

Meeting of:	<b>Governance and Audit Committee</b>
Date of Meeting:	<b>Monday, 21 July 2025</b>
Relevant Scrutiny Committee:	Resources Scrutiny Committee
Report Title:	Unaudited Statement of Accounts 2024/25
Purpose of Report:	The Statement of Accounts for the Vale of Glamorgan Council 2024/25 are now complete and are brought to the Committee for review following the commencement of the external audit. The Accounts for the Shared Regulatory Service 2024/25 is also brought to the Committee for information.
Report Owner:	Report of the Director of Corporate Resources
Responsible Officer:	Matt Bowmer Head of Finance/Section 151 Office
Elected Member and Officer Consultation:	None
Policy Framework:	The proposals in this report are in accordance with Policy Framework and Budget
<p>Executive Summary:</p> <ul style="list-style-type: none"> <li>• The Draft 2024/25 Vale of Glamorgan Statement of Accounts, Shared Regulatory Services Statement of Accounts are now complete.</li> <li>• The audits of the 2024/25 Vale of Glamorgan Council and Shared Regulatory Service have now commenced.</li> <li>• The Council completed the draft accounts by 30th June 2025 which reflects the expected amended timetable for accounts closure although the supporting regulatory change is still pending.</li> <li>• Due to resourcing issues of their own Audit Wales are working to a 30th June and 31st October for 2024/25 accounts. This would replace the existing 31st May 2025 deadline. The completion of the accounts beyond the current statutory 31st May 2025 deadline was advertised on the Council website.</li> <li>• The 2024/25 Vale of Glamorgan Statement of Accounts will be subject to external audit and the audited accounts will be presented to Audit Committee once the audit is finalised along with the external auditor's ISA260 report prior to being submitted for approval by Council. The final audited accounts must be signed by the Auditor General before 31st October 2025.</li> </ul>	

## **Recommendations**

- 1.** That the unaudited Vale of Glamorgan Council Statement of Accounts for 2024/25 be reviewed and any comments of the Committee be referred to the Head of Finance as Section 151 Officer for subsequent discussion with the Council's external auditors, Audit Wales.
- 2.** That the unaudited Joint Committee Shared Regulatory Services Statement of Accounts for 2024/25 and the Shared Regulatory Services Annual Governance Statement are provided for information and any comments of the Committee be referred to the Head of Finance as Treasurer of the Joint Committee for subsequent discussion with the external auditors, Audit Wales.

## **Reasons for Recommendations**

- 1.** To allow for the initial review of the unaudited Vale of Glamorgan Council 2024/25 Statement of Accounts by those charged with governance.
- 2.** To ensure Governance and Audit Committee and informed of the unaudited 2024/25 Shared Regulatory Services Joint Committee Account

## **1. Background**

- 1.1** The preparation of the Statement of Accounts is a requirement of the Accounts and Audit (Wales) Regulations 2014 (as amended 2018) and its content is defined by the Chartered Institute of Public Finance and Accountancy's 'Code of Practice on Local Authority Accounting in the United Kingdom' (the Code).
- 1.2** In accordance with these regulations, the unaudited Statement of Accounts for 2024/25 required approval and signature by the responsible finance officer by 31st May 2025, certifying that it presents a true and fair view of the financial position of the Council. The audited Statement of Accounts then has to be approved by 31st July 2025 by the Governance and Audit Committee in accordance with the Committee's Terms of Reference and also Council. If the accounts are not able to be signed and published by this date, then the Council must publish a Regulation 10 notice setting out the reasons why.
- 1.3** Due in part to ongoing resourcing issues and informal guidance from Audit Wales the Council did not meet the 31st May 2025 deadline and therefore, in line with the requirements of the Regulations, issued a notice advising of this. In the context of the national position there is an expectation that Welsh Government will be amending the regulations to revert to the historical deadlines of 30th June and 30th September. Due to resourcing issues of their own Audit Wales are working to a 30th June and 31st October framework for the 2024/25 accounts.

The unaudited accounts were signed by the responsible finance officer on 30th June 2025 and sent to Audit Wales the same day.

- 1.4** The 2024/25 Vale of Glamorgan Statement of Accounts will be subject to external audit and it is planned that the audited accounts will be presented to Governance and Audit Committee in Autumn 2025 along with the external auditor's ISA260 report prior to being submitted for approval by Council and signed by the Auditor General.
- 1.5** The 2024/25 Shared Regulatory Services Joint Committee Statement of Accounts will also be subject to external audit and the audited accounts will be presented to the Governance and Audit Committee and the Joint Committees once the audit of the accounts is complete.
- 1.6** The external audit extends to the Annual Governance Statements for the Vale of Glamorgan Council the Shared Regulatory Service. The Annual Governance Statement for the Vale of Glamorgan Council is not included in the version attached at Appendix A as it is included under a separate item on the Committee agenda. The Annual Governance Statement for the Shared Regulatory Service is to be included in Appendix B.
- 1.7** The Vale, Valleys and Cardiff Regional Adoption Service accounts may be subject to a full external audit by Audit Wales as it has exceeded the threshold and the full Statement of Accounts will need to be completed and once complete will be shared with Governance and Audit Committee and the External Auditors for review.

## **2. Key Issues for Consideration**

- 2.1** The 2024/25 Vale of Glamorgan Council Statement of Accounts is attached at Appendix A and has been prepared in accordance with the requirements of the International Financial Reporting Standards (IFRS). This is intended to provide for comparable accounts across all accounting boundaries, public and private, national and international.
- 2.2** The Shared Regulatory Service Joint Committee 2024/25 unaudited Statement of Accounts is to be attached at Appendix B, and will be made available prior to the Governance and Audit Committee meeting on 21<sup>st</sup> July, 2025.
- 2.3** It is proposed that any comments made by the Committee on the Vale of Glamorgan Council 2023/24 unaudited Statement of Accounts, Shared Regulatory Joint Committee Statement of Accounts 2023/24 be referred to the Head of Finance as Section 151 Officer and Treasurer of the Joint Committees respectively for discussion with Council's external auditors, Audit Wales.
- 2.4** The accounts are prepared in accordance with the CIPFA Code of Practice for 2024/25 Accounts. The Usable Reserves have reduced by £12m to £77m from £89m in 2023/24. Of this this £1.9m relates to an increase in the General Fund,

£360k relates to an increase in the HRA reserves and £14m relates to a reduction in earmarked reserves, there has also been increase in usable capital receipts of £690k and a reduction in capital grants unapplied of £299k.

- 2.5 The Pension Liability and corresponding Unusable reserve have increased across the main Vale accounts and the Joint Committee accounts following the triennial valuation having made consideration of the asset ceiling and the minimum funding guarantee. The Council's Pension Liability has increased from £10.5m in 2023/24 to £17.3m and this reflects a national picture with some Pension schemes reporting an underlying net pension asset as at 31st March 2025 and needing to carry out further analysis regarding the appropriateness of recognising the asset in the Council's accounts.
- 2.6 The value of Property Plant and Equipment has increased to £979m reflecting significant increases in Capital Investment in Schools and Housing stock during the period and a reduction in the valuation of Council Dwellings. Those assets valued on a depreciated replacement cost basis have had their values increased via indexation during 2024/25.
- 2.7 The 2024/25 Statement of Accounts for the Shared Regulatory Service Joint Committee shows that Usable Reserves have reduced to £505k, a reduction of £30k on 31st March 2024. The overspend in 2024/25 primarily relates to authority specific services so will be discussed with the relevant partner authorities, with the remaining core element overspend outlined within the 2024/25 SRS outturn report. The SRS Pension liability has also reduced marginally within the year, down from £0.78m in 2023/24 to £0.70m in 2024/25.

### **3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?**

- 3.1 The Council's revenue budget and therefore its expenditure is incurred in order to achieve its corporate priorities as set out in the Corporate Plan through the 4 well being outcomes

### **4. Climate Change and Nature Implications**

- 4.1 There are no Climate Change and Nature Implications associated with this report

### **5. Resources and Legal Considerations**

#### **Financial**

- 5.1 The key financial considerations are set out in the main body of the report.

## **Employment**

**5.2** None as a direct consequence of this report.

## **Legal (Including Equalities)**

**5.3** The Statement of Accounts is prepared in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014 (as amended)

## **6. Background Papers**

Appendix A



## Vale of Glamorgan County Borough Council

Draft Statement of Accounts 2024/25 Year Ended 31st March 2025.

Published Subject to Audit

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## Narrative Report

### Introduction

This document presents the Statement of Accounts for The Vale of Glamorgan County Borough Council for 2024/25 and is prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

The Vale of Glamorgan Council is a Welsh Unitary Authority and was created on 1st April 1996 by virtue of the Local Government (Wales) Act 1994.

The Council serves one of Wales' most diverse local authority areas, covering rural and coastal communities and busy market towns. It has an estimated population of 134,733, making it the 11th largest authority by population size of the 22 local authorities in Wales. In mid-2023 the population density was estimated to be 406.9 people per square kilometre of land, the 10th most dense local authority.

It provides a wide range of services including Education, Social Services, Highways, Waste collection and Council Housing.

The narrative report provides insight into the Council's funding and expenditure during the year, the key financial issues and pressures and a look to future years.

### Governance Structure

The Vale of Glamorgan Council had 54 elected members in 2024/25, representing 24 wards. The political make up of the Council during the 2024/25 financial year was 13 Conservative, 25 Labour, 8 Plaid Cymru, 4 Llantwit First Independent and 4 Independent Elected Members. The Council is led by the Leader and Cabinet, a body of 8 Councillors (including the Leader) that makes key decisions about policy and budget.

The Council also has a number of committees that fulfil various scrutiny, statutory oversight and regulatory functions including a Governance and Audit Committee. The Governance and Audit Committee's membership was increased to 6 members and 3 lay members in May 2023. The Committee has a responsibility to review the Council's annual statement of accounts.

The Council's Chief Officers are divided into Directors, Heads of Service and Operational Managers. As service managers they make recommendations to and are held accountable by the Cabinet.

In line with recent changes in legislation the Head of Paid Service is the Chief Executive, formerly being the Managing Director. The Senior Leadership Team led by the Chief Executive comprises the Directors of Corporate Resources, Place, Social Services, Learning & Skills and Environment & Housing along with the Council's Head of Human Resources, Head of Digital, Head of Finance/s151 Officer and Head of Legal and Democratic Services/Monitoring Officer.



During the 2024/25 Cabinet meetings, Scrutiny Committees and Governance and Audit Committee have been held on a hybrid basis.

### Summary of Financial Performance – Revenue

The financial position for the Council is regularly reported to Cabinet and Scrutiny Committees during the year. The Closure of Accounts report for 2024/25 will be reported to Cabinet on 3rd July 2025 and can be accessed on the Council Website.

The 2024/25 settlement from Welsh Government represented a drop against the significant increases in funding that was also evidenced in the 2022/23 and 2023/24 settlements. The Council received Revenue Support Grant of £161.928m and National Non-Domestic Rate of £47.853m which equates to total funding, referred to as the Aggregate External Finance (AEF) of £209.781m. This represented an increase in funding of £6.856m (3.4%) from the previous year after taking into account adjustments and grants transferred into the base. Based on this funding level, the Council was ranked 21st out of 22 councils in Wales as in 2023/24 on a funding per head of population, which is £255 per head below the Welsh average (£245 per head below in 2023/24).

