenditure Account
- Payment towards liability – applied to write down the Balance Sheet liability towards the PFI operator
- Lifecycle replacement costs – recognised as expensed in the CIES.

PFI assets are accounted for on the Council's balance sheet at current value with a related finance lease liability. Movements in their value over the year are detailed in the analysis of the movement on the Property, Plant and Equipment balance in Note 16.

Although the payments made to the contractor are described as unitary payments, they have been calculated to compensate the contractor for the fair value of the services they provide, the capital expenditure incurred and interest payable whilst the capital expenditure remains to be reimbursed.

	2023/24 £'000	2024/25 £'000
Brought Forward Balance	(40,433)	(37,433)
Remeasurement	0	(9,653)
<b>Opening Balance</b>	<b>(40,433)</b>	<b>(47,097)</b>
Unitary Charge Paid	11,681	12,505
Expenditure / Financing Cost	(8,692)	(8,662)
<b>Closing Balance</b>	<b>(37,444)</b>	<b>(43,254)</b>

The payments due, as calculated under the finance lease methodology, which relate to service charges, interest and lease liability are shown in the following table.

Balance at 31 March	2024			2025		
	Service Charges £'000	Interest £'000	Liability £'000	Service Charges £'000	Interest £'000	Liability £'000
Within 1 Year	4,201	4,320	3,232	3,273	4,990	4,242
Within 2 - 5 Years	18,620	13,207	15,947	17,989	16,726	27,811
Within 6 - 10 Years	16,946	4,659	18,265	4,812	1,702	11,201
	<b>39,768</b>	<b>22,186</b>	<b>37,444</b>	<b>26,074</b>	<b>23,418</b>	<b>43,254</b>

The Authority is committed to making minimum payments under the PFI lease liability comprising settlement of the long-term liability for the interest in the assets acquired by the Authority and finance costs that will be payable by the Authority in future years while the liability remains outstanding. The minimum lease payments are made up of the following amounts:

	2023/24 £'000	2024/25 £'000
<b>Lease Liabilities</b>		
- Current	(3,232)	(4,242)
- Non-current	(34,212)	(39,012)
Finance Cost Payable in Future Years	(62,266)	(49,492)
<b>Minimum lease payments</b>	<b>(99,710)</b>	<b>(92,746)</b>

The minimum lease payments will be payable over the following periods:

	Minimum Lease Payments		Lease Liabilities	
	2023/24 £'000	2024/25 £'000	2023/24 £'000	2024/25 £'000
Not later than one year	11,358	12,505	(3,232)	(4,242)
Later than 1 not later than 5	58,535	62,525	(21,024)	(27,811)
Later than 5	29,554	17,716	(13,188)	(11,201)
	<b>99,447</b>	<b>92,746</b>	<b>(37,444)</b>	<b>(43,254)</b>

The minimum lease payments do not include rents that are contingent on events taking place after the lease was entered into.

### **31.Pensions Schemes Accounted for as Defined Contribution Schemes**

Teachers employed by the Authority are members of the Teachers' Pension Scheme, administered by the Department for Education. The Scheme provides teachers with specified benefits upon their retirement, and the authority contributes towards the costs by making contributions based on a percentage of members' pensionable salaries.

The Scheme is technically a defined benefit scheme, however, the Scheme is unfunded and the Department for Education uses a notional fund as the basis for calculating the employers' contribution rate paid by local authorities. The Authority is not able to identify its share of underlying financial position and performance of the Scheme with sufficient reliability for accounting purposes. For the purposes of this Statement of Accounts, it is therefore accounted for on the same basis as a defined contribution scheme.

In 2024/25, the council paid £0.174m to Teachers' Pensions in respect of teachers' retirement benefits as part of the employer's payroll, representing 28.55% of pensionable pay. The figures for 2023/24 were £0.132m and 23.9%.

The Authority is responsible for the costs of any additional benefits awarded upon early retirement outside of the terms of the teachers' scheme. These costs are accounted for on a defined benefit basis.

Health staff transferred to the Council in 2013/14 and many maintained their membership in the NHS Pension Scheme. The Scheme provides these staff with specified benefits upon their retirement and the Council contributes towards the costs by making contributions based on a percentage of members' pensionable salaries.

The Authority is not able to identify its share of the underlying financial position and performance of the Scheme with sufficient reliability for accounting purposes. For the purposes of this Statement of Accounts, it is therefore accounted for on the same basis as a defined contribution scheme.

### **32.Defined Benefit Pension Schemes**

#### **Participation in Pension Schemes**

As part of the terms and conditions of employment of its officers, the Authority makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the Authority has a commitment to make the payments that needs to be disclosed at the time that employees earn their future entitlement.

The authority participates in two post-employment schemes:

- The Local Government Pension Scheme, administered locally by Wiltshire Council – this is a funded defined benefit final salary scheme, meaning that the Authority and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets.
- Arrangements for the award of discretionary post-retirement benefits upon early retirement – this is an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. However, there is no investment assets built up to meet these pension liabilities, and cash has to be generated to meet actual pension payments as they eventually fall due.

The Council paid an employer's contribution of £17.7m (£16.6m in 2023/24) into Wiltshire Council's Pension Fund. Wiltshire Council manages the fund, which provides participants with defined benefits relating to pay and service. This represented 21.4% of employees' pensionable pay. The basic contribution rate to cover the cost of on-going pensions was 21.4% for General Fund staff, with additional lump sum payments being paid to reduce the deficit on the Pension Fund.

The Fund's Actuary, based on triennial actuarial valuations, determines the contribution rate. The last review was as at 31 March 2022. Future contribution rates are set so that fund assets should be sufficient to meet 100% of the overall liabilities of the fund over time; however, the current position of the pension fund is that it is not fully funded. Though a significant liability, the Council can meet the proportion applicable.

#### Transactions Relating to Post-employment Benefits

We recognise the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge we are required to make against council tax is based on the cash payable in the year, so the real cost of post-employment/retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement.

The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year:

<b>IAS19 Summary Disclosures Through The CIES</b>	<b>2023/24</b>	<b>2024/25</b>
Within Net Cost of Service:	<b>£'000</b>	<b>£'000</b>
Current service cost	18,523	18,523
Non-Distributed cost/(benefit) (impact of past service costs and settlements and curtailments)	(1,190)	(1,190)
Within Net operating Expenditure:		
Interest cost	1,170	1,170
Within Reserves Movement:		
Movement on Pensions Reserve	2,741	2,741
Actual Amount Charged Against Council tax for the Year:		
All employer's contributions payable to the scheme	(21,244)	(21,244)
Net effect on Council Tax of IAS19 adjustments	0	0

The principal assumptions used by the actuary have been:

<b>Assumptions as at 31 March</b>	<b>2024</b>	<b>2025</b>
Pension Increase Rate (CPI)	2.8%	2.9%
Salary Increase Rate	3.3%	3.4%
Discount Rate	4.9%	5.8%
Inflation	n/a	3.3%
<b>The average future life expectancies at age 65 , in years</b>	<b>Male</b>	<b>Female</b>
Current Pensioners	21.00	24.00
Future Pensioners	21.70	25.20

#### Commutation Adjustment

An allowance is included for future retirements to elect to take a percentage of the maximum additional tax-free cash up to HMRC limits. There are different rates for pre- (50%) and post (75%) - April 2008 service.

#### Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc. The Local Government Pension Scheme has been assessed by Barnett Waddingham, an independent firm of actuaries, estimates for the County Council Fund being based on the latest full valuation of the scheme.

There are risks associated with the pension liability around scheme membership, where the life expectancy of members may be longer than estimated, resulting in benefits being payable for a longer period.

The liabilities show the underlying commitments that the authority has in the long run to pay retirement benefits. The total liability of £696m has a substantial impact on the net worth of the authority as recorded in the Balance Sheet, resulting in a negative overall balance of £54m. However, statutory arrangements for funding the deficit mean that the financial position of the Authority remains healthy:

- The deficit on the local government scheme will be made good by increased contributions over the remaining working life of employees (i.e. before payments fall due)
- Finance is only required to be raised to cover discretionary benefits when pensions are paid
- The total contributions expected to be made to the Local Government Pension Scheme by the council in the year to 31 March 2026 is £21.707m.

As part of the valuation of the 31 March 2025 net pension asset/liability the position on the fund was such that a net asset was present. However, the effect of accounting regulations limits the recording of an asset to take account of any asset ceiling – a reduction for the economic benefit that would be available from a reduction in future contributions. The impact of the asset ceiling is to reduce the original net asset to a net liability.

	2023/24	2024/25
Pension Asset Adjustment for the Asset Ceiling	£'000	£'000
Original Net Asset	16,832	115,268
Asset Ceiling Adjustment	(74,242)	(169,813)
Revised Net Liability	(57,410)	(54,545)

## Reconciliation of present value of the scheme liabilities:

	2024			2025		
	Asset £'000	Obligation £'000	Net £'000	Asset £'000	Obligation £'000	Net £'000
Fair Value of Employer Assets	750,904	0	750,904	800,893	0	800,893
Asset Ceiling Adjustment	0	0	0	(74,242)	0	(74,242)
Present Value of Liabilities	0	(776,821)	(776,821)	0	(772,984)	(772,984)
Opening balance adjustment	0	(631)	(631)	0	(11,077)	(11,077)
<b>Opening Position 1 April</b>	<b>750,904</b>	<b>(777,452)</b>	<b>(26,548)</b>	<b>726,651</b>	<b>(784,061)</b>	<b>(57,410)</b>
Current Service Cost	0	(18,523)	(18,523)	0	(16,996)	(16,996)
Past Service (Costs) / Gains	0	(89)	(89)	0	(269)	(269)
Effect of Settlements	(1,760)	3,039	1,279	(1,073)	1,061	(12)
<b>Total Service Cost</b>	<b>(1,760)</b>	<b>(15,573)</b>	<b>(17,333)</b>	<b>(1,073)</b>	<b>(16,204)</b>	<b>(17,277)</b>
Interest Income on plan assets	35,551	0	35,551	38,543	0	38,543
Interest cost on obligation	0	(36,721)	(36,721)	0	(37,185)	(37,185)
<b>Total Net Interest</b>	<b>35,551</b>	<b>(36,721)</b>	<b>(1,170)</b>	<b>38,543</b>	<b>(37,185)</b>	<b>1,358</b>
<b>Total Cost Recognised in Profit/(Loss)</b>	<b>33,791</b>	<b>(52,294)</b>	<b>(18,503)</b>	<b>37,470</b>	<b>(53,389)</b>	<b>(15,919)</b>
Plan participant contributions	6,305	(6,305)	0	6,176	(6,176)	0
Employer contributions	20,232	0	20,232	21,457	0	21,457
Benefits Paid	(29,801)	29,801	0	(38,741)	38,741	0
Unfunded Benefits Paid	(1,012)	1,012	0	(1,080)	1,080	0
Contributions for Unfunded Benefits	1,012	0	1,012	1,080	0	1,080
Admin Expense	0	0	0	(964)	0	(964)

<b>Expected Closing Position</b>	<b>781,431</b>	<b>(805,238)</b>	<b>(23,807)</b>	<b>752,049</b>	<b>(803,805)</b>	<b>(51,756)</b>
Change in financial assumptions	0	42,925	<b>42,925</b>	0	88,857	<b>88,857</b>
Change in demographic assumptions	0	4,801	<b>4,801</b>	0	13,280	<b>13,280</b>
Other experience	0	(26,549)	<b>(26,549)</b>	0	5,031	<b>5,031</b>
Return on assets excluding interest	19,462	0	<b>19,462</b>	(14,386)	0	<b>(14,386)</b>
Asset Ceiling Adjustment	(74,242)	0	<b>(74,242)</b>	(95,571)	0	<b>(95,571)</b>
<b>Total Re-measurements in Other Income</b>	<b>(54,780)</b>	<b>21,177</b>	<b>(33,603)</b>	<b>(109,957)</b>	<b>107,168</b>	<b>(2,789)</b>
<b>Sub-Total</b>	<b>726,651</b>	<b>(784,061)</b>	<b>(57,410)</b>	<b>642,092</b>	<b>(696,637)</b>	<b>(54,545)</b>
Fair Value of Employer Assets	800,893	0	<b>800,893</b>	811,905	0	<b>811,905</b>
Asset Ceiling Adjustment	(74,242)	0	<b>(74,242)</b>	(169,813)	0	<b>(169,813)</b>
Present Value of Funded Liabilities	0	(772,984)	<b>(772,984)</b>	0	(686,892)	<b>(686,892)</b>
Present Value of Unfunded Liabilities	0	(11,077)	<b>(11,077)</b>	0	(9,745)	<b>(9,745)</b>
<b>Closing Position 31 March</b>	<b>726,651</b>	<b>(784,061)</b>	<b>(57,410)</b>	<b>642,092</b>	<b>(696,637)</b>	<b>(54,545)</b>