Despite this positive settlement, cost pressures reported by services across the Council but particularly within Social Services, Additional Learning Needs and Homelessness were so significant, that savings targets totalling £7.676m were set for 2023/24 with no savings targets set against school budgets. Service areas have made some good progress towards achieving these savings during the financial year reporting 77% achievement or mitigation of the 2024/25 targets, and 74% of the combined outstanding targets for 2023/24 not achieved and 2024/25. These savings will clearly need to be monitored carefully during 2025/26 with the addition of further challenging savings set for the 2025/26 budget at £8.771m.

The anticipated level of funding to be received from Council Tax in 2024/25 was £99.080m (£91.304m in 2023/24) which excludes a provision of £500k for Council Tax arrears. This was based on a Band D rate of £1,562.85 (£1,464.75 in 2023/24), excluding Police and Town and Community Council precepts. The Vale of Glamorgan has the 6th (out of 22) lowest Band D charge in Wales at £1,563 which is 5.6% (£87) below the median for Welsh counties.

The Council received revenue grant funding totalling £104m including allocations from Welsh Government and UK Government (approximately £86m in 2023/24) which included sums to support a number of initiatives during 2024/25 including funding for Shared Prosperity Funding, Bus Support Schemes, Disability Sport Wales, Funding via the Department for Work and Pensions. Most of the Council's funding comes directly from Welsh Government approximately £62m in 2024/25, a significant proportion is distributed by other Council's and entities such as Central South Consortium Joint Committee to central Education and schools.

The Council's revenue budget at year end was a small surplus of £44k after some unplanned use of Service Reserves £6.6m and a reduction in reserves of £6.446m for schools leaving schools in an overall net deficit position, overall there was a net transfer from reserves of £12.282m. A breakdown by Directorate is shown in the following table.

	Amended Revenue Budget	Actual	Variance +Favourable ( ) Adverse	Net Transfer to /(From) Reserve
	£'000	£'000	£'000	£'000
Learning & Skills (Schools)	119,566	126,012	6,446	231
Learning and Skill (Central)	13,922	14,679	756	- 531
Social Services	96,326	102,376	6,050	- 266
Environment and Housing	32,705	35,521	2,816	- 532
Place	16,396	16,386	-10	656
Corporate Resources	3,281	2,284	-997	161
General Policy	18,190	14,220	-3,970	-1,471
Council Tax Reduction Scheme and Arrears	10,835	11,938	1,103	0
Council Tax Surplus	0	-2830	-2,830	0
Use of Reserves (Budget)	-2360	-1937	423	1,937
Use Of Reserves Schools	0	-6446	-6,446	6,446
Total Provisional Outturn (Excl Unplanned Reserves)	308,861	312,203	3,342	6,631
Unplanned Use of Reserves Other	0	-6,600	-6,600	6,600
Total Provisional Outturn	308,861	305,603	-3,258	13,231
Allocation of Surplus				
Education - ALN Reshaping and Youth	0	275	275	- 275
Place - Community Place Making and Country Car Parks	0	486	486	- 486
Corporate Policy - Reshaping Assets	0	353	353	- 353
Corporate Policy - Additional Provision for School Deficits	0	2,100	2,100	- 2,100
Total	308,861	308,817	-44	10,017
Movement on General Fund				-44
Capital Programme Funded from Reserves				2,669
Movement on Housing Revenue Account				-360
Total Movement on Council Fund and Specific Reserves				12,282

**Table 2 – Council Fund and Reserves**

Council Fund and Specific Reserves	Opening £000's	Movement £000's	Closing £000's
Council Fund	11,107	1,895	13,002
Earmarked Reserves	60,875	- 14,537	46,338
Housing Revenue Account	3,525	360	3,885
Total	75,507	- 12,282	63,225

The total movement on the Council Fund and Specific Reserves including the Housing Revenue Account was a reduction of £12.203m after adjusting for Joint Committees (£79k).

A number of the Council's budgets continue to be under considerable pressure, a summary of the key headline pressures in year is set out below.

Schools outturned with a slightly more favourable position than had been reported during the year which was in part due to additional grant income from Welsh Government, the net drawdown from reserves across the delegated schools budget was £6.446m. Some schools made progress towards a balanced budget in year (approximately 25 schools) and schools ended with remaining net deficit (around 28 schools). Overall reserve balances at year end stood at £4.138m which is underwritten by provision for school deficits of £4.1m. However, this masks some significant variances across individual schools with some schools with significant deficits and some schools with significant balances.

In Central Learning and Skills, a key ongoing pressure is the School Transport budget. Local Education Authorities have a statutory duty to provide free school transport for pupils of statutory school age who reside beyond a certain distance to their nearest appropriate school, those who have an unavailable walking route to school and those who have Additional Learning Needs (ALN) who require access to specialist provision. The volume of pupils attending Ysgol y Deri increased again during 2024/25 and along with frequent displays of challenging behaviour cost of this transport have risen. The number of requests for pupils to travel alone to accommodate their needs has greatly increased. Ysgol y Deri is currently split into 3 different drop off areas, along with some satellite sites which has meant an increase in costs, including paying a premium for those vehicles having to wait longer periods of time to collect pupils. Mainstream transport continues to run for pupils who are not able to get into their catchment school as they are full, lack of spaces within catchment schools continues, the number of pupils being transported to schools outside the catchment are increasing, resulting in pressure on the budget. In addition, Passenger Transport providers are continuing to request additional funding in order to meet their rising costs. This is often seen in the tender prices that are being submitted. The Vale of Glamorgan Council is not alone in this with nearly all other LA's in Wales reporting substantial overspends on school transport.

Significant pressures have continued to develop in Social Services in 2024/25 and reflect the ageing demographic, an increasing complexity of need and an increase of Children and Young People Looked after with an increasing complexity of need. This position reflects pressures seen across local government nationally.

Children's Services has reported a significant adverse variance relating to increased external placement costs given the complexities of the care proceedings, care requirements of children and young people currently being supported and the high-cost placements some of these children require to meet their needs. Additional costs have also been encountered in respect of legal costs and increased staffing resources associated with the service. Again, this position reflects pressures seen across local government nationally.

An overspend was also reported in the Adult Services in respect of Domiciliary Care and Residential and Nursing Home Payments of approximately £3.78m. There was also a £104k variances associated with Council run care homes in 2024/25, however this was offset by staff vacancies within the service area in year.

In Environment and Housing, key pressures for the service included £628k associated with the enhanced pay award and market forces uplift for waste drivers and £937k on additional

pothole and patching works. There was also a significant pressure associated with the lag on delivery of savings for which budget reductions have also been made including car parking and asset savings.

Housing received additional income supporting people and refugee resettlement schemes which will be carried forward in the Housing and Homelessness reserve some of which will be used towards the costs of the Rapid Housing Response programme and Resettlement demands in the medium term.

The capital charges budget underspent as the Council is currently able to borrow internally due to the level of Council reserves saving the interest costs associated with external borrowing, however, going forward the ability to utilise internal borrowing will depend on the level of reserves and these are expected to reduce in the near future. The Council also benefitted from increased interest returns on its reserve balances during 2024/25 and the Council tax team made significant progress on arrears and generated a Council tax surplus £2.83m.

Across services the Council continued to receive a significant number of revenue grants totalling in excess of £104m in 2024/25 and this included funding across a significant number of grant bodies as set out below.

The closing balance on the Council Fund as at 1st April 2025 was £13m with no draw down in year and a transfer in of £1.894m to increase balances proportionately with the base budget of the Council. Whilst there is no set requirement for the minimum level for the Council Fund, some commentators use 5% of the net budget as a guide. For the Vale this is around £15m, however, in view of the prudent approach the Council takes with regard to Specific Reserves, it is considered that £13m should be the minimum level for this reserve. The Council also holds earmarked reserves which stood at £46m (excluding Joint Committees and HRA) as at 31st March 2025 with £1m ringfenced for schools including £4m to offset deficit balances and £1m relating to other services. The schools balances and other ringfenced reserves reduced by £6m in year but were supplemented by £2.1m set aside from the Council Tax surplus to offset the deficits in 2024/25. Other services reserves reduced by £3.210m for revenue and £2.669m, for capital and reflected planned and unplanned usage. These reserves are allocated for both capital and revenue purposes.

#### Summary of Financial Performance – Capital

The General Capital Funding received from Welsh Government in 2024/25 was £6.986m which was a decrease of £11k in funding from 2023/24. This funding is partly through grant and partly an allocation for borrowing, the financing costs of which are supported by Welsh Government funding. The allocation is 14th highest in Wales. It is therefore necessary for the Council to fund its capital programme through a variety of sources, it continued to fund most of its capital programme from 'cash' resources however £3.5m was borrowed in year to part fund the Housing Improvement Programme.

Despite capital schemes facing continued challenges due to a number of issues, including significant cost increases and shortages of resources, the 2024/25 Capital Programme outturned at £65.5m.

Due to various economic factors there has been a continued increase in the cost of materials and labour during 2024/25, this has resulted in delays to schemes where negotiations and

project re-engineering has been required to bring schemes within the budget available. Sourcing materials and specialist staff has also been problematic with long lead times when ordering and this has also impacted on the progress of the capital programme. A breakdown of capital expenditure in 2024/25 is shown by service area in the table below.

Directorate	Approved Programme 2024/25	Additions to Approved Programme 2024/25	Adjusted Approved Programme 2024/25	Actual Spend 2024/25	Variance at Outturn 2024/25
	£000	£000	£000	£000	£000
Learning & Skills	17,413	522	17,935	13,666	4,269
Social Services	2,138	663	2,801	1,632	1,169
Housing	33,626	0	33,626	26,707	6,919
Environment	14,540	161	14,701	12,801	1,900
Place	9,086	804	9,890	7,347	2,543
Corporate Resources	1,992	36	2,028	1,467	561
Pipeline Schemes	2,251	0	2,251	1,888	363
<b>Total</b>	<b>81,046</b>	<b>2,186</b>	<b>83,232</b>	<b>65,508</b>	<b>17,724</b>

Of the capital expenditure incurred in the year, £8.09m was spent on the Sustainable Communities for Learning programme (including pipeline projects). It is a collaboration between the Welsh Government and local councils and is a significant, long-term and strategic capital investment programme with the aim of creating a generation of 21st Century Schools in Wales.

The Council undertook further Highways Improvements and Street Lighting energy reduction schemes during the year with a value of over £3.02m. Capital investment of over £26.7m was made as part of a continuing Housing Improvement Programme. New vehicles were purchased during the year costing £1.37m.

The Council adopted IFRS 16 (Leases) with effect from 1st April 2024. The main impact of the requirements of IFRS 16 is that, for arrangements previously accounted for as operating leases (i.e. without recognising the leased vehicles, plant, equipment, property and land as an asset, and future rents as a liability), a right-of-use asset and a lease liability are now included on the balance sheet from 1st April 2024. The effect of this has been to increase balance sheet assets by £5.797m. The opening finance lease liabilities was £3.465m as at 1st April 2024.

The following table shows the resources used in 2024/25 to fund the capital programme:

Source of Funding	Outturn (£000)
General Capital Funding	3,540
General Capital Funding Carried Forward	2,723
General Fund Borrowing	3,446
Housing Borrowing	3,537
Capital Receipts – Housing	0

Capital Receipts – General fund including education, vehicles and Social Services	641
WG Grants	35,376
Reserves & Revenue contributions	10,843
Other e.g., Section 106, other grants	5,402
<b>Total</b>	<b>65,508</b>

As at 31st March 2025 the Council held general capital receipts with a value of £6.986m, and £1.327m ringfenced for Social Services.

The Council's assets at 31st March 2025 have a book value of £978.791m. The Council Dwellings and Other Land and Buildings are revalued on a rolling 5 year programme normally by a MRICS external valuer. During 2024/25 the Council used indices in the context of the significant increases seen in respect of inflation on build costs and following discussion with Audit Wales to adjust the value on the Council's Depreciated Replacement Cost valued assets.

#### Housing Revenue Account (HRA)

The Council still retains its stock of Council Houses and as at 31st March 2025 had 4,159 dwellings. The HRA transferred £360k into its reserve in 2024/25 leaving a balance on the HRA reserve of £3.885m as at 31st March 2025. This balance is slighter lower than the Housing Business plan 2025/26. The Housing Business Plan, which incorporates a detailed financial forecast in the form of a 30-year financial model, is produced on an annual basis and the latest version was approved by Council on 15th January 2025. The Council has invested over £109.2m in its housing stock and new builds between 2020/21 and 2024/25 and all its dwellings reached Welsh Housing Quality Standard by March 2018.

With the introduction of the revised Welsh Housing Quality Standard (WHQS) 2023, the Housing Business Plan places a strong emphasis on ensuring full compliance with its updated requirements. Over the next decade, the focus will be on enhancing energy efficiency, reducing environmental impact, and decarbonising existing homes, in line with WHQS 2023's core objectives.

In addition, the plan supports the delivery of a significant number of new homes to meet growing housing demand. These dual priorities of modernising existing stock to meet WHQS standards and expanding housing supply pose considerable financial and operational challenges. These challenges will be explored in greater detail during the preparation of the new Housing Business Plan to ensure a sustainable and compliant approach.

To support compliance with the Welsh Housing Quality Standard (WHQS) 2023, the Housing Business Plan for 2025/26 allocates a total of £14.059m towards maintaining and improving the existing housing stock. This includes a significant investment of £3.019m in energy efficiency works, directly supporting the WHQS focus on



decarbonisation and environmental sustainability. Further allocations include £1.95m for internal works, £1.92m for external works, and £1.5m for common parts, ensuring homes and communal areas meet the required physical and safety standards. The plan also provides £1.59m for environmental improvements ensuring climate change and the wildlife emergency focus is addressed, £480,000 for housing adaptations to support accessibility and tenant independence, £3.2m for individual schemes, and £400,000 for emergency works. This comprehensive investment strategy underlines the council's commitment to delivering high-quality, compliant, and sustainable homes for our tenants

### Big Fresh Catering Company

On 1st January 2020, the Council's Catering Service was transferred into a Local Authority Trading Company called the Big Fresh Catering Company. While the company is wholly owned by the Council it is able to trade for profit in the market in addition to providing a catering service to schools.

### Treasury Management – Borrowing and Investments

Before the commencement of the 2024/25 financial year, the Authority approved the Treasury Management Strategy/Policy Statement which deals with the treasury functions of the Authority and covers both borrowing and investments. The report was approved by Council on 6th March 2024 and can be accessed on the Council Website:

[Treasury Management and Investment Strategy Cabinet Report.](#)

The report was further amended at Council on 10th March 2025 to reflect changes to the MRP Policy and incorporate IFRS16 in the prudential indicators.

The Local Government Act 2003 requires a local authority to set its authorised borrowing limit for the following year. The original limit set for this Authority for 2024/25 £271.200m, which was revised to £265.394m during the year. The actual external borrowing as at 31st March 2025 excluding adjustments was £169.851m as shown in the following table.

	31 March 2024	31 March 2025
Source of Loan	£'000	£'000
Public Works Loan Board (PWLB)	137,076	165,952
Long Term Loans	6,236	3,899
Other	0	0
<b>Total External Borrowing</b>	<b>143,312</b>	<b>169,851</b>
Accrued Interest	1,107	1,330
Accounting Adjustments	(67)	(135)
Joint Committee Borrowing	0	6
<b>Total Borrowing as per Balance Sheet</b>	<b>144,352</b>	<b>171,052</b>

The Council has a cautious approach to risk, with its priority to safeguard capital. Throughout 2024/25 the Council continued to utilise the broader range of investments tools introduced in 2020/21 to cope with the effects of global instability. The investment position as at 31st March 2025 is set out below and includes Money Market Fund (MMF) balances and Lloyds Call account balances held overnight as at 31st March 2025 which are included under the

Cash and Cash Equivalent heading in the Balance Sheet.

There was a further reduction in investments held as 31st March 2025 when compared with previous years which reflects a number of themes in the Council's financial position, one of which is a reduction in the Council's reserves in year. In addition, the Council has increased the sums held for internal borrowing in the context of high rates of external borrowing and the investments balance will also reflect the timings of income and expenditure and the balance of creditors and debtors at year end.

	31 March 2024	31 March 2025
<b>Short Term Investments Held By</b>	<b>£'000</b>	<b>£'000</b>
UK Debt Management Account Deposit Facility (DMADF)	0	5,625
UK Local and Police Authorities	27,500	2,000
Treasury Bills	0	0
Federated Hermes Money Market Account	6,625	6,050
CCLA Money Market Account	50	3,150
Lloyds Instant Access Deposit Account	20	365
<b>Total Short Term Investments</b>	<b>34,195</b>	<b>17,190</b>
Short Term Investment Accrued Interest	566	121
Short Term Investment Joint Committees	374	254
<b>Total Short Term Investments as per Balance Sheet</b>	<b>35,135</b>	<b>17,565</b>

The majority of the Council's borrowing is fixed rate and held with the Public Works Loan Board (PWLB). The Council has some significant borrowing requirements over the next five years linked to capital expenditure and replacement of maturing loans. The timing of this borrowing will need to be reviewed in the context of updated interest projections and in the context of the planned use of the Council's usable reserves. The Council continues to prioritise the security and liquidity of investments and continues to utilise the investment tools outlined in the Treasury Management Strategy which include Money Market Funds, Investments with UK Local and Police Authorities, the Lloyds Bank Call Account, and Treasury Bills. Investments with the UK Government via the DMADF and investments with other local authorities are exposed to minimal credit risk and returns have improved in the context of the rising interest rate environment.

#### [Joint Committees and Joint Arrangements](#)

Since the 2015/16 financial year the Council has been Host Authority for two Joint Committees - the Shared Regulatory Service commencing on 1st May 2015 and the Vale, Valleys & Cardiff Adoption Collaborative Service which commenced on 1st June 2015. The Authority is also party to a number of other Joint Committees such as Prosiect Gwyrdd, Central South Consortium and the Glamorgan Archives. The Council's share of these transactions and balances are incorporated in these financial statements. Separate financial statements are also available. In addition, the Council participates in a number of shared services.



The Vale of Glamorgan Council is a participant in the Cardiff Capital Region City Deal (CCR) which has been established between the UK Government, the Welsh Government and 10 local authorities in South East Wales. The City Deal is now established as a Corporate Joint Committee.

### Impact of the Current Economic Climate

The financial pressures on the Council continued to increase during 2024/25 with pay awards negotiated during the year in excess of the sum budgeted that was offset in the main across the Council due to a high number of vacant posts. The Council also incurred market forces costs associated with attracting staff to some key roles such as Waste Drivers and Children's Social Services staff.

Due to limited Capital investment the condition of the roads continued to deteriorate and therefore additional costs have been incurred associated with repairing pot holes and patching the roads. Additional costs have also been incurred due to the impact of the energy crisis on the running costs of the Council's estate including schools, care homes and leisure centres.

The Council's position in respect of commissioning care has significantly improved however this in conjunction with an increase in need and complexity of need across both Adult and Children's services has had a significant impact on the costs of the service resulting in both planned and unplanned use of reserves in this service area.

### Looking Forward

A budget of £331.575m for 2025/26 was approved by Council on 10th March 2025. The revenue settlement from Welsh Government of £224.447m represented an increase of £8.217m (3.8%) over 2024/25 £14.917m after allowing with adjustments for the Council tax base and including transfers in for teachers and non teaching pay and pensions and of specific grant for Housing. The Council's per capita funding continued to be 21st of the 22 Welsh Local Authorities, £274 per capita below the Welsh average. The Council Tax was increased by 5.9% from 1st April 2025 which includes the extension of the policy around charging for empty and second homes in the region. Whilst the additional funding in the settlement was significant this did not address the scale of cost pressures reported by Directorates across the Council, most significantly in Social Care and Additional Learning Needs. A challenging savings and efficiency target of £8.771m was set for the year and was at a level which was higher than historical targets, £1.2m of this sum was targeted at schools. Use of the reserves to smooth housing pressures and schools pressures was planned as part of the budget setting process of £767k.

The full Council report can be accessed on the Council website:

[2025/26 Budget and 2025/26 to 2029/30 MTFP](#)

There has been a greater focus on medium term financial planning and financial sustainability with the March Council report setting out a clearer vision for the future finances of the Council. At the time the 2025/26 budget was approved, there was no formal indication for future years settlements with the Council relying on the work of the Welsh Fiscal Unit and assuming 1% increase although some commentators believe this could be flatlined. Positively though, there was the prospect of a multi year spending review to be announced in

the late sprint/early summer. Council Tax continues to be modelled at 3.9%. With continued demographic pressures, growth in ALN wage growth and social care provider pressures the Council is faced with a gap of £8.064m in 2026/27 and £27.581m to 2029/30. There are a number of transforming and reshaping initiatives within the overall programme which have been identified to bridge this gap including transformation of ALN, care demand and transport, Target Operating Model initiatives to generate additional income through fees and charges and Council Tax revenues, a Brilliant Basic programme to improve customer service and deliver services more efficiently along with procurement savings.

The Council will remain committed to the Well-being of Future Generations Act which aims to improve the social, economic, environmental and cultural well-being of Wales and ensures that the needs of the present are met without compromising the ability of future generations to meet their own need.

The General Capital Funding from Welsh Government for 2025/26 is £7.606m which is an increase of £620k from the previous year. The 2025/26 Capital Programme was approved by Council on 10th March 2025 and had a gross value of £106.7m. The programme is briefly summarised below:

<b>Schemes</b>	<b>2025/26 Gross £000</b>
Learning and Skills	19,342
Social Services	1,373
Environment and Housing	16,784
HRA	30,460
Place	14,889
Resources	312
City Deal	157
Pipeline Schemes	23,389
<b>Total Capital Programme</b>	<b>106,706</b>

There will be investment in the Council's Schools as part of the Sustainable Communities for Learning programme of £34.3m in 2025/26 (including the pipeline schemes which are subject to a full business case), £4.699m investment in road resurfacing and £2.9k for Council's Vehicles. Even though the Housing stock meets WHQS, further work totalling £30.4m is due to be undertaken which will include Environmental Works, the construction and acquisition of new houses and addressing climate change by making our housing stock more energy efficient.