## Fair Value of Employer Assets

Asset Category	Non-Quoted Prices			Quoted Prices in Active Markets		Non-Quoted Prices in Active Markets		Total	
	2024							2025	
	£'000	£'000	%	£'000		£'000		£'000	%
Equities	320,937	320,937	40.0%	264,478	62,038	326,516	40.2%		
Bonds	219,361	219,361	27.4%	288,839	0	288,839	35.6%		
Property	256,985	256,985	32.1%	0	184,253	184,253	22.7%		
Cash & Temporary Investments	3,610	3,610	0.5%	0	12,297	12,297	1.5%		
<b>Total</b>	<b>800,893</b>	<b>800,893</b>	<b>100.0%</b>	<b>553,317</b>	<b>258,588</b>	<b>811,905</b>	<b>100.0%</b>		

### 33.Financial Instruments

#### Categories of Financial Instruments

The Authority's Treasury strategy is mainly to borrow or invest in Government institutions or highly credit-rated financial organisations. The majority of instruments are carried at amortised cost, whilst the Property Fund is carried at fair value (through profit and loss). The statutory override for IFRS9, extended until 31 March 2029, requires any gain/loss on revaluation of the Property Fund to be cleared to a Pooled Investments Adjustment Account and therefore any revaluation currently has no general fund impact. Current and non-current investments relate to deposits made with both group and other institutions.

The following categories of financial instrument are carried in the Balance Sheet, debtors and creditors relate only to trade activities. Money market funds were fully repaid during the year.

	Non-Current 31st March 2024 £'000	Non-Current 31st March 2025 £'000	Current 31st March 2024 £'000	Current 31st March 2025 £'000
<b>Amortised Cost</b>				
Investments	2,268	3,324	300	15,293
Debtors	5,251	5,503	15,316	11,850
Cash & Cash Equivalents	0	0	32,071	17,520
<b>Fair value through profit and Loss</b>				
Property Fund Investment	4,477	4,563	0	0
<b>Total Financial Assets</b>	<b>11,996</b>	<b>13,390</b>	<b>47,687</b>	<b>44,663</b>
<b>Borrowings</b>				
Financial liabilities PWLB	(347,998)	(306,520)	(3,890)	(81,478)
Financial liabilities Money Market	0	0	0	0
Financial liabilities Other Temporary Borrowing	(2,852)	(6,021)	(16,458)	(1,458)
Creditors	0		(1,460)	(631)
Other Long Term Liabilities	(2,470)	(4,553)	0	0
PFI	(34,212)	(39,624)	(3,231)	(3,630)
<b>Total Financial Liabilities</b>	<b>(387,532)</b>	<b>(356,718)</b>	<b>(25,039)</b>	<b>(87,197)</b>

Income, Expense, Gains and Losses

The gains and losses recognised in the Comprehensive Income and Expenditure Statement in relation to interest and investing financial instruments are shown in note 5.

#### Fair Values of Assets and Liabilities

One of the authority's financial assets is measured at fair value on a recurring basis and is described in the following table, including the valuation technique used to measure them.

Recurring fair value measurements	Input level in fair value hierarchy	Valuation technique used to measure fair value	Basis of valuation	As at 31/3/24	As at 31/3/25
Fair value through profit and Loss				£'000	£'000
Property Fund Investment	Level 2	Observable inputs for the sales value of the asset	Evaluated prices provided by Fund management services.	4,475	4,563
<b>Total</b>				<b>4,475</b>	<b>4,563</b>

Gains and losses included in fair value through profit and loss for the current year relate to the Property Fund Investment and are taken to the Pooled Investment Funds Adjustment Account.

	2023/24	2024/25
	£'000	£'000
Opening Balance	4,657	4,475
Adjusting Transfer In/(Out)	0	0
Gain/(Loss) to Other Operating Income (reversed to Pooled Investment Funds Adjustment Account)	(182)	88
<b>Closing Balance</b>	<b>4,475</b>	<b>4,563</b>

Except for the financial asset carried at fair value described in the table above, all other financial liabilities and financial assets represented by loans and receivables and long term debtors and creditors are carried on the balance sheet at amortised cost. Their comparative fair value can be assessed by calculating the present value of the cash flows that take place over the remaining life of the instruments, using the following assumptions:

- For PWLB, and non-PWLB loans payable, new borrowing rates from the PWLB have been applied to provide the fair value
- Where an instrument has a maturity of less than 12 months or is a trade or other receivable the fair value is taken to be the carrying or billed amount;

These, and the PFI liability, are carried at amortised cost on the balance sheet, but for fair value comparison are estimated as Level 2 Inputs – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and the fair values calculated by third party Treasury specialist are as follows.

Balance at 31 March	2024		2025	
	Carrying Amount £'000	Fair Value £'000	Carrying Amount £'000	Fair Value £'000
PWLB long term liabilities	(347,998)	(309,378)	(306,520)	(153,253)
PWLB short term liabilities	(14,200)	(14,077)	(81,478)	(83,198)
<b>PWLB Sub-Total</b>	<b>(362,198)</b>	<b>(323,455)</b>	<b>(387,998)</b>	<b>(236,451)</b>
Non-PWLB long term liabilities	(2,852)	(2,852)	(6,021)	(5,997)
Non-PWLB short term liabilities	(6,148)	(8,513)	(1,458)	(1,458)
PFI liability	(37,443)	(50,785)	(43,254)	(43,254)
Investments	300	300	15,293	15,293

The fair value of Public Works Loan Board (PWLB) loans of £236.451m measures the economic effect of the terms agreed with the PWLB compared with estimates of the terms that would be offered for market transactions undertaken at the Balance Sheet date, which has been assumed as the new borrowing rates available from the PWLB. The difference between the carrying amount and the fair value measures the additional interest that the authority will pay over the remaining terms of the loans under the agreements with the PWLB, against what would be paid if the loans were at prevailing market rates. However, the authority has a continuing ability to borrow at concessionary rates from the PWLB rather than from the markets, termed the PWLB Certainty interest rates.

A supplementary measure of the fair value as a result of its PWLB commitments for fixed rate loans is to compare the terms of these loans with the PWLB redemption interest rates. If a value is calculated on this basis, the carrying amount of £387.998m would be valued at £338.049m. But, if the authority were to seek to avoid the projected loss by repaying the loans to the PWLB, the PWLB would raise a penalty charge, based on the redemption interest rates, for early redemption of £101.603m for the additional interest that will not now be paid. The exit price for the PWLB loans including the penalty charge would be £489.601m.

The fair values of assets or liabilities shown above are higher or lower than the carrying amount because the Authority's portfolio includes a number of fixed rate loans where the interest rate varies over the prevailing rates at the Balance Sheet date. This shows notional future gains/losses (based on economic conditions at 31 March) arising from a commitment to pay or receive interest at market rates that differ from the current market at the balance sheet date.

Short term debtors and creditors are carried at cost as this is a fair approximation of their value.

### **34. Nature and Extent of Risks Arising from Financial Instruments**

The Authority's activities expose it to a variety of financial risks where there is the possibility that:

- Credit risk – other parties might fail to pay amounts due to the Authority
- Liquidity risk – the Authority might not have funds available to meet its commitments to make payments
- Market risk – financial loss might arise for the Authority as a result of changes in such measures as interest rates and stock market movements.

The Authority's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services. Risk management is carried out by a central treasury team, under policies approved by the council in the annual treasury management strategy. The council provides written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk and the investment of surplus cash.

#### **Credit Risk**

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the authority's customers. This risk is minimised through the Annual Investment Strategy, available via the Council website, which requires that deposits are not made with financial institutions unless they meet identified minimum credit criteria. This Council applies the creditworthiness service provided by Link Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- Credit watches and credit outlooks from credit rating agencies;
- CDS spreads to give early warning of likely changes in credit ratings;
- Sovereign ratings to select counterparties from only the most creditworthy countries.

The instruments carried by the Authority are such that they have no lifetime expected credit loss applied as they are either held with government institutions, are highly credit-rated with non-material risk or are consolidated under the group. Short-term debtors held at amortised cost are assessed via the simplified approach and the balance of debtor impairment for the year was £8.5m.

The Authority's maximum exposure to credit risk at 31 March, in relation to its investments in banks and building societies of £10m, cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each individual institution. Recent experience has shown that it is rare for such entities to be unable to meet their commitments. A risk of not being able to recover funds applies to all of the Authority's deposits, but there was no evidence at the 31 March that this was likely to crystallise.

The Authority does not generally allow credit for customers, such that all of the balance is past its due date for payment. The past due but not impaired amount can be analysed by age as follows:

	2023/24	2024/25
	£'000	£'000
Less than three months	5,354	4,031
Three to six months	1,025	962
Six months to one year	1,963	1,928
More than one year	5,869	5,920
<b>Total</b>	<b>14,211</b>	<b>12,841</b>

#### Liquidity Risk

The authority has a comprehensive cash flow management system that seeks to ensure that cash is available as needed. If unexpected movements happen, the authority has ready access to borrowings from the money markets and the Public Works Loans Board. There is no significant risk that it will be unable to raise finance to meet its commitments under financial instruments.

Instead, the risk is that the authority will be bound to replenish a significant proportion of its borrowings at a time of unfavourable interest rates. The authority sets limits on the proportion of its fixed rate borrowing during specified periods. The strategy is to ensure that not more than 45% of loans are due to mature within any rolling three-year period through a combination of careful planning of new loans taken out and (where it is economic to do so) making early repayments. The maturity analysis of financial liabilities is as follows:

	2023/24	2024/25
	£'000	£'000
Less than one year	20,347	82,936
Between one and two years	81,477	59,420
Between two and five years	51,354	61,802
More than five years	79,225	62,524
Over ten years	138,796	128,795
<b>Total</b>	<b>371,199</b>	<b>395,477</b>

All trade and other payables are due to be paid in less than one year.

### Market Interest Rate & Price Risk

The Council is exposed to changes in interest rates as a result of its borrowings being at long-term fixed rates and investment being short-term or at variable rates of interest. Falls in interest rates will subsequently have an adverse impact on the Council's finances but other movements in interest rates can have a complex impact on the authority. For instance, a rise in interest rates would have the following effects:

- Borrowings at variable rates – interest charged to the Surplus / Deficit on the Provision of Services will rise
- Borrowings / Investments at fixed rates – the fair value of the liability/asset will fall
- Investments at variable rates – the interest income credited to the Surplus or Deficit on the Provision of Services will rise

The impact of a 1% increase in interest rates on the fair values of the below liabilities would be:

Balance at 31 March	2025		2025		2025
	Fair Value	Impact of 1% Rise	Revised Fair Value		Impact of 1% increase on:
	£'000	£'000	£'000		£'000
PWLB liabilities	(236,451)	(66,778)	(303,229)	Interest payable	185
Non-PWLB liabilities	(7,455)	111	(7,344)	Interest receivable	(44)
				Surplus or Deficit on the Provision of Services	546
<b>Total</b>	<b>(243,905)</b>	<b>(66,668)</b>	<b>(310,573)</b>		
Balance at 31 March	2024		2024		2024
	Fair Value	Impact of 1% Rise	Revised Fair Value		Impact of 1% increase on:
	£'000	£'000	£'000		£'000
PWLB liabilities	(323,455)	42,121	(281,334)	Interest payable	160
Non-PWLB liabilities	(11,365)	0	(11,365)	Interest receivable	(51)
PFI liability	(50,785)	2,069	(48,716)	Surplus or Deficit on the Provision of Services	564
<b>Total</b>	<b>(385,605)</b>	<b>44,191</b>	<b>(341,415)</b>		

The Authority holds £5m in property/multi-asset fund, and the interest / price varies, however, any movements in price will not currently impact on the General Fund Balance as regulations are in force to ameliorate the impact of fair value movements.

# Disclosures Relating to the Cashflow Statement

## 35.Cash Flow Statement – Operating Activities

	2023/24	2024/25
	£'000	£'000
The cash flows for operating activities include the following items:		
Interest received	5,060	3,864
Interest paid	(15,021)	(16,466)
<b>Total</b>	<b>(9,961)</b>	<b>(12,602)</b>
The surplus or deficit on the provision of services has been adjusted for the following non-cash movements:		
Depreciation	33,464	36,589
Impairment and downward valuations	50,281	24,215
Increase/(decrease) in creditors	4,012	1,355
(Increase)/decrease in debtors	1,783	(9,699)
Increase/(decrease) in inventories	102	(176)
Pension Liability Movement	(2,741)	(5,653)
Carrying amount of non-current assets and non-current assets held for sale, sold or derecognised	32,050	54,831
Other non-cash items charged to the net surplus or deficit on the provision of services, mainly relating to pension adjustments	(952)	(1,158)
<b>Total</b>	<b>117,999</b>	<b>100,304</b>
The surplus or deficit on the provision of services has been adjusted for the following items that are investing and financing activities:		
Proceeds from the sale of property, plant and equipment, intangible assets and investment assets	(4,848)	(9,268)
Any other items for which the cash effects are investing or financing cash flows, mainly relating to capital grants	(47,289)	(28,825)
<b>Total</b>	<b>(52,137)</b>	<b>(38,093)</b>

### 36. Cash Flow Statement – Investing Activities

	2023/24 £'000	2024/25 £'000
Purchase of property, plant and equipment, investment property and intangible assets	(77,515)	(69,831)
Purchase of short-term and long-term investments	(78,129)	(370,361)
Proceeds from the sale of property, plant and equipment, investment property and intangible assets	4,849	9,269
Proceeds from short-term and long-term investments	88,916	354,312
Other payments / receipts from investing activities, mainly capital grants for funding capital	44,754	42,776
<b>Net cash flow from Investing Activities</b>	<b>(17,125)</b>	<b>(33,835)</b>

### 37. Cash Flow Statement – Financing Activities

	2023/24 £'000	2024/25 £'000
Cash receipts of short- and long-term borrowing	111,342	50,000
Cash payments for the reduction of the outstanding liabilities relating to finance leases and on-balance sheet PFI contracts	(2,990)	(5,731)
Repayments of short- and long-term borrowing	(101,301)	(25,721)
Collection Fund & Other receipts / (payments) for financing activities	(2,615)	(6,883)
<b>Net cash flow from Financing Activities</b>	<b>4,436</b>	<b>11,665</b>

# General Disclosures

## **38.Accounting Standards That Have Been Issued but Have Not Yet Been Applied**

The following accounting standards have been issued that will be applied in the Code in the following year:

- IAS 21 The Effects of Changes in Foreign Exchange Rate (Lack of Exchangeability)
- IFRS 17 Insurance Contracts

None of these standards are known to impact on the 2024/25 statements.

## **39.Critical Judgements in Applying Accounting Policies**

There remains uncertainty about future levels of funding for individual local authorities in the absence of multi-year financial settlements.

The Authority is deemed to control the services provided under the agreement for school provision in seven PFI schools and also to control the residual value of the buildings at the end of the agreement. The accounting policies for PFI schemes and similar contracts have been applied to the arrangement and the schools are recognised as Property, Plant and Equipment on the Authority's Balance Sheet. However, with on-going transfers of schools to Academy status, the authority is left with no relevant asset, but still holds the long-term liability. Schools are charged each year for their own contribution to the PFI costs, both before and after Academy transfer where relevant. As the schools continue to contribute their share of funding, there is no indicator that this change results in an onerous contract.

The Authority transferred the operating of its leisure services to third party providers in 2014/15. Review of the status of the long-term assets connected with the transfer concluded that they should remain on the Local Authority balance sheet as operational assets. This is in line with requirements of the Code, where assets are leased for the provision of services but risks and rewards from ownership remain. By holding the leisure centres on balance sheet the revenue account is exposed to annual depreciation charges and any valuation changes that would affect surplus or deficit on provision of services. Capital expenditure will also be added to the balance sheet asset rather than adjusted for through revenue expenditure funded by capital under statute.

The Authority is party to an arrangement initially entered into with the Swindon Clinical Commissioning Group (CCG), now the Integrated Care Board (ICB) from July 2022 (note 12). The agreement between the bodies has previously been reviewed and discussion had with stakeholders in agreeing that the Council does not control the commissioning activities of the CCG/ICB as each party retains responsibility for services provided within its own areas of social care/health.

The transition to IFRS16 Leases has required a number of judgements to be made in the review of leases and their subsequent treatment. The classification as either an on or off balance sheet asset

based on terms, value or whether there is a specific asset being referred to in agreements. In some cases the lease agreements may not include ideal information and a judgement is taken on the known values. Such judgements take place against each individually reviewed lease agreement/grouping. A portfolio approach has been taken with private sector landlord property where there is the judgement that all properties used for this service are of a similar standard. There is an overriding judgement that based on contract records, service feedback and knowledge of the services being provided, material leases have been considered for IFRS16 adjustment.

The overriding concept of materiality has been applied in the production of these accounts. This involves both the judgement of materiality in the application of transactions for accruals, and in the presentation of disclosures that relate to the accounting statements. Statutory notes are not affected.

#### **40.Assumptions Made About the Future & Other Major Sources of Estimation Uncertainty**

The Statement of Accounts contains figures that are based on assumptions made by the Authority about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, and current inflationary activity running high, actual results could be different from the assumptions and estimates.

The below show the potential impact of some key assumptions:

Item	Uncertainties	Effect if Results Differ from Assumptions	
Property, Plant and Equipment	Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets.  Assets are valued based on estimates and assumptions at a point in time but market conditions can fluctuate.	If useful lives of assets reduce, depreciation increases and the net book value falls. Assets may be under or over-valued but should be within valuation tolerances acceptable to valuers.	
		Change	Est. value
Revaluation charge through the CIES from reduction in operational land and building valuation		10% reduction	£97.8m
Depreciation charge through the CIES from reduction in life of operational land and building		2 year reduction	£15.6m

Item	Uncertainties	Effect if Results Differ from Assumptions
Net Pensions Liability / Asset	<p>Estimation of the net liability to pay pensions depends on a number of complex judgements, advised by actuaries, relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on fund assets.</p> <p>This includes adjustment to an initially calculated pension asset to take account of the required 'asset ceiling' of £169m, where limited future benefit can be recognised, which has resulted in a pension liability of £54m remaining on the balance sheet.</p>	<p>Changes to the pension liability can be complex with a variety of items that may cause impact on the balance sheet or revenue statement with either a positive or negative change. Sensitivity analysis on the liability assumptions is shown below.</p> <p>If the pension asset ceiling was not accounted for the balance sheet would show a net pension asset of £115m.</p>

#### Sensitivity Analysis / Change in Assumptions at 31 March on Pension Calculations

Adjustment to discount rate	0.50%	0.10%	0.00%	-0.10%	-0.50%
Present value of total obligation	648,632	686,571	696,637	706,950	750,839
Projected service cost	10,340	12,065	12,532	13,015	15,112
Adjustment to long term salary increase	0.50%	0.10%	0.00%	-0.10%	-0.50%
Present value of total obligation	700,317	697,360	696,637	695,920	693,113
Projected service cost	12,532	12,532	12,532	12,532	12,532
Adjustment to pension increases and deferred revaluation	0.50%	0.10%	0.00%	-0.10%	-0.50%
Present value of total obligation	748,471	706,505	696,637	687,003	650,679
Projected service cost	15,213	13,034	12,532	12,046	10,250
Adjustment to life expectancy assumptions		+1 Year	None	-1 Year	
Present value of total obligation		721,574	696,637	672,616	
Projected service cost		13,058	12,252	12,021	

#### 41.Events after the Balance Sheet Date / Contingent Liability

There are no known events that would have material impact on the Council's position as at 31 March 2025.

#### 42.Related Parties

The Authority is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the council or to be controlled or influenced by the council. Disclosure of these transactions allows readers to assess the extent to which the council might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Authority.

## Central Government

The UK government has effective control over the general operations of the Authority – it is responsible for providing the statutory framework, within which the Authority operates, provides funding in the form of grants and prescribes the terms of many of the transactions that the Authority has with other parties (e.g. council tax bills, housing benefits). Grants received from government departments are shown elsewhere in the accounts.

## Members

Members of the Council have direct control over the Council's financial and operating policies. The total of members' allowances paid is shown in Note 8. Members have completed an annual declaration of any possible related party situation and transactions with them. There are no significant transactions identified.

## Officers

Officers of the Council have also made an annual declaration involving related parties. There are no significant transactions identified.

## Controlled Companies

The Council is parent company to Public Power Solutions Limited (PPSL), Common and Chapel Solar Farms and Housing companies. Further details on these companies are contained within the group section of these accounts.

Company	Common Farm	Chapel Farm	Housing Dev. Co.	JV
	£'000	£'000	£'000	£'000
Payments	0	0	0	0
Receipts	60	58	364	0
Loan Balances	0	0	1,781	1,368
Capital Loan Balances	1,888	2,614	0	1,001

## Entities Controlled or Significantly Influenced by the Authority

The Council entered into a 50/50 Joint Venture development agreement in January 2018, with Barratt Developments PLC, for the development of the Wichelstowe area of the Borough through the creation of a new company, Wichelstowe LLP.

The Council makes several grants and contributions to third party organisations each year, which follow individual process before award.

The Council is responsible as Trustee for a range of small charitable funds, totalling £818k over eighteen Funds. Internal interest is applied to the balances held by the Council's Treasury service, whilst the direction of Trust Fund support is agreed by Council.

Members of the Council also sit on boards of other groups or organisations, such as the Group Companies of the Council, and the Fire Authority. These are not necessarily material related parties but show the range of bodies that Members are involved with. A listing of outside bodies that Members are represented on can be found on the Committee and Member Information Site pages of the Council website.

There were 17 maintained Community schools within the Council's group included within the single entity accounts. Such schools account for expenditure of £41.8m, income of £44.2m and reserve balances of £2.4m. This includes income and expenditure of schools that have transferred to academy status up until the point of transfer. Academies are outside the Council's control.

### 43.Long Term Investments

The Council has a number of group companies which form part of the balance of the Council's long-term investments. These investments include deposits made to the companies and the Council shareholdings. They are removed as part of the consolidation process in the following group accounts section.