The full report can be accessed on the Council Website:

[Capital Strategy 2025/26 and Final Capital Programme Proposals 2025/26 to 2029/30.](#)

Over the coming years major capital investment will continue for the Sustainable Communities for Learning programme which will require capital investment between 2025/26 and 2029/30. The remaining funding included in the overall capital programme is £99.79m over this period.

The Council is now operating using a hybrid approach and is reviewing its asset base to reflect these changing working practices.

The Council considers that it has sufficient balances and reserves and has carried out an annual review to un earmark and reallocate reserves to areas with greatest risk and to fund potential Transformation needs emerging as part of the Council's vision for 2030. The Council has set aside a specific sum to address the Council's Budget Risk and School Deficits in the coming months. Other emerging pressures relate to energy costs, general inflation particularly in respect of food costs and school transport and costs of living and staffing shortages in some areas. These issues will be further assessed as part of the Medium Term Financial Plan which will be updated during the coming year.

Part Six of the Local Government and Elections (Wales) Act 2021 introduced a range of changes to the way principal Councils exercise their performance and governance functions. This includes a requirement for annual self-assessment which is a process the Council has undertaken for the past two years. In addition, the legislation introduces the requirement for an external assessment of the extent to which the Council is meeting the Act's 'performance requirements' via a panel of peers. This assessment must be undertaken once in each electoral cycle. These are known as Panel Performance Assessments (PPA). In June 2024, Cabinet approved proposals for the PPA to be undertaken in 2024 as part of a report on the Council's Annual Performance Calendar. The Council worked with the Welsh Local Government Association (WLGA) to undertake the PPA in November 2024.

The Panel's report stated that "The Panel assessed the Vale of Glamorgan to be a good Council within the current context of high service demand, operational pressures, and resources. It is a values-based organisation with a good internal culture and solid external relationships. There is a clear commitment to delivering on the Corporate Plan, with a particular focus on prioritising the needs of vulnerable people. Staff are enormously proud to work for the Council, and there is a strong sense of ambition for the future." This section of the Panel's report provides contextual information regarding the timing of the PPA as aligned with the development of the new Corporate Plan and Reshaping Programme. The report indicates that "Our [the Panel's] approach to the assessment was ambitious because the Council itself is ambitious for its communities. In terms of its PPA scope and by linking it with its transformation programme, the Council had demonstrably embraced the assessment process. We considered this to be an exciting and pivotal moment for the authority, and the Council possesses strong foundations to drive future growth and development"

Section 4.6 of the Panel's report stated "It is within this positive context that we consider the Council can further enhance its performance, by focusing on the following recommendations for areas of improvement":

1) Planning for Place: The Council would benefit from developing and effectively communicating a narrative that articulates a positive vision for the future, which is relatable to multiple audiences and has a call to action. In doing so it could be a catalyst for change for the Vale of Glamorgan as a County, drawing together partners, stakeholders, the business sector, and communities.

2) Signalling Change: Clearly communicating the Council's commitment to change and improvement.

3) Strengthening Partnerships: Building on existing strong partnerships to maximise impact and outcomes.

4) Governance and using resource effectively: Exploring opportunities to improve governance processes and allocate resources effectively.

### The Pension Liability

Pensions for non-teaching staff are provided under the Local Government Pension scheme and the Council is a member of the Cardiff and Vale Pension Fund, administered by Cardiff County Council. Employees and employers contribute into the fund, along with investment income and growth generated. A triennial valuation was carried out on the Fund in year as at 31st March 2022. The value of the pension liability as at 31st March 2025 is £17.310m after adjusting for the asset ceiling for the Council's pension fund the underlying valuation reflects a pension asset as at 31st March 2025. This value is based on a number of actuarial assumptions and will fluctuate between years. A firm of actuaries is engaged to provide the Cardiff and Vale Pension Fund with expert advice about the assumptions to be applied. The asset returns over the accounting period have been better than expected, there have also been a change in a number of financial and demographic assumptions over the period which has resulted in a more positive balance sheet position.

The Teachers' Pension scheme is administered by the Department for Education. This is an unfunded scheme, meaning that there are no investment assets accumulated to meet pension costs before they arise and therefore no fund assets or liabilities appear in the Council's Balance Sheet.

### Corporate Aims and Objectives

The Council's Performance Management Framework is the mechanism through which key priorities and targets are monitored and realised in order to secure continuous improvement. The Council's Corporate Plan (2020-2025) reflects the requirements of the Well-being of Future Generations (Wales) Act 2015 and identifies 4 Well-being Objectives. During its final year of delivery, the Corporate Plan was monitored by Cabinet and all five Scrutiny Committees on a quarterly basis.

The 4 Well-being Objectives from the 2020-2025 Plan are:

- To work with and for our communities.
- To support learning, employment and sustainable economic growth.
- To support people at home and in their community; and
- To respect, enhance and enjoy our environment.

Progress against the Annual Delivery Plan has been monitored using a Red Amber Green (RAG) performance status with Green indicating that performance is on or above target. Amber status is attributed to performance within 10% of target and a red status indicates where performance has missed target by 10% or more. The Quarter 3 2024/25 performance results were reported to Cabinet on 1st May 2025 and end of year will be presented to Cabinet in July 2025.

Positive progress has been made in delivering in-year commitments in relation to the Annual Delivery Plan (2024/25). This performance contributed to an overall green performance status for the Plan at the end of Quarter 3. 86.49% of the 370 planned activities outlined in the Annual Delivery Plan have been attributed a green performance reflecting the positive progress made during the quarter. 11.89% (44) of planned activities were attributed an Amber status and 1.62% (6) of planned activities were attributed a red status. Of the 238 performance measures aligned to our Corporate Plan Well-being Objectives, data was reported for 66 measures where a performance status was applicable. Of these, 72.24% measures were attributed a green performance Status, 4.55% amber status and 21.21% red status. A performance status was not applicable for measures that were establishing baseline performance for 2024/25, annual measures to be reported at end of year and measures where no quarterly update was provided.

Overall, the picture was positive despite the challenges facing the organisation, and the Council was moving in the right direction in terms of its performance and achieving its priorities.

Further details can be found here [Annual Delivery Plan Monitoring Quarter 3 2024/25](#).

### Further Information

Further information about the accounts is available from the Resources Service, Civic Offices, Holton Road, Barry, CF63 4RU. This is part of the Council's policy of providing full information about the Council's affairs.

### Introduction to the Financial Statements

#### Statement of Accounting Policies

The purpose of this statement is to explain the basis of the figures in the accounts. It outlines the accounting policies adopted.

#### Statement of Responsibilities for the Statement of Accounts

This sets out the responsibilities of the Council and the Head of Finance (Section 151 Officer) for the preparation of the Statement of Accounts. The Statement has to be signed and dated by the Mayor as Chairman of the Council at the meeting at which the accounts are approved.

#### Expenditure and Funding Analysis

The objective of the Expenditure and Funding Analysis 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 Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes between the Council's directorates. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

#### Movement in Reserves Statement

This statement shows the movement in the year on the different reserves held by the Authority, analysed into "usable reserves" (i.e. those that can be applied to fund expenditure or reduce local taxation) and "unusable reserves". The Surplus or 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 Comprehensive Income and Expenditure Statement. These are different from the statutory amounts required to be charged to the Council Fund Balance and the Housing Revenue Account for Council Tax setting and dwelling rents setting purposes. The Net Increase/Decrease before transfers to Earmarked Reserves line shows the statutory Council Fund balance and the Housing Revenue Account Balance before any discretionary transfers to or from earmarked reserves undertaken by the Council.

### Comprehensive Income and Expenditure Statement (CIES)

This statement 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. The taxation position is shown in both the Expenditure and Funding Analysis and Movement in Reserves Statement.

### Balance Sheet

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Authority. The net assets of the Authority (Assets less Liabilities) are matched by the reserves held by the Authority. Reserves are reported in two categories. The first category of reserves are usable reserves i.e. those reserves that the Authority may use to provide services, subject to the need to maintain a prudent level of reserve and any statutory limitations on their use (for example the Capital Receipts may only be used to fund Capital expenditure or repay debt). The second category of reserves are those that the Authority is not able to use to provide services called Unusable Reserves. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold and also reserves that hold timing differences shown in the Movement in Reserves Statement line "Adjustments between accounting basis and funding basis and regulations".

### Cash Flow Statement

The Cash Flow Statement shows the change 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 into operating and investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Authority are funded by way of taxation and grant income or from the recipients of services provided by the Council. 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. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Authority.

### Annual Governance Statement

The statement sets out the framework within which the Vale of Glamorgan Council manages and reviews internal control. It outlines the components of the framework, including the arrangements for Internal Audit and how the Authority has complied with the various elements of the framework.



## 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 secure that one of its officers has the responsibility for the administration of those affairs. In this Council, that officer is the Head of Finance (Section 151 Officer).
- To manage its affairs to ensure economic, efficient and effective use of resources and safeguard its assets.
- To approve the Statement of Accounts.

Signature:

Date:

Mayor as Chair of the Council

### Responsibilities of the Head of Finance (Section 151 Officer).

The Head of Finance is responsible for the preparation of the Statement of Accounts. In accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

### In preparing the Statement of Accounts, the Head of Finance has:

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

### The Head of Finance has also throughout the financial year:

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

### Certificate of the Head of Finance (Section 151 Officer)

I certify the statement of accounts give a true and fair view of the financial position of The Vale of Glamorgan County Borough Council and its group as at 31st March 2025 and its income and expenditure for the period then ended.



Signature:

Date: 2<sup>nd</sup> July 2025  
Head of Finance/Section 151 Officer

**Audit report of the Auditor General to the Vale of Glamorgan Council**



## Expenditure and Funding Analysis

The objective of the Expenditure and Funding Analysis 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. Further information on this note is shown on page 14.