	2023/24	2024/25
	£'000	£'000
Property Fund	4,475	4,563
Subsidiary Companies	2,268	1,956
Joint Venture	0	1,368
<b>Total</b>	<b>6,743</b>	<b>7,887</b>

# **The Swindon Borough Council Group Accounts**

## The Group Comprehensive Income and Expenditure Statement

	2023/24 Restated	2023/24 Gross Expenditure £000	2023/24 Gross Income £000	2023/24 Net Expenditure £000	2024/25 Gross Expenditure £000	2024/25 Gross Income £000	2024/25 Net Expenditure £000
<b>Continuing Operations</b>							
Enabling		24,605	(3,221)	21,384	24,732	(3,765)	20,967
Resources - Finance & Audit		6,006	(34,505)	(28,499)	7,897	(36,398)	(28,501)
Stronger and Safer Communities		76,005	(71,943)	4,062	79,052	(71,689)	7,363
Children Services		79,059	(9,076)	69,983	80,943	(9,428)	71,515
Adults		137,774	(55,993)	81,781	138,850	(50,754)	88,096
Inclusive Economy & Sustainability		89,570	(30,187)	59,383	72,150	(38,823)	33,327
DSG Commissioning		109,820	(102,218)	7,602	116,969	(108,889)	8,080
HRA - Housing		56,998	(59,394)	(2,396)	54,410	(66,388)	(11,978)
HRA - Operations		14,900	(183)	14,717	16,585	(201)	16,384
<b>Surplus / Deficit on All Services</b>		<b>594,737</b>	<b>(366,720)</b>	<b>228,017</b>	<b>591,588</b>	<b>(386,335)</b>	<b>205,253</b>
Group taxation & share of joint venture				(2,908)			(4,539)
Other operating expenditure				40,238			59,069
Financing and investment income and expenditure				12,921			12,780
Taxation and non-specific grant income				(226,191)			(222,314)
<b>Group (Surplus) / Deficit on Provision of Services</b>				<b>52,077</b>			<b>50,249</b>
(Surplus) / deficit on revaluation of Property, Plant and Equipment				(34,269)			(29,702)
Re-measurements on pension assets / liabilities				34,234			2,789
<b>Other Comprehensive Income and Expenditure</b>				<b>(35)</b>			<b>(26,913)</b>
<b>Total Comprehensive Income and Expenditure</b>				<b>52,042</b>			<b>23,336</b>

## The Group Movement in Reserves Statement

2024/25	General Fund Balance	HRA	Earmarked GF Reserves	Earmarked HRA Reserves	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Total Usable Reserves	Unusable Reserves	Total Authority Reserves	Authority's Share of Group Reserves	Group Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance at 1 April</b>	<b>(8,496)</b>	<b>(9,639)</b>	<b>(46,946)</b>	<b>(998)</b>	<b>(8,365)</b>	<b>(1,881)</b>	<b>(57,011)</b>	<b>(133,336)</b>	<b>(792,628)</b>	<b>(925,964)</b>	<b>(5,920)</b>	<b>(931,884)</b>
Surplus /deficit on provision of services	38,404	11,845	0	0	0	0	0	50,249	0	50,249	0	50,249
Other Comprehensive Income and Expenditure	0	0	0	0	0	0	0	0	(26,913)	(26,913)	0	(26,913)
<b>Total Comprehensive Income and Expenditure</b>	<b>38,404</b>	<b>11,845</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50,249</b>	<b>(26,913)</b>	<b>23,336</b>	<b>0</b>	<b>23,336</b>
Adjustments between Group and Authority accounts	4,343	0	0	0	0	0	0	4,343	0	4,343	(4,343)	0
<b>Net increase before transfers</b>	<b>42,747</b>	<b>11,845</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>54,592</b>	<b>(26,913)</b>	<b>27,679</b>	<b>(4,343)</b>	<b>23,336</b>
Adjustments between accounting basis & funding basis under regulations	(36,873)	(6,735)	0	0	(1,267)	1,881	7,398	(35,596)	35,596	0	0	0
Transfer of DSG deficit	(6,746)	0	0	0	0	0	0	(6,746)	6,746	0	0	0
<b>Net Increase/Decrease before Transfers to Reserves</b>	<b>(872)</b>	<b>5,110</b>	<b>0</b>	<b>0</b>	<b>(1,267)</b>	<b>1,881</b>	<b>7,398</b>	<b>12,250</b>	<b>15,429</b>	<b>27,679</b>	<b>(4,343)</b>	<b>23,336</b>
Transfers to/from Earmarked Reserves	188	381	(188)	(381)	0	0	0	0	0	0	0	0
<b>Increase/Decrease in year</b>	<b>(684)</b>	<b>5,491</b>	<b>(188)</b>	<b>(381)</b>	<b>(1,267)</b>	<b>1,881</b>	<b>7,398</b>	<b>12,250</b>	<b>15,429</b>	<b>27,679</b>	<b>(4,343)</b>	<b>23,336</b>
<b>Balance at 31 March</b>	<b>(9,180)</b>	<b>(4,148)</b>	<b>(47,134)</b>	<b>(1,379)</b>	<b>(9,632)</b>	<b>0</b>	<b>(49,613)</b>	<b>(121,086)</b>	<b>(777,199)</b>	<b>(898,285)</b>	<b>(10,263)</b>	<b>(908,548)</b>

Swindon Borough Council – Statement of Accounts – 2024/25 DRAFT

2023/24	General Fund Balance	HRA	Earmarked GF Reserves	Earmarked HRA Reserves	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Total Usable Reserves	Unusable Reserves	Total Authority Reserves	Authority's Share of Group Reserves	Group Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance at 1 April</b>	<b>(8,335)</b>	<b>(12,340)</b>	<b>(52,854)</b>	<b>(1,294)</b>	<b>(11,388)</b>	<b>(1,855)</b>	<b>(44,145)</b>	<b>(132,211)</b>	<b>(848,750)</b>	<b>(980,961)</b>	<b>(2,965)</b>	<b>(983,926)</b>
Surplus /deficit on provision of services	34,022	18,055	0	0	0	0	0	52,077	0	52,077	0	52,077
Other Comprehensive Income and Expenditure	0	0	0	0	0	0	0	0	(35)	(35)	0	(35)
<b>Total Comprehensive Income and Expenditure</b>	<b>34,022</b>	<b>18,055</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>52,077</b>	<b>(35)</b>	<b>52,042</b>	<b>0</b>	<b>52,042</b>
Adjustments between Group and Authority accounts	2,955	0	0	0	0	0	0	2,955	0	2,955	(2,955)	0
<b>Net increase before transfers</b>	<b>36,977</b>	<b>18,055</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>55,032</b>	<b>(35)</b>	<b>54,997</b>	<b>(2,955)</b>	<b>52,042</b>
Adjustments between accounting basis & funding basis under regulations	(28,131)	(15,058)	0	0	3,023	(26)	(12,866)	(53,058)	53,058	0	0	0
Transfer of DSG deficit	(3,099)	0	0	0	0	0	0	(3,099)	3,099	0	0	0
<b>Net Increase/Decrease before Transfers to Reserves</b>	<b>5,747</b>	<b>2,997</b>	<b>0</b>	<b>0</b>	<b>3,023</b>	<b>(26)</b>	<b>(12,866)</b>	<b>(1,125)</b>	<b>56,122</b>	<b>54,997</b>	<b>(2,955)</b>	<b>52,042</b>
Transfers to/from Earmarked Reserves	(5,908)	(296)	5,908	296	0	0	0	0	0	0	0	0
<b>Increase/Decrease in year</b>	<b>(161)</b>	<b>2,701</b>	<b>5,908</b>	<b>296</b>	<b>3,023</b>	<b>(26)</b>	<b>(12,866)</b>	<b>(1,125)</b>	<b>56,122</b>	<b>54,997</b>	<b>(2,955)</b>	<b>52,042</b>
<b>Balance at 31 March</b>	<b>(8,496)</b>	<b>(9,639)</b>	<b>(46,946)</b>	<b>(998)</b>	<b>(8,365)</b>	<b>(1,881)</b>	<b>(57,011)</b>	<b>(133,336)</b>	<b>(792,628)</b>	<b>(925,964)</b>	<b>(5,920)</b>	<b>(931,884)</b>

## The Group Balance Sheet

Note		31 March 2024 £000	31 March 2025 £000
45	Property, Plant & Equipment	1,376,999	1,362,359
	Investment property	4,750	4,580
	Heritage	29,215	29,215
	Long term investments	12,753	18,754
	Long Term debtors	1,989	2,474
	<b>Total Non-Current Assets</b>	<b>1,425,706</b>	<b>1,417,382</b>
	Short term investments	300	15,293
	Inventories & Work in Progress	945	1,121
	Short term debtors	44,900	54,041
	Cash & Cash equivalents	32,562	18,171
	Assets held for sale (current)	6,527	19,040
	<b>Current Assets</b>	<b>85,234</b>	<b>107,666</b>
	Short term borrowing	(20,482)	(82,936)
	Short term creditors	(78,596)	(80,036)
	Provisions (short term)	(1,141)	(931)
	<b>Current Liabilities</b>	<b>(100,219)</b>	<b>(163,903)</b>
	Long term borrowing	(350,850)	(312,541)
	Long term creditors	(39,892)	(47,339)
	Provisions (long term)	(8,812)	(7,558)
	Pension Liability	(57,410)	(54,545)
	Capital Grants receipts in advance	(21,873)	(30,614)
	<b>Non-Current Liabilities</b>	<b>(478,837)</b>	<b>(452,597)</b>
	<b>Net Assets</b>	<b>931,884</b>	<b>908,548</b>
	Usable Reserves of Group	(139,256)	(131,349)
	Unusable Reserves of authority only	(792,628)	(777,199)
	<b>Total Reserves</b>	<b>(931,884)</b>	<b>(908,548)</b>

## The Group Cash flow Statement

Note	2023/24 £'000	2024/25 £'000
Net surplus or (deficit) on the provision of services	(52,077)	(50,249)
Adjustments to net surplus or deficit on the provision of services for non-cash movements	118,926	100,756
Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities	(54,836)	(42,067)
<b>Net cash flows from Operating Activities</b>	<b>12,013</b>	<b>8,440</b>
Investing Activities	(17,967)	(34,399)
Financing Activities	3,780	11,568
<b>Net increase or decrease in cash and cash equivalents</b>	<b>(2,174)</b>	<b>(14,391)</b>
Cash and cash equivalents at the beginning of the reporting period	34,736	32,562
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>32,562</b>	<b>18,171</b>

## 44. Long Term Investments – Group Consolidation

For a variety of legal and regulatory reasons, organisations are often required to conduct their activities through several undertakings, each under the control of the parent company. In such circumstances the financial reports of the parent organisation do not present the full picture by themselves. To understand the full picture, and therefore the full economic benefits and risks, group accounts are required.

The authority has considered its relationship with key partners and has produced Group Accounts for line by line consolidation of Swindon Housing Development Company Ltd, Swindon Common Farm Solar Community Interest Plc (Common Farm) and Chapel Farm Solar Ltd only. As a joint venture (JV) Wichelstowe LLP is not consolidated on a line by line basis but requires the relevant share of the net assets to be accounted for, with the Council's investment being adjusted to represent the gain/loss of the Council's 50% interest.

The following tables summarise the performance of the group companies prior to their consolidation:

	<b>Housing Dev. Co.</b>		<b>Common Farm Solar</b>		<b>Chapel Farm Solar</b>	
	<b>2023/24</b>	<b>2024/25</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2023/24</b>	<b>2024/25</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Profit / (Loss) before taxation	(69)	481	(85)	(253)	(50)	75
Tax Adjustment	13	0	11	(46)	(16)	(14)
<b>Profit / (Loss) after taxation</b>	<b>(56)</b>	<b>481</b>	<b>(74)</b>	<b>(299)</b>	<b>(65)</b>	<b>60</b>
<b>As at 31 March</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>	<b>2025</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Net Balance Sheet Asset/(Liability)</b>	<b>(889)</b>	<b>(1,719)</b>	<b>(105)</b>	<b>192</b>	<b>(852)</b>	<b>(857)</b>
<b>Company Purpose</b>	The Council became owner of the above company during 2017/18. This company is involved in the construction and selling of housing.		The Council became owner of the above company during 2016/17. This company generates electricity from a solar array, part funded from a community bond issue.		The Council became owner of the above company at the end of 2016/17. This company generates electricity from a solar array.	

### Changes from Single Entity

In consolidating the group accounts transactions with the group entities are removed. Long term debtors on the balance sheet are different between the single entity and group accounts, where other group loans within the single entity accounts do not exist on consolidation.

These group statements contain the accounts for Swindon Borough Council, Swindon Common Farm Solar Community Interest Plc, Swindon Chapel Farm Solar Ltd, and Swindon Housing Development Company Limited. They have been adjusted for presentational changes to statements and for transactions between the parent and subsidiary undertakings. For example, to show lower spend paid out by the parent and lower income received by the subsidiary, or the removal of long term investments from the parent and long term creditors from the subsidiary.

The statements are also adjusted for any accruals made by the organisations. This generally results in debtors and creditors figures reducing. Disclosure notes are only included within the consolidated group accounts if they are materially different from those disclosed in the single entity accounts.

#### 45. Group Property, Plant & Equipment

<b>2024/25</b>	<b>Council Dwellings</b>	<b>Other Land and Buildings</b>	<b>Vehicles, Plant, &amp; Equipment</b>	<b>Infra-structure Assets</b>	<b>Community Assets</b>	<b>Surplus Assets</b>	<b>Assets Under Construction</b>	<b>Total PPE</b>
<b>Cost or Valuation</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>1st April</b>	<b>572,409</b>	<b>449,619</b>	<b>38,806</b>		<b>14,431</b>	<b>28,943</b>	<b>65,659</b>	<b>1,169,867</b>
Additions	28,440	26,177	3,520		1,049	171	18,175	84,859
Revaluation increases / (decreases) recognised in the Revaluation Reserve	695	9,704	0		0	(57)	0	10,342
Revaluation increases / (decreases) recognised in the Surplus/Deficit on the Provision of Services	(21,360)	(2,957)	0		0	(1,505)	0	(25,822)
Derecognition – disposals	(8,776)	(42,530)	(715)		0	(313)	0	(52,334)
Reclassification	187	(22,492)	0		0	7,006	(187)	(15,486)
<b>31st March</b>	<b>571,595</b>	<b>417,521</b>	<b>41,611</b>		<b>15,480</b>	<b>34,245</b>	<b>83,647</b>	<b>1,539,666</b>
<b>1st April</b>	<b>(2,273)</b>	<b>(5,344)</b>	<b>(18,355)</b>		<b>0</b>	<b>(42)</b>	<b>0</b>	<b>(26,014)</b>
Depreciation charge	(9,456)	(13,870)	(3,943)		0	(14)	0	(36,987)
Depreciation w/b on Revaluation	8,989	9,526	0		0	0	0	18,515
Depreciation written to/from the CIES	0	1,671	0		0	0	0	1,671
Depreciation written to/from the CIES - Reclassifications	0	27	0		0	(27)	0	0
Derecognition – disposals	375	210	0		0	17	0	602
<b>31st March</b>	<b>(2,365)</b>	<b>(7,780)</b>	<b>(22,298)</b>		<b>0</b>	<b>(66)</b>	<b>0</b>	<b>(177,307)</b>
<b>Net Book Value</b>								
<b>1st April</b>	<b>570,136</b>	<b>444,275</b>	<b>20,451</b>	<b>233,146</b>	<b>14,431</b>	<b>28,901</b>	<b>65,659</b>	<b>1,376,999</b>
<b>31st March</b>	<b>569,230</b>	<b>409,741</b>	<b>19,313</b>	<b>230,769</b>	<b>15,480</b>	<b>34,179</b>	<b>83,647</b>	<b>1,362,359</b>

Swindon Borough Council – Statement of Accounts – 2024/25 DRAFT

<b>2023/24</b>	<b>Council Dwellings</b>	<b>Other Land and Buildings</b>	<b>Vehicles, Plant, &amp; Equipment</b>	<b>Infra-structure Assets</b>	<b>Community Assets</b>	<b>Surplus Assets</b>	<b>Assets Under Construction</b>	<b>Total PPE</b>
<b>Cost or Valuation</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>1st April</b>	<b>551,820</b>	<b>495,861</b>	<b>28,266</b>		<b>13,014</b>	<b>28,032</b>	<b>61,159</b>	<b>1,178,152</b>
Additions	16,742	5,814	10,540		1,417	23	27,629	<b>62,165</b>
Revaluation increases / (decreases) recognised in the Revaluation Reserve	16,099	(1,040)	0		0	(100)	0	<b>14,959</b>
Revaluation increases / (decreases) recognised in the Surplus/Deficit on the Provision of Services	(26,639)	(21,349)	0		0	(4,323)	0	<b>(52,311)</b>
Derecognition – disposals	(8,742)	(24,621)	0		0	265	0	<b>(33,098)</b>
Reclassification	23,129	(5,046)	0		0	5,046	(23,129)	<b>0</b>
<b>31st March</b>	<b>572,409</b>	<b>449,619</b>	<b>38,806</b>		<b>14,431</b>	<b>28,943</b>	<b>65,659</b>	<b>1,169,867</b>
<b>1st April</b>	<b>(2,205)</b>	<b>(6,799)</b>	<b>(14,894)</b>		<b>0</b>	<b>(103)</b>	<b>0</b>	<b>(24,001)</b>
Depreciation charge	(9,088)	(11,825)	(3,461)		0	(22)	0	<b>(24,396)</b>
Depreciation w/b on Revaluation	8,148	11,114	0		0	43	0	<b>19,305</b>
Depreciation written to/from the CIES	0	1,992	0		0	38	0	<b>2,030</b>
Depreciation written to/from the CIES - Reclassifications	0	(2)	0		0	2	0	<b>0</b>
Derecognition – disposals	872	176	0		0	0	0	<b>1,048</b>
<b>31st March</b>	<b>(2,273)</b>	<b>(5,344)</b>	<b>(18,355)</b>		<b>0</b>	<b>(42)</b>	<b>0</b>	<b>(26,014)</b>
<b>Net Book Value</b>								
<b>1st April</b>	<b>549,615</b>	<b>489,062</b>	<b>13,372</b>	<b>234,098</b>	<b>13,014</b>	<b>27,929</b>	<b>61,159</b>	<b>1,388,249</b>
<b>31st March</b>	<b>570,136</b>	<b>444,275</b>	<b>20,451</b>	<b>233,146</b>	<b>14,431</b>	<b>28,901</b>	<b>65,659</b>	<b>1,376,999</b>

# ACCOUNTING POLICIES

## **a) General Principles**

The Statement of Accounts for Swindon Borough Council are prepared and published in accordance with the Accounts and Audit Regulations 2015 and the latest Code of Practice on Local Authority Accounting in the United Kingdom (“the Code”) issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). Any divergence from the Code is noted where applicable. The Code is based on International Financial Reporting Standards, as adapted for the UK public sector. The Accounts are prepared under a going concern and modified historical cost basis and also apply to the group accounts consolidation.

## **b) Revenue recognition and Accruals of Income and Expenditure**

Transactions are accrued into the period that rights and obligations are transferred, or performance obligations are met, except for immaterial items or where cyclical payments include twelve months’ worth of charges, but not necessarily Apr-Mar.

## **c) Cash and Cash Equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable within 24 hours. Cash equivalents are readily convertible investments that mature within one month of acquisition.

## **d) Prior Period Adjustments, Changes in Accounting Policies and Errors**

Unless changes from the Code require otherwise, when a prior period adjustment is made due to a change in accounting policy, or from correcting material errors, it is applied retrospectively by adjusting opening balances and comparatives. Balances are rounded separately for the main statements and disclosure notes which may cause minor inconsistency between table balances but are not material errors.

## **e) Charges to Revenue for Non-Current Assets**

Services making use of long term assets will be charged with an amount for the assets’ depreciation, and revaluation and impairment losses where no accumulated gains exists.

These transactions are not charged against council tax, but reversed out to the capital adjustment account through the movement in reserves statement. The minimum revenue provision charge represents the Council's payment to reduce its borrowing.

## **f) Employee Benefits**

Benefits Payable during Employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages, salaries, and paid annual leave for current employees.

Post-Employment Benefits

Employees of the Authority are members of The Teachers' Pension Scheme or the Local Government Pension Scheme. The schemes provide defined benefits earned as employees work for the Authority.

Arrangements for the teachers' scheme, administered by the Teachers' Pensions Agency, mean that these liabilities cannot ordinarily be identified specifically to the Authority and is accounted for as if it was a defined contribution scheme, with no balance sheet liability.

#### The Local Government Pension Scheme

The Authority's liabilities of the Local Government scheme, administered by Wiltshire pension fund, are included in the Balance Sheet on an actuarial basis.

The change in the net pension liability is analysed into seven components of past service cost, interest cost, net interest on the defined benefit liability, gains or losses on settlements or curtailments, remeasurement and contributions paid to the pension fund.

Statutory provisions require the General Fund balance to be charged with the amount of retirement benefits payable by the Authority to the pension fund or directly to pensioners in the year. The movements on accounting entries for pensions are therefore reversed through the MiRS to/from the Pension Reserve.

#### Discretionary Benefits

The Authority also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff (including teachers) are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

### **g) Events after the Balance Sheet Date**

Events after the Balance Sheet date are events that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. They may provide evidence of conditions that existed at the balance sheet date which require the Statements to be adjusted, or indicate conditions that arose after the balance sheet date, where only disclosure is made if material.

### **h) Financial Instruments**

This accounting policy was amended for 2018/19 statements due to the introduction of IFRS9 Financial Instruments. The introduction has not had material impact on the statements or ongoing policy, as the material financial instruments of the Authority are with other Government institutions and recorded at cost.

#### Financial Liabilities

Financial liabilities are recognised on the balances sheet when the authority becomes party to contractual provisions of a financial instrument. They are initially measured at fair value and carried at amortised cost, meaning the balance sheet typically contains balance for the outstanding principle repayable. Interest is charged to the CIES as per loan agreements.

#### Financial Assets

The authority's business model is to hold investments to collect contractual cash flows, i.e. there is no speculation on the capital appreciation of an investment to sell for a profit. Financial assets are therefore classified as amortised cost, except for those whose contractual payments are not solely payment of principal and interest.

### Financial Assets Measured at Amortised Cost

Financial assets measured at amortised cost are initially measured at fair value and are subsequently measured at their amortised cost. Interest receivable is charged annually based on the asset carrying amount and effective interest rate. For the authority this means the balance sheet records the outstanding principal receivable and interest credited to the CIES is the amount receivable for the year in the loan agreement.

Any gains and losses that arise on derecognition of an asset are credited or debited to the Financing and Investment Income and Expenditure line in the CIES.

### Expected Credit Loss Model

The authority recognises expected credit losses on its financial assets either on a 12-month or lifetime basis. The authority uses the simplified approach for trade and lease receivables where a collective assessment is undertaken based upon an historic and professional understanding of the risk involved with different customers.

Where risk has increased significantly since an instrument was initially recognised, losses are assessed on a lifetime basis. Where risk has not significantly changed, losses are assessed on the basis of 12-month expected losses.

### Financial Assets Measured at Fair Value through Profit of Loss

Financial assets that are measured at FVPL are recognised on the Balance Sheet when the authority becomes a party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Fair value gains and losses are recognised as they arrive in the Surplus or Deficit on the Provision of Services.

The fair value measurements of the financial assets are based on the quoted market price where instruments have one, or where none exists the relevant market or analysis of cash flows.

The inputs to the measurement techniques are categorised in accordance with the following three levels:

Level 1 inputs – quoted prices (unadjusted) in active markets for identical assets that the authority can access at the measurement date.

Level 2 inputs – inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly.

Level 3 inputs – unobservable inputs for the asset.

Any gains and losses that arise on the derecognition of the asset are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

### i) Government Grants and Contributions

Grants, contributions and donations are recognised as due to the Authority when there is reasonable assurance that any conditions will be complied with and the grants will be received.

Where monies are advanced but conditions have not been satisfied a creditor or receipt in advance is carried on the balance sheet, released to services in the CIES when conditions are met.

Capital grants credited to the CIES are reversed out of the General Fund to the Capital Grants Unapplied Reserve. When used in funding it is transferred to the Capital Adjustment Account.

## **j) Inventories**

Inventories are included in the Balance Sheet at the lower of cost and net realisable value.

## **k) Investment Property**

Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services, production of goods, is a surplus asset held for sale or held for any regeneration or other community benefit.

Investment properties are measured initially at cost and subsequently at fair value. Such properties are not depreciated but revalued according to market conditions at the year-end. Gains and losses are transferred in and out of the CIES to the capital adjustment account or capital receipts reserve, if receipts are over £10,000.

There are no restrictions on the Authority's ability to realise the value inherent in its investment property or on the Authority's right to the remittance of income and the proceeds of disposal. The Authority has no contractual obligations to purchase, construct or develop investment property or repairs, maintenance or enhancement.

## **l) Leases**

Lease contracts, or similar arrangements that convey the right of use of specific assets, are accounted for under the lease policy.

Leases that are either a) short term of 12 months or less or b) for assets of low value under £10,000 per individual asset, are treated as revenue cost.

All other leases containing right of use assets are considered to relate to on balance sheet assets with the creation of a lease liability and long term asset valued at the discounted value of payments to be made over the lease term.

The lease payments are split between writing down the lease liability and an interest charge.

Once a leased asset is on balance sheet it is treated in line with policies for Property, Plant and Equipment, using the most appropriate period that benefit of the asset is received for depreciation purposes.

The Authority as Lessor

### **Finance Leases**

Where the Authority grants a finance lease over a property or an item of plant or equipment, where the rights and rewards of ownership transfer to the lessee, the relevant asset is written out of the Balance Sheet as a disposal, matched by the creation of a lease (long-term debtor) asset.