2023/24	Net Expenditure Chargeable to the General Fund and HRA Balances	Adjustments between Funding and Accounting Basis (Note 8)	Net Expenditure in the Comprehensive Income and Expenditure Statement
	£'000	£'000	£'000
Learning and Skills	142,353	(1,149)	141,204
Social Services	97,107	878	97,985
Visible and Housing Services	33,120	3,614	36,734
Housing Revenue Account (HRA)	12,962	(11,764)	1,198
Place	4,404	1,418	5,822
Corporate Resources	17,368	1,797	19,165
Policy	14,557	(5,902)	8,655
Net Cost of Services	321,871	(11,108)	310,763
Other Income and Expenditure	(286,553)	(30,447)	(317,000)
<b>(Surplus) or Deficit</b>	<b>35,318</b>	<b>(41,555)</b>	<b>(6,237)</b>
<b>Opening General Fund and HRA Balance at 31 March 2023</b>	<b>(112,874)</b>		
Plus Deficit on General Fund and HRA Balance in Year	35,318		
<b>Closing General Fund and HRA Balance 31 March 2024</b>	<b>(77,556)</b>		
2024/25	Net Expenditure Chargeable to the General Fund and HRA Balances	Adjustments between Funding and Accounting Basis (Note 8)	Net Expenditure in the Comprehensive Income and Expenditure Statement
	£'000	£'000	£'000
Learning and Skills	141,317	1,504	142,821
Social Services	102,300	5,297	107,597
Visible and Housing Services	35,932	6,221	42,153
Housing Revenue Account (HRA)	(360)	28,428	28,068
Place	2,504	3,975	6,479
Corporate Resources	17,035	2,283	19,318
Policy	13,072	(14,297)	(1,225)
Net Cost of Services	311,800	33,411	345,211
Other Income and Expenditure	(299,597)	(34,234)	(333,831)
<b>(Surplus) or Deficit</b>	<b>12,203</b>	<b>(823)</b>	<b>(11,380)</b>
<b>Opening General Fund and HRA Balance at 31 March 2024</b>	<b>(77,556)</b>		
Plus Deficit on General Fund and HRA Balance in Year	12,203		
<b>Closing General Fund and HRA Balance 31 March 2025</b>	<b>(65,353)</b>		

## Movement in Reserves Statement 2023/24

This statement shows the movement in the year on the different reserves held by the Authority, analysed into “usable reserves” (i.e. those that can be applied to fund expenditure or reduce local taxation) and “unusable reserves”. Further information on this statement is shown on pages 14 and 15.

Movement in Reserves Statement	Council Fund	Earmarked Reserves	Housing Revenue Account	Capital Receipts Reserve	Capital Grants Unapplied Account	Total Usable Reserves	Unusable Reserves	Total Authority Reserves
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance as at 31st March 2023</b>	<b>11,523</b>	<b>84,865</b>	<b>16,486</b>	<b>10,634</b>	<b>7,429</b>	<b>130,937</b>	<b>627,066</b>	<b>758,003</b>
Total Comprehensive Income and Expenditure	16,630	(21,940)	11,548	0	0	6,238	70,795	77,033
Adjustments between accounting basis and funding basis under regulations (Note 10)	(17,047)	0	(24,509)	(2,987)	(4,043)	(48,586)	48,586	0
<b>Increase/(Decrease) in 2023/24</b>	<b>(417)</b>	<b>(21,940)</b>	<b>(12,961)</b>	<b>(2,987)</b>	<b>(4,043)</b>	<b>(42,348)</b>	<b>119,381</b>	<b>77,033</b>
<b>Balance as at 31st March 2024</b>	<b>11,106</b>	<b>62,925</b>	<b>3,525</b>	<b>7,647</b>	<b>3,386</b>	<b>88,589</b>	<b>746,447</b>	<b>835,036</b>

## Movement in Reserves Statement 2024/25

Movement in Reserves Statement	Council Fund	Earmarked Reserves	Housing Revenue Account	Capital Receipts Reserve	Capital Grants Unapplied Account	Total Usable Reserves	Unusable Reserves	Total Authority Reserves
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance as at 31st March 2024</b>	<b>11,106</b>	<b>62,925</b>	<b>3,525</b>	<b>7,647</b>	<b>3,386</b>	<b>88,589</b>	<b>746,447</b>	<b>835,036</b>
Opening Adjustment	0	0	0	0	0	0	2,076	2,076
<b>Amended Opening Balance</b>	<b>11,106</b>	<b>62,925</b>	<b>3,525</b>	<b>7,647</b>	<b>3,386</b>	<b>88,589</b>	<b>748,523</b>	<b>837,112</b>
Total Comprehensive Income and Expenditure	18,200	(14,457)	(15,122)	0	0	(11,379)	13,338	1,959
Adjustments between accounting basis and funding basis under regulations (Note 10)	(16,306)	0	15,482	669	(299)	(454)	454	0
<b>Increase/(Decrease) in 2024/25</b>	<b>1,894</b>	<b>(14,457)</b>	<b>360</b>	<b>669</b>	<b>(299)</b>	<b>(11,833)</b>	<b>13,792</b>	<b>1,959</b>
<b>Balance as at 31st March 2025</b>	<b>13,000</b>	<b>48,468</b>	<b>3,885</b>	<b>8,316</b>	<b>3,087</b>	<b>76,756</b>	<b>762,315</b>	<b>839,071</b>

## Comprehensive Income and Expenditure Statement

This statement 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. Further information is shown on page 15.

2023/24			Expenditure on Services	2024/25		
Gross Expt.	Income	Net Expt.		Gross Expt.	Income	Net Expt.
£'000	£'000	£'000		£'000	£'000	£'000
186,237	45,033	141,204	Learning and Skills	201,410	58,589	142,821
124,028	26,043	97,985	Social Services	130,318	22,721	107,597
60,152	23,418	36,734	Visible and Housing Services	66,662	24,509	42,153
25,184	23,986	1,198	Housing Revenue Account (HRA)	54,730	26,662	28,068
9,620	3,798	5,822	Place	13,431	6,952	6,479
51,660	32,495	19,165	Corporate Resources	48,230	28,912	19,318
9,806	1,151	8,655	Policy	2,117	3,342	(1,225)
<b>466,687</b>	<b>155,924</b>	<b>310,763</b>	<b>Cost of Services</b>	<b>516,898</b>	<b>171,687</b>	<b>345,211</b>
			<b>Other operating expenditure</b>			
3,407	0	3,407	Town/Community Council Precepts	3,652	0	3,652
20,226	0	20,226	South Wales Police Authority	22,358	0	22,358
7,778	0	7,778	South Wales Fire Authority	8,302	0	8,302
128	0	128	Other Levies and Contributions	143	0	143
160	0	160	(Gains)/losses on the disposal of non-current assets	462	0	462
			<b>Financing and investment income and expenditure</b>			
6,723	0	6,723	Interest payable and similar charges	6,791	0	6,791
2,685	0	2,685	Net interest on defined benefit liability/asset	0	695	(695)
0	368	(368)	Revaluation of Investment Properties and Equities	0	0	0
0	4,127	(4,127)	Interest receivable and Trading surplus/deficit	54	1,811	(1,757)
			<b>Taxation and non-specific grant income</b>			
0	107,464	(107,464)	Council Tax income (Note 13)	0	115,985	(115,985)
0	42,784	(42,784)	Non domestic rates (Note 14)	0	47,853	(47,853)
0	160,013	(160,013)	Revenue Support grants (Note 12)	0	161,928	(161,928)
0	43,351	(43,351)	Capital grants and contributions	0	47,322	(47,322)
<b>507,794</b>	<b>514,031</b>	<b>(6,237)</b>	<b>(Surplus) or Deficit on the Provision of Services</b>	<b>558,660</b>	<b>547,281</b>	<b>11,379</b>
		(14,296)	(Surplus) on revaluation of non-current assets (Note 26)			(23,629)
		18	Impairment losses on non-current assets Revaluation Reserve (Note 26)			98
		(56,517)	Remeasurements of the net defined benefit liability/(asset) (Note 37)			10,192
		<b>(70,795)</b>	<b>Other Comprehensive Income and Expenditure</b>			<b>(13,339)</b>
		<b>(77,032)</b>	<b>Total Comprehensive Income and Expenditure</b>			<b>(1,960)</b>



## Balance Sheet as at 31st March 2025

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Authority. The net assets of the Authority (Assets less Liabilities) are matched by the reserves held by the Authority. Reserves are reported in two categories: Usable and Unusable Reserves. Further information is shown on page 15 of this report.

31st March 2024		Notes	31st March 20 25
£'000			£'000
954,315	Property, Plant and Equipment	15	978,791
5,390	Joint Committee Investment Properties		5,390
1,004	Equity		1,004
271	Intangible Assets		322
2	Long Term Investments		2
5,387	Long Term Debtors		5,301
<b>966,369</b>	<b>Long Term Assets</b>		<b>990,810</b>
28,319	Short Term Investment	20	5,175
623	Assets Held for Sale		203
152	Deferred Tax Asset		152
956	Inventories		990
60,420	Short Term Debtors	21	90,759
13,280	Cash and Cash Equivalents	22	9,276
<b>103,750</b>	<b>Current Assets</b>		<b>106,555</b>
8,568	Short Term Borrowing	20	9,810
45,076	Short Term Creditors	23	34,192
0	Short Term Liabilities (Leasing)	18	728
2,286	Provisions (Short Term)	24	4,013
8	Donated Inventory Account		0
2,190	Grants Receipts in Advance – Capital	31	2,923
<b>58,128</b>	<b>Current Liabilities</b>		<b>51,666</b>
3,118	Provisions (Long Term)	24	507
135,786	Long Term Borrowing	20	161,242
7,848	Other Long Term Liabilities	25	9,430
0	Long Term Liabilities Leasing	18	2,194
10,522	Other Long Term Liabilities (Pensions)	36	17,310
19,681	Grants Receipts in Advance - Capital (Long Term)	31	15,945
<b>176,955</b>	<b>Long Term Liabilities</b>		<b>206,628</b>
<b>835,036</b>	<b>Net Assets</b>		<b>839,071</b>
88,589	Usable Reserves	25	76,756
746,447	Unusable Reserves	26	762,315
<b>835,036</b>	<b>Total Reserves</b>		<b>839,071</b>

## Cash Flow Statement

The Cash Flow Statement shows the change 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 into operating and investing and financing activities. Further information is included on page 15 of this report.

31st March 2024		Notes	31st March 2025
£'000			£'000
6,238	<b>Net surplus or (deficit) on the provision of services</b>		<b>(11,379)</b>
20,374	Adjustments to net surplus or deficit on the provision of services for non-cash movements	27	20,896
	<b>Adjustments for items that are investing and financing activities</b>		
(949)	Proceeds from the sale of property, plant and equipment and intangible assets.		(3,179)
(47,394)	Any items which the cash effects are investing or financing cashflows		(47,621)
<b>(48,343)</b>	<b>Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities</b>		<b>(50,800)</b>
<b>(21,731)</b>	<b>Net cash flows from Operating Activities</b>		<b>(41,283)</b>
	<b>Investing Activities</b>		
(81,535)	Purchase of property, plant and equipment and intangible assets.		(57,442)
949	Proceeds from the sale of property, plant and equipment and intangible assets.		1,311
0	Purchase of short term/long term investments		0
(1,187)	Other payments for investing activities		(3,003)
55,031	Proceeds from short term/long term investments		22,699
49,567	Other Receipts from Investing Activities		45,312
<b>22,825</b>	<b>Net Cashflow from Investing Activities</b>		<b>8,877</b>
	<b>Financing Activities</b>		
(5,132)	Repayments of Short and Long Term Borrowing		26,539
(2,234)	Other Payments for Financing Activities		1,863
<b>(7,366)</b>	<b>Net cash flows from Financing Activities</b>		<b>28,402</b>
<b>(6,272)</b>	<b>Net increase or decrease in cash and cash equivalents</b>		<b>(4,004)</b>
19,552	Cash and cash equivalents at the beginning of the reporting period		13,280
<b>13,280</b>	<b>Cash and cash equivalents at the end of the reporting period</b>		<b>9,276</b>