Lease rentals receivable are subsequently apportioned between writing down the lease asset and an interest receipt.

### **Operating Leases**

Where the Authority grants a lease over a property or an item of plant or equipment, which is not considered a finance lease, the asset is retained in the Balance Sheet and rental income credited to the CIES as an operating lease.

## **m) Property, Plant and Equipment (PPE)**

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Highways infrastructure assets include carriageways, footways and cycle tracks, structures, street lighting, street furniture, traffic management systems and land which together form a single integrated network.

#### Recognition

Expenditure on the acquisition, creation or enhancement of PPE is capitalised on an accruals basis, where probable that the associated future economic benefits or service potential will flow to the Authority and the cost of the item can be measured reliably.

#### Measurement

Highways infrastructure assets are generally measured at depreciated historical cost. However, this is a modified form of historical cost – opening balances for highways infrastructure assets were originally recorded in balance sheets at amounts of capital undischarged for sums borrowed as at 1 April 1994 which was deemed at that time to be historical cost.

Assets are initially measured at cost, comprising the purchase price and any attributable costs of bringing the asset into use intended.

The measurement of cost for assets acquired other than by purchase is deemed to be its fair value.

Assets are then carried in the Balance Sheet using the following measurement bases:

- Infrastructure, community assets and assets under construction – depreciated historical cost.
- Surplus assets - fair value, estimated at highest and best use to reflect their likely rather than last use.
- Dwellings – current value, determined using the basis of existing use value for social housing (EUV-SH).
- ROU assets - the discounted value of payments to be made over the lease term
- All other assets – current value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV).

Where there is no market-based evidence of current value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of current value. Where non-property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for current value.

Assets included in the Balance Sheet at fair value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their current value at the year-end.

Valuations are carried out by internal valuers. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains.

Where decreases in value are identified, they are initially accounted for by charging against any previously accumulated revaluation gains, or charging to services in the CIES if there are none.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

The Authority carries out a rolling programme that ensures that all operational property is revalued at least every five years, with more frequent reviews for market valued assets. The valuers consider the impact of market changes to valuations and will revalue assets annually where evidence suggests carrying value is materially misstated. The de minimis level applied for balance sheet revaluation additions is £10,000. Valuations of land and buildings were carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors. All valuations have been carried out by the Council's internal valuers, who are RICS qualified.

#### Impairment

Assets categories are assessed at each year-end for any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for by:

- Where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).
- Where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is subsequently reversed, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

#### Depreciation

The Council uses the straight-line method of calculating depreciation on its PPE, with the exception of non-depreciable land, community assets, investment properties and assets under construction.

Depreciation is provided on the parts of the highways network infrastructure assets that are subject to deterioration or depletion and by the systematic allocation of their depreciable amounts over their useful lives.

Depreciation is charged for a full year, in the year of addition or revaluation, no depreciation is charged in the year of disposal.

Depreciation is calculated on the following bases:

- Dwellings and other buildings – straight-line allocation over the useful life of the property, generally 70 years or as estimated by the valuer
- Vehicles, plant, furniture and equipment – generally straight-line over five years (dependent on the assessed expected useful life)
- Infrastructure – generally straight-line allocation over thirty years for carriageway/path/lighting, fifteen for street furniture and 100 for structures unless other specific timeframes are appropriate as advised by Highways engineers.
- ROU Leased assets - straight-line over the most appropriate period relevant to the lease term or asset life

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

#### Components

Each asset on the balance sheet is made up of possible components, some of which may have different life spans to others and which might be accounted for distinctly for depreciation purposes. Componentisation is applied to HRA Dwellings. Other assets that are valued over £5m and undergone activity in year would also be considered for componentisation where a components would form material elements of the asset.

#### Disposals and Non-current Assets Held for Sale

When it is probable an asset will be sold and is being actively marketed it is reclassified as an asset held for sale. Depreciation is not charged on this category of asset. If an asset no longer meets the criteria to be classed as held for sale they are transferred back to non-current assets and revalued accordingly.

When an asset is disposed of or decommissioned the carrying amount of the asset is written off to the CIES as part of the gain or loss on disposal. Receipts from disposals are credited to the same line (i.e. netted off against the carrying value of the asset at the time of disposal). Associated costs of disposal are contained within the net cost of services analysis, as part of apportioned central support costs. Any associated revaluation gains held in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. A proportion of receipts relating to housing disposals (75% for dwellings, 50% for other assets) is payable to the Government. The Government has granted increased flexibilities on the use of these Right to Buy Receipts for the two financial years 2024-25 and 2025-26, increasing the cap to 100% from 50% for the periods. The balance of receipts received is credited to the Capital Receipts Reserve through the MiRS, and unless a statutory override exist, can only be used for new capital investment or set aside to reduce the Authority's underlying need to borrow.

The carrying value of disposals written off to the CIES is not a charge against council tax but is reversed to the Capital Adjustment Account from the General Fund Balance in the MiRS.

#### Assets under Construction

These assets are in the process of being built, are not operational for use and do not have depreciation applied.

#### Heritage Assets

The Authority's Heritage Assets are mainly held in the Authority's Museums. The Museums contain a range of artistic, porcelain, locomotive and archaeological collections which are held for local knowledge, details of which can be found on the Council's related websites.

Heritage Assets follow the Authority's accounting policies on property, plant and equipment, however, rules for their measurement are relaxed and have been taken by reference to insurance valuations.

#### **n) Private Finance Initiative (PFI) and Similar Contracts**

As the Authority is deemed to control the services that are provided under its PFI scheme, and as ownership of the property, plant and equipment will pass to the Authority at the end of the contracts for no additional charge, the Authority carries the assets used under the contracts on its Balance Sheet as part of Property, Plant and Equipment and accounts for them under relevant policies.

The original recognition of these assets at fair value (based on the cost to purchase the property, plant and equipment) was balanced by the recognition of a liability for amounts due to the scheme operator to pay for the capital investment. For the PFI schools, the liability was written down by an initial capital contribution of £10m.

The amounts payable to the PFI operators each year are analysed into elements for service charges, finance/interest costs and asset lifecycle replacement.

#### **o) Provisions, Contingent Liabilities and Contingent Assets**

##### **Provisions**

Provisions are made where an event has taken place that gives the Authority a legal or constructive obligation that probably requires a payment to settle, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the appropriate service line in the CIES in the year that the authority becomes aware of the obligation, and are measured at the best estimate at the balance sheet date.

Related payments are charged against the provision carried in the Balance Sheet. Where it becomes less than probable that an existing provision is needed at the current carrying value, the provision is reversed and credited back to the relevant service.

##### **Contingent Liabilities**

A contingent liability arises where an event has taken place that gives the authority a possible obligation but whose existence will only be confirmed by the occurrence, or otherwise, of future events. Contingent liabilities also arise in circumstances where a provision would otherwise be made but the amount of resources cannot be reliably measured or a payment is not probable.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

##### **Contingent Assets**

A contingent asset arises where an event has taken place that gives the authority a possible asset whose existence will only be confirmed by the occurrence or otherwise of future events.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

#### **p) Reserves**

The Authority sets aside specific amounts as useable reserves for future policy purposes or to cover contingencies. Reserves are created on the balance sheet by appropriating amounts out of the General Fund via the MiRS. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service and the reserve is then appropriated back into the General Fund.

**q) Revenue Expenditure Funded from Capital under Statute**

This represents expenditure incurred which ordinarily could be revenue, or which does not result in the creation of a non-current asset for the Authority. It is charged as expenditure to the relevant service in the CIES but reversed under statutory provision to the capital adjustment account via the MiRS to be funded from capital resources.

**r) Agency Arrangements - Collection Fund / BCF**

Following principle and agent standards, whereby only those costs/incomes that the Authority is responsible for and is not just acting as an agent of a third party, the Better Care Fund (see note) and Collection Fund are accounted for under agency arrangements.

The Collection Fund is a separate account that presents the amounts collected as income and the amounts paid out as precepts to precepting authorities. Within the balance sheet the Authority records on an agency basis the amounts that relate only to its own balances.

**s) Group Accounts- Interests in Companies and Other Entities**

In the Authority's own single-entity accounts, the interests in companies and other entities are recorded as financial assets at cost.

In the group accounts consolidation of Public Power Solutions Limited, Swindon Housing Development Company and Common & Chapel Solar Farms figures is by the acquisition method, on a line-by-line basis, using the companies' final accounts as the base detail for consolidation, using the accounting policies of the Authority, disclosing only material differences.

The Wichelstowe LLP joint venture company is considered a joint venture for accounting purposes, with net assets and liabilities of the company shown proportionately (50%) in the SBC statements when material.

The Authority includes maintained schools within its single entity accounts as per the Code. For such schools their material assets are contained on the single entity balance sheet, and their income and expenditure transferred onto the Council general ledger at end of year for inclusion in the CIES.

# Supplementary Statements

The following statements are not core statements of the authority but do constitute a significant element in understanding the wider services and position the authority holds.

# The Collection Fund

Shows the Council Tax and National Non-Domestic rates income collected and paid during the year.

	2023/24			2024/25		
	Business Rates	Council Tax	Total	Business Rates	Council Tax	Total
INCOME	£000	£000	£000	£000	£000	£000
Council Tax Receivable	0	(162,663)	(162,663)	0	(172,822)	(172,822)
Business Rates Receivable	(109,133)	0	(109,133)	(120,558)	0	(120,558)
	<b>(109,133)</b>	<b>(162,663)</b>	<b>(271,796)</b>	<b>(120,558)</b>	<b>(172,822)</b>	<b>(293,380)</b>
<b>EXPENDITURE</b>						
<b>Apportionment of Previous Year Surplus</b>						
Central Government	2,674	0	2,674	5,197	0	5,197
Billing Authority	2,620	0	2,620	5,093	0	5,093
Fire Authority	53	0	53	104	0	104
Police Authority	0	0	0	0	0	0
	<b>5,347</b>	<b>0</b>	<b>5,347</b>	<b>10,394</b>	<b>0</b>	<b>10,394</b>
<b>Precepts, Demands and Shares</b>						
Central Government	54,546	0	54,546	58,918	0	58,918
Billing Authority	53,460	135,742	189,202	57,740	142,730	200,470
Fire Authority	1,091	6,566	7,657	1,178	6,736	7,914
Police Authority	0	19,929	19,929	0	20,866	20,866
	<b>109,097</b>	<b>162,237</b>	<b>271,334</b>	<b>117,836</b>	<b>170,332</b>	<b>288,168</b>
<b>Charges to Collection Fund</b>						
Less write offs of uncollectable amounts	0	593	593	1	24	25
Less : Increase / (Decrease) in Bad Debt Provision	1,005	1,391	2,396	1,639	(3,794)	(2,155)
Less : Increase / (Decrease) in Provision for Appeals	(5,009)	0	(5,009)	(1,803)	0	(1,803)
Less : Renewables	838	0	838	843	0	864
Less : Cost of Collection	263	0	263	263	0	263
	<b>(2,903)</b>	<b>1,984</b>	<b>(919)</b>	<b>943</b>	<b>(3,770)</b>	<b>(2,827)</b>
(Surplus) / Deficit arising during the year	2,409	1,559	3,968	8,615	(6,260)	2,355
(Surplus) / Deficit brought forward 1st April	(11,306)	1,835	(9,471)	(8,897)	3,394	(5,503)
<b>(Surplus) / deficit carried forward 31st March</b>	<b>(8,897)</b>	<b>3,394</b>	<b>(5,503)</b>	<b>(282)</b>	<b>(2,866)</b>	<b>(3,148)</b>
Less Balance Attributable to Major Preceptors	4,548	(552)	3,996	144	465	609
<b>Balance Remaining Attributable to SBC</b>	<b>(4,349)</b>	<b>2,842</b>	<b>(1,507)</b>	<b>(138)</b>	<b>(2,401)</b>	<b>(2,539)</b>

## Notes to the Collection Fund

### 46. Rateable Value

	31 March 2024	31 March 2025
Total rateable value in the Local Rating List	£287,246,879	£285,787,853
	<b>2023/24</b>	<b>2024/25</b>
Multiplier for most properties	51.2p	54.6p
Small Business Multiplier	49.9p	49.9p

### 47. Council Tax Base

The Council Tax Base for the year, i.e. the number of chargeable dwellings in each band (adjusted for dwellings where discounts apply in band A) converted to an equivalent number of Band D dwellings, was as shown in the table below.

Band	No of Taxable Properties *	Ratio to Band D	Band D Equivalents
A	12,904	6/9	8,638
B	25,275	7/9	19,658
C	22,642	8/9	20,126
D	16,833	9/9	16,833
E	8,987	11/9	10,984
F	3,777	13/9	5,456
G	1,412	15/9	2,353
H	62	18/9	125
<b>Total</b>	<b>Band D equivalents</b>		<b>84,173</b>
Contributions in lieu	(MOD properties)		97
Add:	Anticipated changes in year		(4,974)
Less:	Provision for non-collection (1.20%)		(951)
	<b>Tax Base</b>		<b>78,345</b>

\* After adjustment for discounts and relief.

# The Housing Revenue Account (HRA)

This statement consolidates the income and expenditure in respect of the provision of local authority housing.

<b>HRA Income and Expenditure Statement</b>	<b>2023/24</b>	<b>2024/25</b>
	<b>£'000</b>	<b>£'000</b>
<b>Expenditure</b>		
Repairs and maintenance	18,186	21,344
Supervision and management	7,204	9,019
Special Services	9,356	8,405
Rents, rates, taxes and other charges	521	758
Depreciation and impairment of non-current assets	36,117	31,211
Debt management costs	70	80
Movement in the allowance for bad debts	444	178
<b>Total Expenditure</b>	<b>71,898</b>	<b>70,995</b>
<b>Income</b>		
Dwelling rents	(48,417)	(55,012)
Non-dwelling rents	(425)	(370)
Charges for services and facilities	(8,046)	(7,610)
Contributions towards expenditure	(2,075)	(3,134)
Leaseholders' charges for services and facilities	(614)	(463)
<b>Total Income</b>	<b>(59,577)</b>	<b>(66,589)</b>
<b>Net Cost of HRA Services as included in the Comprehensive Income and Expenditure Statement</b>	<b>12,321</b>	<b>4,406</b>
HRA services' share of Corporate and Democratic Core	127	127
HRA share of other amounts included in the whole authority Cost of Services but not allocated to specific services	9	9
<b>Net (Income)/Expense for HRA Services</b>	<b>12,457</b>	<b>4,542</b>
<b>HRA share of the operating income and expenditure included in the Comprehensive Income and Expenditure Statement:</b>		
(Gain) / loss on sale of HRA non-current assets	3,207	5,074
Interest payable and similar charges	3,036	2,870
Interest and investment income	(789)	(490)
Net Pensions Interest Cost / Return on Asset	144	(151)
<b>(Surplus) / deficit for the year on HRA services</b>	<b>18,055</b>	<b>11,845</b>

## Statement of Movement in the Housing Revenue Account

	2023/24 £000	2024/25 £000
<b>1 April</b>	<b>(12,340)</b>	<b>(9,639)</b>
(Surplus) / Deficit on Service provision	18,055	11,845
Adjustments between accounting & funding basis	(15,058)	(6,735)
Transfers to / (from) Earmarked Reserves	(296)	381
<b>(Increase)/Decrease in-year</b>	<b>2,701</b>	<b>5,491</b>
<b>31 March</b>	<b>(9,639)</b>	<b>(4,148)</b>

<b>HRA Movement in Reserves Adjustments</b>	2023/24 £'000	2024/25 £'000
Adjustments between accounting & funding basis in reconciling the HRA balance for the year		
Charges for depreciation of non-current assets	(9,478)	(9,851)
Charges for impairment of non-current assets	(26,639)	(21,360)
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(7,870)	(8,401)
Voluntary provision for the financing of capital investment	5,000	0
Capital expenditure charged against the General Fund and HRA balances	9,597	18,935
Transfer of cash sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	4,663	3,327
HRA resources credited to the MRR	9,478	9,851
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement	191	764
<b>Total Adjustments</b>	<b>(15,058)</b>	<b>(6,735)</b>

## Notes to the HRA

### 48.Housing Stock

The stock of Council dwellings at 31st March was:

Type	31 <sup>st</sup> March 24	Movement	31st March 25
<b>Low Rise Flats:</b>			
1 Bedroom	1808	(1)	1807
2 Bedrooms	730	(1)	729
3 or more Bedrooms	15	0	15
<b>Medium Rise Flats:</b>			
1 Bedroom	862	1	863
2 Bedrooms	497	(1)	496
3 or more Bedrooms	49	0	49
<b>High Rise Flats:</b>			
1 Bedroom	81	9	90
2 Bedrooms	249	1	250
<b>Houses and Bungalows:</b>			
1 Bedroom	924	0	924
2 Bedrooms	1406	(10)	1396
3 Bedrooms	3564	(18)	3546
4 or more Bedrooms	216	8	224
<b>Total</b>	<b>10,401</b>	<b>(12)</b>	<b>10,389</b>

The Balance Sheet value of land, houses and other property relating to the Housing Revenue Account as at 31 March is summarised below.

	2023/24 £'000	2024/25 £'000
<b>Assets:</b>		
Dwellings	570,136	569,230
Plant and Equipment	726	398
<b>Total Balance Sheet Value</b>	<b>570,862</b>	<b>569,628</b>

There is a statutory requirement for the Council's assets to be revalued at least every 5 years. The tenanted dwellings were revalued as at 31<sup>st</sup> December 2024.

### 49.Vacant Possession Valuation

In addition to the balance sheet valuation it is a requirement of the HRA (Accounting Practices) Direction 2007 that the vacant possession value of dwellings as at 1st April is disclosed as a note to the accounts. The inclusion of both the balance sheet valuation and the vacant possession valuation ensures that the economic cost to the Government of providing council housing at less than open market rents is shown in the accounts.

	31 March 2024 £'000	31 March 2025 £'000
Vacant possession valuation	1,635,450	1,633,127

**50. Major Repairs Reserve**

	Balance at 31 March	2024 £'000	2025 £'000
Capital expenditure for HRA purposes financed by MRR Resources:			
Houses		9,452	11,732
<b>Total Expenditure</b>		<b>9,452</b>	<b>11,732</b>
Amount equivalent to total depreciation charges for all HRA assets		(9,478)	(9,851)
Transfer from HRA			
<b>Total Income</b>		<b>(9,478)</b>	<b>(9,851)</b>
<b>Deficit / (Surplus) for the Year</b>		<b>(26)</b>	<b>1,881</b>
Deficit / (Surplus) brought forward		(1,855)	(1,881)
<b>Deficit / (Surplus) Carried Forward</b>		<b>(1,881)</b>	<b>0</b>

**51. HRA Capital Expenditure**

The capital expenditure and financing for the HRA was:

	2023/24 £'000	2024/25 £'000
Dwellings	10,197	26,832
Buildings	14,758	4,808
Other works contribution	118	1,784
<b>Total to Finance</b>	<b>25,073</b>	<b>33,424</b>
Major Repairs Reserve	9,452	11,732
Usable Capital Receipts	1,854	3,134
Revenue Contributions	9,598	8,499
Other contributions	68	7,302
HCA Grant for New Build	4,101	2,757
<b>Total Finance</b>	<b>25,073</b>	<b>33,424</b>

**52. Housing Repairs Account**

	Balance at 31 March	2023/24 £'000	2024/25 £'000
Repairs & Maintenance		17,009	19,456
<b>Total Expenditure</b>		<b>17,009</b>	<b>19,456</b>
Contribution from HRA		(16,753)	(19,200)
Service charges		(256)	(256)
<b>Total Income</b>		<b>(17,009)</b>	<b>(19,456)</b>
<b>Deficit / (Surplus) for the Year</b>		<b>0</b>	<b>0</b>
Deficit / (Surplus) brought forward		0	0
<b>Deficit / (Surplus) Carried Forward</b>		<b>0</b>	<b>0</b>

### 53.HRA Capital Receipts

The following table shows how much the Council paid to the Secretary of State for pooling of capital receipts arising from the disposal of housing assets as required in the Local Government Act 2003. Notional amounts were also payable under Pooling Payment requirement, however, under relevant conditions is allowed to be retained as a receipt in advance for new acquisitions.

	2023/24	2024/25
	£'000	£'000
Sale of Council Houses	4,570	6,692
Capital receipt retained for new property acquisitions	(2,716)	(3,134)
<b>Total</b>	<b>1,854</b>	<b>3,558</b>

### 54.HRA Cost of Capital Charge

Depreciation is the cost of capital charge on the HRA that pays for the wearing out, using up or other reduction in the remaining life of the asset through use, passage of time or obsolescence. The majority of council dwellings are being depreciated over 70 years.

	2023/24	2024/25
	£'000	£'000
Depreciation on dwellings	9,088	9,456
Depreciation on plant & equipment	390	395
Impairment and revaluation losses of dwellings	26,639	21,360
<b>Total</b>	<b>36,117</b>	<b>31,211</b>

### 55.HRA Arrears & Provisions for Bad Debt

Arrears of rent and other housing related charges due to the Council at 31st March were:

	2023/24	2024/25
	£'000	£'000
Current tenants	1,977	2,022
Former tenants	375	375
<b>Total Arrears</b>	<b>2,352</b>	<b>2,397</b>
Less: provision for bad debts	(2,352)	(2,397)
<b>Total Arrears After Provisions</b>	<b>0</b>	<b>0</b>

Arrears after provisions represent 0% of rent income and service charges due to the Council.

# Annual Governance Statement

To Follow

# Auditor's Report

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SWINDON BOROUGH COUNCIL

Report on the Audit of the Financial Statements

To Follow

# GLOSSARY

**ACCRUALS** - The concept that income and expenditure is recognised as earned or incurred, not as money is received or paid.

**AMORTISATION** - The depreciation write-out of long-term assets to revenue on a systematic basis over its economic life.

**ASSET** - An item having value in monetary terms. Assets are defined as current or long-term.

A current asset will be consumed or cease to have value within the next financial year, e.g. stock and debtors.

A long-current asset provides benefits to the Authority and to the services that it provides for a period of greater than one year.

**BUDGET** - A forecast of revenue or capital expenditure over the accounting period.

**CAPITAL EXPENDITURE** - Expenditure on the acquisition of a PPE that will be used in providing services beyond the current accounting period or expenditure that adds to an existing PPE.

**CAPITAL RECEIPTS** - The proceeds from the disposal of land or other long-term assets.

**CASH EQUIVALENTS** - Current asset investments that are readily disposable by the authority without disrupting its business and are either: readily convertible to known amounts of cash, at or close to, the carrying amount, or traded in an active market.

**COMMUNITY ASSETS** - Assets that the local authority 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.

**CONSISTENCY** - The concept that the accounting treatment of like items within an accounting period and from one period to the next is the same.

**CONTINGENCY** - A condition that exists at the balance sheet date, where the outcome will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events.

**CREDITOR** - Amounts owed by the Authority for works done, goods received or services rendered before the end of the accounting period but for which payments have not been made by the end of that accounting period.

**CURRENT SERVICE COST (PENSIONS)** - The increase in the present value of defined benefit pension scheme liabilities expected to arise from employee service in the current period.

**CURTAILMENT** - For a defined benefit pension scheme, an event that reduces the expected years of future service of present employees or reduces for a number of employees the accrual of defined benefits for some or all of their future service. Curtailments include:

- Termination of employees' services earlier than expected, for example as a result of closing a factory or discontinuing a segment of a business, and
- Termination of, or amendment to the terms of, a defined benefit scheme so that some or all future service by current employees will no longer qualify for benefits or will qualify only for reduced benefits.

**DEBTOR** - Amounts owed to the Authority for works done, goods received or services rendered before the end of the accounting period but for which payments have not been received by the end of that accounting period.

**DEFERRED ASSETS AND LIABILITIES** - Expenditure or income that may properly be deferred but is recognised in the appropriate section of the balance sheet, e.g. mortgage repayments.

**DEFINED BENEFIT SCHEME** - A pension or other retirement benefit scheme other than a defined contribution scheme. Usually, the scheme rules define the benefits independently of the contributions payable, and the benefits are not directly related to the investments of the scheme. The scheme may be funded or unfunded (including notionally funded).