## Notes to the Financial Statements

### 1. Statement of Accounting Policies

<b>a</b>	<b>Accounting Policies</b>
	<p>The Authority is required to prepare an annual Statement of Accounts by the Accounts and Audit (Wales) Regulations 2014 (as amended) which require them to be prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 supported by International Financial Reporting Standards (IFRS) and statutory guidance. The accounts are prepared on a going concern basis.</p>
<b>b</b>	<b>Revenue/Expenditure</b>
	<p>The transactions of the Council are accounted for in the year that they take place, not simply when cash payments are made or received. In particular:</p> <ul style="list-style-type: none"> <li>• Revenue from the sale of goods is recognised when the Authority transfers the significant risks and rewards of ownership to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority.</li> <li>• Revenue from the provision of services is recognised when the Authority can measure reliably the percentage of completion of the transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority.</li> <li>• Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.</li> <li>• Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.</li> </ul> <p>There are certain exceptions to this principle. The main items are:</p> <p>(a) Electricity charges, telephone expenses, leasing and similar periodic payments are included in the Accounts on a payments basis and not accrued to 31st March each year. Payments in respect of a full twelve months are included.</p> <p>(b) The amount included in the accounts for Government Revenue Support Grant for 2024/25 is on the basis of the allocation as approved by Welsh Government in year. Where final figures are not available e.g. Subsidy Entitlement, the amounts included are based on the latest available information.</p> <p>The difference between the amounts charged annually to the Revenue Accounts in respect of items (a) and (b) and the amounts that would be charged if they were accrued to 31st March each year is not significant</p>
<b>c</b>	<b>Prior Period adjustments, Changes in Accounting Policies and Estimates and Errors</b>

	<p>A change in accounting policies or to correct a material error can result in a prior period adjustment. Changes in accounting estimates do not give rise to a prior period adjustment but are accounted for prospectively.</p> <p>Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions of the Authority's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.</p> <p>Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.</p>
<b>d</b>	<b>Charges to Revenue for Non-Current Assets</b>
	<p>The following amounts are charged to revenue to record the cost of holding fixed assets during the year:</p> <ul style="list-style-type: none"> <li>• Depreciation attributable to the assets used by the relevant service.</li> <li>• Revaluation and impairment losses on assets chargeable to the service.</li> <li>• Amortisation of intangible non-current assets attributable to the service.</li> </ul> <p>Council Tax is not required to be raised to fund depreciation, revaluation, impairment losses or amortisations. However, an annual contribution is required from revenue (Minimum Revenue Provision) towards the reduction in its overall borrowing requirement equal to an amount calculated on a prudent basis determined by the Authority in accordance with statutory guidance.</p>
<b>e</b>	<b>Right of Use Assets</b>
	<p>The Council has adopted IFRS16 (Leases) with effect from 1st April 2024. The main impact of the requirements of IFRS16 is that, for arrangements previously accounted for as operating leases (i.e. without recognising the leased vehicles, plant, equipment, property and land as an asset, and future rents as a liability), a right-of-use asset and a lease liability are now included on the balance sheet from 1st April 2024. The Council has elected to apply recognition exemptions to low value assets (below £10,000 when new) and to short term leases i.e. existing leases that expire on or before 31st March 2025, and new leases with a duration of less than 12 months. A contract is, or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.</p>



<b>f</b>	<b>Employee Benefits</b>
	<p><b>Benefits Payable during Employment</b></p> <p>Short term employee benefits are those due to be settled within 12 months of the year end. An accrual is made for the cost of holiday entitlements (or any form of leave) earned by employees but not taken before the year end which employees can carry forward into the next financial year. Holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.</p>
	<p><b>Termination Benefits</b></p> <p>Termination benefits are amounts payable as a result of a decision by the Authority to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy in exchange for those benefits. These costs are charged on an accruals basis to the appropriate service or where applicable to the Policy Budget line.</p>
	<p><b>Post Employment Benefits</b></p> <p>Employees of the Authority are members of two separate pension schemes:</p> <ul style="list-style-type: none"> <li>• The Teachers' Pension Scheme, administered by Capita Teachers' Pensions on behalf of the Department for Education (DfE).</li> <li>• The Local Government Pensions Scheme, administered by Cardiff County Council Pension Authority.</li> </ul> <p>Both schemes provided defined benefits to members (retirement lump sums and pensions), earned as employees who worked for the Authority. The arrangements for the teachers' scheme mean that liabilities for these benefits cannot ordinarily be identified specifically to the Authority. The scheme is therefore accounted for as if it were a defined contribution scheme and no liability for future payments of benefits is recognised in the Balance Sheet.</p>
	<p><b>The Local Government Pension Scheme</b></p> <p>The Local Government Scheme is accounted for as a defined benefits scheme:</p>
	<ul style="list-style-type: none"> <li>• The liabilities of the Cardiff and Vale Pension Fund attributable to the Authority are included in the Balance Sheet on an actuarial basis using the projected unit method i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc. and projections of projected earnings for current employees.</li> <li>• Liabilities are discounted to their value at current prices, using a discount rate.</li> <li>• The assets of the Cardiff and Vale Pension Fund attributable to the Authority are included in the Balance Sheet at their fair value.</li> <li>• The actuarial valuation carried out at 31st March 2025 has been adjusted to exclude staff working for the Shared Regulatory Service and Vale and Valleys Adoption Service. The Council's share of these balances based on the Joint Committee balances are the consolidated back into the accounts and set out in Note 36 to these accounts.</li> </ul>

The change in the net pension's liability is analysed into the following components:

**Service cost comprising**

- Current service cost – the increase in liabilities as a result of years of service earned this year which is allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked.
- Past service cost – the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years. Debited to the surplus or deficit of services in the Comprehensive Income and Expenditure.
- Net interest on the net defined benefit liability (asset), i.e. net interest expense for the Authority – the change during the period in the net defined benefit liability (asset) that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement. This is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability (asset) at the beginning of the period, taking into account any changes in the net defined benefit (asset) during the period as a result of contribution and benefit payments.

**Remeasurements comprising:**

- The return on plan assets – excluding amounts included in net interest on the net defined liability (asset). This is charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- Actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions, charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.

Statutory provisions require the Council Fund balance be charged with the amount payable by the Authority to the pension fund or directly to pensioners in the year in relation to retirement benefits not the amount calculated according to the relevant standards. In the movement in reserves statement this means that there are transfers to and from the pensions reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the pensions reserve thereby measures the beneficial impact to the Council Fund of being required to account for retirement benefits on the basis of cashflows rather than as benefits are earned by employees.

	<p><b>Discretionary Benefits</b></p> <p>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.</p>
<b>g</b>	<p><b>Events after the Balance Sheet date</b></p> <p>These are events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Such events could result in the Statement of Accounts being adjusted. Two types of events can be identified:</p> <ul style="list-style-type: none"> <li>• Those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events.</li> </ul> <p>Those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.</p>
<b>h</b>	<p><b>Cash and Cash Equivalents</b></p> <p>Cash is represented by cash in hand; bank overdrafts and deposits held with financial institutions which are repayable without penalty on notice of not more than 24 hours as at 31st March 2025. Cash equivalents are highly liquid investments which are readily convertible to known amounts of cash without there being a significant risk of change in value and refer to instant access call accounts such as those held with Banks and Money Market Funds. Any other short term investments are excluded from cash and cash equivalents and are treated as current assets. In the cash flow statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Authority's cash management.</p>
<b>i</b>	<p><b>Financial Instruments</b></p> <p><b>Financial Liabilities</b></p> <p>Financial liabilities are initially measured at fair value and are carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument.</p> <p><b>Financial Assets</b></p> <p>Financial assets are classified into two types:</p> <ul style="list-style-type: none"> <li>• Loans and receivables – assets that have fixed or determinable payments but are not quoted in an active market.</li> <li>• Available-for-sale assets – assets that have a quoted market price and/or do not have fixed or determinable payments.</li> </ul>

	<p><b>Loans and Receivables</b></p> <p>Loans and receivables are initially measured at fair value and carried at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the loans that the Authority has made, this means that the amount presented in the Balance Sheet is the outstanding principal receivable plus accrued interest and interest credited to the Comprehensive Income and Expenditure Statement is the amount receivable for the year in the loan agreement.</p> <p>When a soft loan is made, a loss is recorded in the Comprehensive Income and Expenditure Statement for the present value of the interest that will be foregone over the life of the instrument, resulting in a lower amortised cost than the outstanding principal. Interest is credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement at a marginally higher effective rate of interest than the rate receivable, with the difference serving to increase the amortised cost of the loan in the Balance Sheet. The reconciliation of amounts debited and credited to the Comprehensive Income and Expenditure Statement to the net gain required against the Council Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.</p>
<b>I</b>	<b>Available for Sale Assets</b>
	<p>Available for Sale Assets are initially measured and carried at fair value. Where the asset has fixed or determinable payments, annual credits to the Financing and Investment Income and Expenditure Income line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the amortised cost of the asset multiplied by the effective rate of interest for the instrument.</p> <p>Where there are no fixed or determinable payments, income (e.g. dividends) is credited to the Comprehensive Income and Expenditure Statement when it becomes receivable by the Council.</p> <p>Assets are maintained in the Balance Sheet at fair value</p> <p>Changes in fair value are balanced by an entry in the Available for Sale Reserve and the gain/loss is recognised in the Surplus or Deficit on Revaluation of Available for Sale Financial Assets. The exception is where impairment losses have been incurred. These are debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement along with any net gain/loss for the asset accumulated in the reserve.</p>
<b>m</b>	<b>Government Grants and Contributions</b>

	<p>Government grants and third party contributions and donations are recognised as due to the Authority when there is reasonable assurance that:</p> <ul style="list-style-type: none"> <li>• The Authority will comply with the conditions attached to the payments, and</li> <li>• The grants or contributions will be received.</li> </ul> <p>Grants and contributions advanced for which conditions have not been satisfied are carried in the Balance Sheet as creditors. Once conditions are satisfied, the grants or contributions are credited to the Comprehensive Income and Expenditure Statement.</p> <p>Capital grants are credited to the Comprehensive Income and Expenditure Statement and are reversed out of the Council Fund Balance in the Movement in Reserves Statement. Grants not yet used to finance capital expenditure, are posted to the Capital Grants Unapplied reserve. Once applied, it is posted to the Capital Adjustment Account.</p>
<b>n</b>	<b>Intangible Assets</b>
	<p>Expenditure on non monetary assets that do not have physical substance but are controlled by the Authority is capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Authority.</p> <p>The depreciable amount of an intangible asset is amortised over its useful life to the relevant service line(s) in the Comprehensive Income and Expenditure Statement.</p>
<b>o</b>	<b>Inventories and Long Term Contracts</b>
	<p>Inventories should be included in the Balance Sheet at the lower of cost and net realisable value.</p> <p>However, some stock is valued at the latest price paid, with an allowance made for obsolete and slow- moving items. The effect of the different treatment is considered to be immaterial.</p> <p>Revenue from contracts with service recipients, is recognised in line with IFRS 15 – Revenue from Contracts with Customers. In essence it means recognition occurs when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract. Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption; they are carried as inventories on the Balance Sheet</p>
<b>p</b>	<b>Jointly Controlled Operations</b>