**DEFINED CONTRIBUTION SCHEME** - A pension or other retirement benefit scheme into which an employer pays regular contributions fixed as an amount or as a percentage of pay and will have no legal or constructive obligation to pay further contributions if the scheme does not have sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

**DEPRECIATION** - The theoretical loss in value of an asset due to age, wear and tear, deterioration or obsolescence.

**DISCRETIONARY BENEFITS** - Retirement benefits which the employer has no legal, contractual or constructive obligation to award and which are awarded under the authority's discretionary powers, such as The Local Government (Discretionary Payments) Regulations 1996, the Local Government (Discretionary Payments and Injury Benefits)(Scotland) Regulations 1998, or The Local Government (Discretionary Payments) Regulations (Northern Ireland) 2001.

**EXPECTED RATE OF RETURN ON PENSIONS ASSETS** - For a funded defined benefit pension scheme, the average rate of return, including both income and changes in fair value but net of scheme expenses, expected over the remaining life of the related obligation on the actual assets held by the scheme.

**EXTRAORDINARY ITEMS** - Material items, possessing a high degree of abnormality, which derive from events or transactions that fall outside the ordinary activities of the authority and which are not expected to recur. They do not include exceptional items nor do they include prior period items merely because they relate to a prior period.

**FAIR VALUE** - The amount for which an asset could be exchanged or a liability settled, assuming that the transaction was negotiated between parties knowledgeable about the market in which they are dealing and willing to buy / sell at an appropriate price, with no other motive in their negotiations other than to secure a fair price.

**FINANCE LEASE** - A lease that transfers substantially all of the risks and rewards of ownership of PPE to the lessee.

**FINANCIAL INSTRUMENTS** - Contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. For local authorities, which do not issue equity instruments such as share capital, this means the following:

**Financial asset** - A right to future economic benefits controlled by the authority that is represented by:

- Cash
- An equity instrument of another entity
- A contractual right to receive cash (or another financial asset) from another entity

- A contractual right to exchange financial assets/liabilities with another entity under conditions that are potentially favourable to the authority.

#### Financial liability

An obligation to transfer economic benefits controlled by the authority that is represented by:

- A contractual obligation to deliver cash (or another financial asset) to another entity
- A contractual obligation to exchange financial assets/liabilities with another entity under conditions that are potentially unfavourable to the authority.

#### Equity instrument

A contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities (such as an equity share in a company) – will only apply to investments in other entities held by the authority.

**GOVERNMENT GRANTS** - Assistance by Government and inter-government agencies and similar bodies, whether local, national or international, in the form of cash or transfers of assets to an authority in return for past or future compliance with certain conditions relating to the activities of the authority.

**GRANT CONDITIONS** - Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

**IMPAIRMENT OF ASSETS** - Impairment is caused by the consumption of economic benefits e.g. physical damage to be a general fall in process and requires the value of PPE to be adjusted.

**INTANGIBLE NON-CURRENT ASSETS** - Intangible assets are defined as non-financial assets that do not have physical substance but are identifiable and controlled by the entity through custody or legal right. Examples are: scientific or technical knowledge in order to produce new or improved materials, copyright, intellectual property rights and computer software licences. The Authority itself has no class of this asset.

**INTEREST COST (PENSIONS)** - For a defined benefit scheme, the expected increase during the period in the present value of the scheme liabilities because the benefits are one period closer to settlement.

**INVENTORIES** - The amount of unused or unconsumed stocks held in expectation of future use. When use will not arise until a later period, it is appropriate to carry forward the amount to be matched to the use of consumption when it arises. Stocks comprise the following categories:

- Goods or other assets purchased for resale;
- Consumable stores;
- Raw materials and components purchased for incorporation into products for sale;
- Products and services in intermediate stages of completion;
- Long-term contract balances; and
- Finished goods.

**INVESTMENTS (NON-PENSIONS FUND)** - A non-current investment is an investment that is intended to be held for use on a continuing basis in the activities of the authority. Investments should be so classified only where an intention to hold the investment for the long term can

clearly be demonstrated or where there are restrictions as to the investor's ability to dispose of the investment.

Investments, other than those in relation to the pension fund, that do not meet the above criteria, should be classified as current assets.

INVESTMENTS (PENSIONS FUND) - The investments of the Pensions Fund will be accounted for in the statements of that Fund. However authorities (other than town parish and community councils and district councils in Northern Ireland) are also required to disclose the relevant share of pension scheme assets associated with their underlying obligations.

MAJOR REPAIRS RESERVE (MRR) - A reserve to be created from HRA contributions, for investment in large-scale capital investment schemes to improve Council dwellings and estates in future years.

NET BOOK VALUE - The amount at which PPE is included in the balance sheet, i.e. their historical cost or current value less the cumulative amounts provided for depreciation.

NET CURRENT REPLACEMENT COST - The cost of replacing or recreating the particular asset in its existing condition and in its existing use, i.e. the cost of its replacement or of the nearest equivalent asset, adjusted to reflect the current condition of the existing asset.

NET REALISABLE VALUE - The open market value of the asset in its existing use (or open market value in the case of non-operational assets), less the expenses to be incurred in realising the asset.

NON-DISTRIBUTED COSTS - These are overheads for which no user now benefits and should not be apportioned to services.

NON-OPERATIONAL ASSETS - PPE held by a local authority but not directly occupied, used or consumed in the delivery of services. Examples of non-operational assets are investment properties, assets surplus to requirement awaiting disposal or redevelopment, assets in construction.

OPERATING LEASES (23/24) - A lease where the ownership of PPE remains with the lessor.

OPERATIONAL ASSETS - Non-current assets held and occupied, used or consumed by the local authority in the direct delivery of those services for which it has either a statutory or discretionary responsibility.

PAST SERVICE COST - For a defined benefit scheme, the increase in the present value of the scheme liabilities related to employee service in prior periods arising in the current period as a result of the introduction of, or improvement to, retirement benefits.

PENSIONS / IAS 19 - The requirements of the International Accounting Standard on retirement benefits is based on a simple principle – that an organisation should account for retirement benefits when it is committed to give them, even if the actual giving will be many years into the future. The important accounting distinction for pension schemes is whether they are “defined contribution” or “defined benefit”.

PFI (PRIVATE FINANCE INITIATIVE) - PFI allows the public sector to contract with the private sector to provide quality services on a long-term basis, typically 25-30 years, so as to take advantage of private sector infrastructure delivery and service management skills, incentivised by having private finance at risk.

The private sector takes on the responsibility for providing a public service against an agreed specification of required outputs prepared by the public sector.

The private sector carries the responsibility and risks for designing, financing, enhancing or constructing, maintaining and operating the infrastructure assets to deliver the public service in accordance with the public sector's output specification.

The public sector typically pays for the project through a series of performance or throughput related payments, which cover service delivery and return on investment. Central Government may provide payment support to the public sector through grants and other financial mechanisms.

**POST BALANCE SHEET EVENTS** - Those events, both favourable and unfavourable, which occur between the balance sheet date and the date on which the Statement of Accounts is signed by the Chair of the Audit Committee.

**PRIOR PERIOD ADJUSTMENT** - A prior period adjustment is the material adjustment applicable to prior year figures arising from changes in accounting policies or from the correction of fundamental errors. A fundamental error is one that is of such significance as to destroy the validity of the financial statements. They do not include normal recurring correction or adjustments to accounting estimates made in prior years.

**PROJECTED UNIT METHOD** - An accrued benefits valuation method in which the scheme liabilities make allowance for projected earnings. An accrued benefits valuation method is a valuation method in which the scheme liabilities at the valuation date relate to:

- the benefits for pensioners and deferred pensioners (i.e. individuals who have ceased to be active members but are entitled to benefits payable at a later date) and their dependants, allowing where appropriate for future increases, and
- the accrued benefits for members in service on the valuation date.

The accrued benefits are the benefits for service up to a given point in time, whether vested rights or not. Guidance on the projected unit method is given in the Guidance Note GN26 issued by the Faculty and Institute of Actuaries.

**PROPERTY, PLANT & EQUIPMENT** - The overarching classification for operational non-current assets.

**PRUDENCE** - The concept that revenue is not anticipated but is recognised only when realised in the form either of cash or of other assets the ultimate cash realisation of which can be assessed with reasonable certainty.

**RELATED PARTIES** - Two or more parties are related parties when at any time during the financial period:

- One party has direct or indirect control of the other party; or
- The parties are subject to common control from the same sources; or
- One party has influence over the financial and operational policies of the other party to an extent that the other party might be inhibited from pursuing at all times its own separate interest; or
- The parties, in entering a transaction, are subject to influence from the same source to such an extent that one of the parties to the transaction has subordinated its own separate interests.

Examples of related parties of an authority include:

- Central Government;
- Local authorities and other bodies precepting or levying demands on the Council Tax;

- Its subsidiary and associated companies;
- Its joint ventures and joint venture partners;
- Its members;
- Its chief officers; and
- Its pension fund.

Examples of related parties of a pension fund include its:

- Administering authority and its related parties;
- Scheduled bodies and their related parties; and
- Trustees and advisers.

These lists are not intended to be comprehensive.

For individuals identified as related parties, the following are also presumed to be related parties:

- Members of the close family, or the same household; and
- Partnerships, companies, trusts or other entities in which the individual, or a member of their close family or the same household, has a controlling interest.

**RELATED PARTY TRANSACTION** - A related party transaction is the transfer of assets or liabilities or the performance of services by, to or for a related party irrespective of whether a charge is made.

Examples of related party transactions include:

- The purchase, sale, lease, rental or hire of assets between related parties;
- The provision by a pension fund to a related party of assets of loans, irrespective of any direct economic benefit to the pension fund;
- The provision of a guarantee to a third party in relation to a liability or obligation or a related party;
- The provision of services to a related party, including the provision of pension fund administration services;
- Transactions with individuals who are related parties of an authority or a pension fund, except those applicable to other members of the community or the pension fund, such as Council Tax, rents and payments of benefits.

This list is not intended to be comprehensive.

The materiality of related party transactions should be judged not only in terms of their significance to the authority, but also in relation to its related party.

**REMEASUREMENT OF THE NET DEFINED BENEFIT LIABILITY** - For a defined benefit pension scheme, the changes in actuarial deficits or surpluses that arise because:

- Events have not coincided with the actuarial assumptions made for the last valuation (experience gains and losses) or
- The actuarial assumptions have changed.

**RETIREMENT BENEFITS** - All forms of consideration given by an employer in exchange for services rendered by employees that are payable after the completion of employment. Retirement benefits do not include termination benefits payable as a result of either (i) an employer's decision to terminate an employee's employment before the normal retirement date or (ii) an employee's decision to accept voluntary redundancy in exchange for those benefits, because these are not given in exchange for services rendered by employees.

REVENUE EXPENDITURE FUNDED FROM CAPITAL UNDER STATUTE - Expenditure which may properly be capitalised, but which does not result in, or remain matched with, tangible assets and is written out to revenue in the year it is incurred.

RIGHT OF USE ASSET (ROU) - A ROU asset signifies the lessee's right to use a leased asset (e.g., a building, vehicle, or equipment) for the duration of the lease term. It is added to the lessee's balance sheet measured at the present value of future lease payments.

SCHEME LIABILITIES - The liabilities of a defined benefit pension scheme for outgoings due after the valuation date. Scheme liabilities measured using the projected unit method reflects the benefits that the employer is committed to provide for service up to the valuation date.

SECTION 106 - Monies received from developers under section 106 of the Town & Country Planning Act 1990, as a contribution towards the cost of providing facilities and infrastructure which may be required as a result of their development.

TOTAL COST - The total cost of a service or activity includes all costs which relate to the provision of the service (directly or bought in) or to the undertaking of the activity. Gross total cost includes employee costs, expenditure relating to premises and transport, supplies and services, third party payments, transfer payments, support services and capital charges. This includes an appropriate share of all support services and overheads, which need to be apportioned.

USEFUL LIFE - The period over which the local authority will derive benefits from the use of a PPE.

VESTED RIGHTS - In relation to a defined benefit pension scheme, these are:

- For active members, benefits they would unconditionally be entitled on leaving the scheme;
- For deferred pensioners, their preserved benefits;
- For pensioners, pensions to which they are entitled.

Vested rights include where appropriate the related benefits for spouses or other dependants.

If you require  
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