	<p>Joint operations are arrangements undertaken by the Council in conjunction with other ventures that make use of its assets and resources. Joint Committees are examples of Jointly Controlled Operations.</p> <p>The relevant proportion of the transactions and balances for Joint Committees are included within the Council's Financial Statements. These reflect the transactions and balances as per the draft accounts prepared for each Joint Committee. To date there has been no audit opinion issued in respect of any of these Joint Committees.</p>
<b>q</b>	<b>Leases</b>
	<p><b>The Authority as Lessee</b></p> <p>The Council has adopted IFRS16 as an accounting policy from 1st April 2024 to recognise right of use assets, which meant that the majority of leases where the Council acts as lessee came onto the balance sheet.</p> <p><b>The Authority as Lessee</b></p> <p>Properties and Other Vehicles, Plant and Equipment that fall under the scope of IFRS16 have now been reclassified as right of use assets on the balance sheet. Right-of-use assets and lease liabilities will have been calculated as if IFRS16 had always applied but recognised in the year of adoption and not by adjusting prior year figures.</p> <p>As a lessee, the Council has previously classified leases as operating leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Council. Under IFRS16, the Council recognises right-of-use assets and lease liabilities for most leases</p> <p>A weighted average incremental borrowing rate of appropriate to the term of the lease has been applied to lease liabilities as at 1st April 2024.</p> <p>The Council has decided to apply recognition exemptions to short-term leases and has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a term of 12 months or less and leases of low value assets. The Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.</p>
	<p><b>The Authority as Lessor Operating Leases</b></p> <p>Leases that do not meet the definition of a finance lease are accounted for as operating leases.</p> <p>Rental income under an operating lease is credited to the Comprehensive Income and Expenditure Statement; the property, plant or equipment is retained in the Balance Sheet.</p>

<b>r</b>	<b>Overheads and Support Services</b>
	The accounts have been adjusted to remove internal recharges for overheads and support services from the figures shown in the Comprehensive Income and Expenditure Statement.
<b>s</b>	<b>Property Plant and Equipment</b>
	<p>Revaluation of the assets of the Authority will be undertaken on a rolling basis over a five year cycle by an external valuer.</p> <p>Due to the continuing economic volatility during 2024/25 and the continuing inflationary pressures in respect of construction costs of schemes which would have a particular impact on assets valued on a Depreciated Replacement Cost (DRC) basis, therefore all Land and Building assets have been either revalued or uplifted based on indices provided by a RICs qualified external valuer.</p> <p>Council Dwellings are regarded by the Authority as operational and have also been revalued as at 31st March 2025 using the Beacon approach (adjusted vacant possession value) and reflects the volatility evidenced in the Housing Market.</p> <p>Land and Property regarded by the Authority as operational was valued on the basis of constructing modern equivalent buildings, or where this could not be assessed because there was no market for the subject asset (i.e. specialised property) the depreciated replacement cost.</p> <p>Land and Property regarded by the Authority as non- operational have been valued on the basis of cost, fair value, or depreciated replacement cost as appropriate.</p> <p>Infrastructure, Vehicles, Plant and Equipment and Community Assets are included at cost (less depreciation where required).</p> <p>Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that the future economic benefits or service potential associated with the item will flow to the Authority and the cost of the item can be measured reliably.</p> <p>A de-minimis rule for capital has been applied – generally no capital expenditure valued at under £10,000 is included within capital spend.</p> <p>Assets are initially measured at cost, comprising:</p> <ul style="list-style-type: none"> <li>• the purchase price. any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.</li> <li>• The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.</li> </ul>



	<p>For Land and Building additions any expenditure less than £50k is enhanced and then impaired back out unless it relates to schemes such as boilers, new structures which have previously been shown to be enhancing. Schemes costing between £50k and £250k are enhanced in full subject to some exceptions. Schemes including works to boilers, roofs, rewiring and multiple schemes are enhanced at 65% of the value. Where the value of the asset had been revised through indexation and the value of the enhancement is less than £50k, we assume that the expenditure is non enhancing. Due to indexation any schemes exceeding £50k have been reviewed by the valuer to determine is enhancing or not enhancing, any deemed enhancing have been revalued by a FRICs qualified valuer. Any unusual or schemes exceeding £250k in value were reviewed by a FRICs qualified valuer to assess the level of enhancement.</p> <p>Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of an impairment loss previously charged to a service revenue account.</p> <p>The Revaluation Reserve contains revaluation gains recognised since 1st April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.</p> <p>Where decreases in value for individual assets are identified, they are accounted for either by setting it off against gains for the asset in the Revaluation Reserve or against the relevant service lines in the Comprehensive Income and Expenditure Statement</p>
	<p><b>Component accounting</b></p> <p>Assets with a net book value in excess of £5 million will be reviewed to determine if there are any significant components that require a separate depreciation calculation and whether it is material. No adjustment for component accounting was made in the accounts.</p>
	<p><b>Impairment</b></p> <p>Assets are assessed at each year end as to whether there is an indication that an asset may be impaired.</p> <p>Where indications exist and any possible differences are estimated to be material, the recoverable amount is estimated and if this is less than the carrying amount an impairment loss is recognised for the shortfall. This is either set against the balance of the Revaluation Reserve if there have been previous valuation gains for the asset or it is written down against the relevant service line in the Comprehensive Income and Expenditure Statement.</p>



**Depreciation**

Depreciation is provided for on all Property, Plant and Equipment assets over their useful lives. An exception is where assets are without a determinable finite useful life (i.e. Freehold Land and Community Assets) and assets that are not available for use (i.e. assets under construction).

Depreciation is calculated on the following basis:

- Dwellings and other buildings - straight line allocation over the useful life of the property as estimated by the valuer.
- Vehicles, plant, furniture and equipment - over the life of the asset.
- Infrastructure – straight line allocation over 40 years.

No depreciation is charged in the year of acquisition with a full year charge applied in the disposal year, except for Vehicles which is charged in the month following acquisition.

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.

**Disposals and Non Current Assets Held for Sale**

An asset is reclassified as Held for Sale when it is probable that the carrying amount will be recovered principally through a sale transaction. The asset is revalued immediately before reclassification and carried at the lower of this amount and the fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Depreciation is not charged on Assets Held for Sale.

Where assets no longer meet the criteria to be classified as Assets Held for Sale they are reclassified back to non-current assets.

Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal.

Receipts from disposals are credited to the same line of the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal. Any revaluation gains that are accumulated for the asset 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.

	The written off value on disposals is not a charge to Council Tax as the cost for non current assets is separately provided for under separate arrangements for capital financing
<b>q</b>	<b>Fair Value Measurement</b>
	<p>The authority measures some of its assets held for sale and some of its financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either.</p> <ul style="list-style-type: none"> <li>• In the principal market for the asset or liability, or</li> <li>• In the absence of a principal market, in the most advantageous market for the asset or liability.</li> </ul> <p>The authority measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability assuming that market participants act in their best economic interest by using the asset in its highest and best use or selling the asset to another participant.</p> <p>The authority uses valuation techniques that are appropriate in the circumstances maximising the use of observable inputs. Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed are categorised within the fair value hierarchy, as follows.</p> <ul style="list-style-type: none"> <li>• Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the authority can access at the measurement date.</li> <li>• Level 2 – inputs rather than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly.</li> <li>• Level 3 – unobservable inputs for the asset or liability.</li> </ul>
<b>r</b>	<b>Provisions, Contingent Liabilities and Contingent Assets</b>
	<p><b>Provisions</b></p> <p>Provisions are made when an event has taken place that gives the Authority a legal or constructive obligation that probably requires settlement by a transfer of economic benefit or service potential, and a reliable estimate can be made of the amount of the obligation.</p> <p>Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Authority becomes aware of the obligation and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.</p>

	<p>When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service. See note 24 to the accounts.</p>
	<p><b>Contingent Liabilities</b></p> <p>A contingent liability arises where an event has taken place that gives the Authority a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Authority.</p> <p>Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.</p> <p>Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.</p>
	<p><b>Contingent Assets</b></p> <p>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 uncertain future events not wholly within the control of the Authority.</p> <p>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>
<b>s</b>	<b>Specific Reserves</b>
	<p>These reserves represent sums of money that are voluntarily set aside for specific purposes. The purpose of these reserves is explained in Note 11 to the accounts.</p>
<b>t</b>	<b>Revenue Expenditure Funded from Capital under Statute</b>
	<p>Expenditure that may be capitalised under statutory provisions but does not result in the creation of non-current assets has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year. The total gross expenditure for 2024/25 is £7.120m.</p> <p>Where the Council has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the Council Fund balance to the Capital Adjustment Account then reverses out the amounts charged so that there is no impact on the level of Council Tax.</p>
<b>u</b>	<b>Local Authority Schools</b>

	<p>The Council does not include a school's property, plant and equipment in its Balance Sheet where it does not own or have significant control over the economic benefit of these assets.</p> <p>This means that the buildings used by voluntary aided, Roman Catholic aided and voluntary controlled schools are excluded from property, plant and equipment where they are not owned by the Council. However, land owned by the Council and used by these schools is recognised in property, plant and equipment. The property, plant and equipment of community and foundation schools are recognised on the Authority's Balance Sheet. The income and expenditure for all schools is included within the CI&amp;ES and any unspent resources held by schools are included within earmarked reserves in the Council's Balance Sheet.</p>
<b>v</b>	<b>Value Added Tax</b>
	Income and expenditure excludes any amounts related to Value Added Tax (VAT), as all VAT collected is payable to HM Revenue and Customs and all VAT paid is recoverable from them.
<b>w</b>	<b>Exceptional Items</b>
	When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement or in the Notes to the Statement of Accounts, depending on how significant the items are to an understanding of the Council's financial performance. There are no exceptional items in 2024/25.
<b>x</b>	<b>Investment in Companies</b>
	The Council currently only has one investment in a company and this is its 100% shareholding in the Big Fresh Catering Company which was established on 1st January 2020. The Council having considered the materiality of the investment and its delivery of core Council services has taken the decision to consolidate through Group Accounts. The Council's shareholding is not listed on any quoted market the valuation estimate of the company will be based on its draft set of financial accounts (Level 3).
<b>y</b>	<b>Inventories</b>
	Inventories are measured and held at the lower of cost or net realisable value. When such inventories are sold, exchanged or distributed, the carrying amount is recognised as expenditure.
<b>z</b>	<b>Adopted Highways</b>
	The Council reviews adoption of highways each year and where material the adoption will be reflected in the Council's infrastructure assets and offset by a corresponding entry on the donated assets account. There were no material adoptions in 2024/25.

## **2. Accounting Standards that have been issued but have yet to be adopted**

At the balance sheet date, there are no new relevant standards or amendments to existing standards that have been published but not yet adopted by the Code that will have any impact upon the financial statements.

However, the following details are provided for information purposes: -

Infrastructure Assets – Temporary Relief: Following a consultation in the summer of 2022, CIPFA/LASAAC issued a code update on 29 November 2022. The update amends both the 2021/22 and 2023/24 Codes and includes specifications for future codes on the disclosure of gross cost and accumulated depreciation for infrastructure assets. The Code has been updated to include a temporary relief from the Code's core requirement to disclose gross cost and accumulated depreciation of infrastructure assets until 31 March 2025.

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

In applying the accounting policies set out above, the Authority has had to make certain judgements about complex transactions or those involving uncertainty about future events.

There is a high degree of uncertainty about future levels of funding for local government. However, the Authority has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Authority might be impaired as a result of a need to close facilities and reduce levels of service provision.

## **4. Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty**

The Statement of Accounts contains estimated 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, actual results could be materially different from the assumptions and estimates. The items in the Authority's Balance Sheet at 31 March 2025 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

### **Property, Plant and Equipment**

Property Plant and Equipment (excluding infrastructure, community assets, assets under construction and vehicles, plant and equipment) are revalued annually for indicators of impairment. Judgements are required to make an assessment as to whether there has been an assessment of impairment.

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. Useful asset lives will impact on depreciation calculations. For assets such

as Infrastructure (40 years) Vehicles (4-15 years) and Equipment (2-20 years) standard asset lives are used unless evidence is available to the contrary. The Useful Economic Lives of operational buildings is estimated by a RICS qualified valuer as part of the valuation process.

The Housing Revenue Account Council Dwelling assets have been revalued during 2024/25; this valuation has been carried out by a RICS qualified valuer from Savills using a Beacon approach. The valuation incorporates the 771 garages included in the Housing Revenue Account which are shown against Land and Buildings, they also include the new build developments completed in year.

In 2024/25 indexation has been applied to the Land and Building assets valued on a Depreciated Replacement Cost basis, the indices used were provided by a RICS qualified valuer from Avison Young to address the materiality uncertainty that continued to be applied to the other services Land and Building assets and in response to concerns expressed in the context of continuing rising construction costs by Audit Wales. Where the 2024/25 spend exceeded £50k the Council sought the opinion of a RICS qualified valuer from Avison Young to establish if the spend was enhancing or non-enhancing, for enhancing spend desk top valuations were provided. Desktop valuations of assets where spend exceeded £250k on a Depreciated Replacement Cost basis was performed by a RICS qualified valuer from Avison Young during 2024/25.

A number of HRA new build schemes were completed during 2024/25 and these assets were also revalued upon transfer from the Asset Under Construction Account by a RICS valued from Savills using a Beacon approach.

Therefore, a significant proportion of the Council's asset base has been subject to revaluation during the 2024/25 financial year. Whereas land asset values have typically remained unchanged the majority of building assets particularly those valued on a DRC basis have increased in value. The valuations are set out in Note 15 to the accounts Property Plant and Equipment.

### Minimum Revenue Provision

Statutory provision is made in the accounts for the repayment of the Council's borrowing. The Minimum Revenue Provision is generally based on a straight line repayment over the estimated life of the asset except for a small number of supported loans where the provision is based on the annuity method. Following a review carried out in 2024/25 the approach for supported borrowing was amended to an average life of 50 years up to and including 2024/25 and will be set annually going forward based on the types of assets funded. The estimated life is based on information provided by a qualified valuer as part of the valuation process and the Council's asset register.

## Provisions

A provision is included in the accounts for Municipal Mutual Insurance (MMI) liability using current information.

The MMI liability has been calculated based on the Vale of Glamorgan's share of outstanding claims from South Glamorgan, Mid Glamorgan and Vale of Glamorgan Borough. The scheme administrator regularly reviews the scheme and any significant changes in the financial position may lead to a further clawback.

## Debtors

Sundry and council tax debtors were examined which resulted in a provision for doubtful debts. If the provision is too low, the Authority's finances would be affected. The Provision for Bad and Doubtful Debts is set based on the rates of collection for old debt in the previous financial year.

## Pensions Liability

Estimation of the net liability to pay pensions depends on a number of complex judgements 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 pension fund assets.

A firm of actuaries is engaged to provide the Cardiff and Vale Pension Fund with expert advice about the assumptions to be applied. The actuarial report is based on a roll forward of the triennial valuation carried out at 31st March 2022.

The demographic and financial assumptions used in arriving at the 2024/25 actuarial report are set out in note 38.

## Fair Value

Where the fair values of financial assets and financial liabilities cannot be measured based on quoted prices in active markets their fair value is measured using valuation techniques. Where possible the inputs to these valuations are based on observable data but where this is not possible judgement is required in establishing fair values.

Fair Values as at 31st March 2024 for the Council's financial assets and liabilities have been provided by the Council's Treasury Management advisor Link Asset Management Ltd and PWLB, as the majority of the Council's borrowing with PWLB at a fixed rate and there has been some increase in the PWLB borrowing rate during the intervening period this can be expected to be reflected in the Fair Values would be unlikely to have changed significantly in recent months, more detail in respect of this uncertainty is set out in note 38. Disclosure notes set out the fair values for the Authority's financial assets and liabilities as at 31st March 2025.



## 5. Material Items of Income and Expenditure

There are no material items of income and expenditure in 2024/25.

## 6. Events after the Balance Sheet Date

The statement of accounts was authorised for issue by the Head of Finance (Section 151 Officer) on 2<sup>nd</sup> July 2025. Events taking place after this date are not reflected in the financial statement or notes. There have been no post balance sheet events prior to this date that have been reflected in the statement of accounts.

## 7. Prior Period Adjustment

There are no Prior Period Adjustments included in these accounts.

## 8. Note to the Expenditure and Funding Analysis

2023/24 Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement Amounts	Category Transfer	Adjustments for Capital Purposes	Net Change for Pensions Adjustment	Other Differences	Total Adjustment
	£'000	£'000	£'000	£'000	£'000
Learning and Skills	(1,095)	1,144	46	(1,244)	(1,149)
Social Services	293	298	82	205	878
Visible and Housing Services	(56)	3,496	58	116	3,614
Housing Revenue Account (HRA)	(3,054)	(8,730)	4	16	(11,764)
Place	(87)	1,605	(131)	31	1,418
Corporate Resources	720	892	85	100	1,797
Policy	(7,146)	1,607	(382)	18	(5,903)
<b>Net Cost of Services</b>	<b>(10,425)</b>	<b>312</b>	<b>(238)</b>	<b>(758)</b>	<b>(11,109)</b>
Other Income and Expenditure	10,425	(43,191)	2,686	(367)	(30,447)
<b>Difference between the General Fund surplus or deficit and Comprehensive Income and Expenditure statement surplus or deficit</b>	<b>0</b>	<b>(42,879)</b>	<b>2,448</b>	<b>(1,125)</b>	<b>(41,556)</b>



2024/25 Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement Amounts	Category Transfer	Adjustments for Capital Purposes	Net Change for Pensions Adjustment	Other Differences	Total Adjustment
	£'000	£'000	£'000	£'000	£'000
Learning and Skills	(7,595)	8,481	(505)	1,121	1,502
Social Services	5,544	332	(105)	(473)	5,298
Visible and Housing Services	1,143	5,375	(72)	(226)	6,220
Housing Revenue Account (HRA)	(3,386)	31,876	(16)	(45)	28,429
Place	(265)	4,475	(148)	(86)	3,976
Corporate Resources	1,619	972	(50)	(258)	2,283
Policy	(10,537)	(3,904)	(8)	153	(14,296)
Net Cost of Services	(13,477)	47,607	(904)	186	33,412
Other Income and Expenditure	13,477	(47,016)	(695)	-	(34,234)
Difference between the General Fund surplus or deficit and Comprehensive Income and Expenditure statement surplus or deficit	<b>0</b>	<b>(599)</b>	<b>(1,599)</b>	<b>186</b>	<b>822</b>

#### Note (i) Adjustments for Capital Purposes

- Depreciation/impairment and revaluation gains and losses are added in.
- Adjustment for disposals with a transfer of income on disposal of assets and the amounts written off for those assets.
- Statutory Capital Financing charges are deducted (Minimum Revenue Provision).
- Capital Grants and Donations are adjusted for.

#### Note (ii) Net Change for the Pensions Adjustments

This adjustment relates to the removal of pension contributions and the addition of IAS19 Employee Benefits pension related expenditure and income which means:

- The replacement of the employer pension contributions with current service costs and past service costs.
- The net interest on the defined benefit liability is charged to the Other Income and Expenditure line.

#### Note (iii) Other Differences

- Adjustments are made for accumulated absences.

## 9. Expenditure and Funding Analysis by Nature

<b>31st March 2024 £'000</b>		<b>31st March 2025 £'000</b>
198,274	Employee Expenditure	211,634
13,605	Employee Expenditure (Aided Schools)	14,532
238,129	Other Service Expenditure	269,719
16,681	Depreciation, Amortisation, Impairments & Other Capital Adjustments	21,013
6,723	Interest Payments	6,791
31,537	Precepts & Levies	34,455
160	Loss on Disposal of Non-Current Assets	462
2,685	Interest on net defined benefit liability/ (asset)	0
0	Revaluation on Investment Properties	0
0	Trading Deficit	54
<b>507,794</b>	<b>Total Expenditure</b>	<b>558,660</b>
(69,401)	Fees Charges & Other Service Income	(67,182)
(4,100)	Interest, Investment Income and Trading Surplus	(1,811)
(107,464)	Income from Council Tax	(115,985)
(332,671)	Government Grants and Contributions	(361,606)
0	Gains Disposal of Non-Current Assets	0
(368)	Revaluation on Investment Properties and Equities	0
	Interest on net defined benefit liability/ (asset)	(695)
(27)	Trading Surplus	
<b>(514,031)</b>	<b>Total Income</b>	<b>(547,281)</b>
<b>(6,237)</b>	<b>(Surplus) or Deficit on the Provision of Services</b>	<b>11,379</b>

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

Adjustments between Accounting Basis and Funding Basis under Regulations 2023/24	Council Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Capital Grants Unapp	Mvmt in Unusable Reserves
<b>Adjustments to Revenue Resources</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Amounts by which the income and expenditure included in the CIES are different from revenue for the year calculated in accordance with statutory requirements</b>					
Reversal of items relating to retirement benefits debited or credited to the CIES	20,235	138	0	0	(20,373)
Employers pension contributions and direct payments to pensions payable in the year	(17,847)	(116)	0	0	17,963
Financial Instruments (transferred to the Financial Instruments Adjustment Account)	66	0	0	0	(66)
Holiday pay (transfers to the Accumulated Absences Reserve)	(804)	17	0	0	787
Charges for depreciation/impairment of non-current assets	16,111	1,711	0	0	(17,822)
Revaluation (surplus)/deficit on Property Plant and Equipment	(148)	10,179	0	0	(10,031)
Revaluation of Equity Assets	(368)				368
Amortisation of intangible assets	87	0	0	0	(87)
Amounts of non-current assets written off on disposal to CIES	863	172	0	0	(1,035)
Revenue Expenditure funded from capital under statute	7,282	257	0	0	(7,539)
<b>Total Adjustments to Revenue Resources</b>	<b>25,477</b>	<b>12,358</b>	<b>0</b>	<b>0</b>	<b>(37,835)</b>
<b>Adjustments between Revenue and Capital Resources</b>					
Transfer of non-current asset sale proceeds from revenue to the Capital Receipts Reserve	(229)	(720)	949	0	0
Transfer of non-current asset sale proceeds from the Deferred Capital Receipts Reserve to Capital Receipts	0	0	0	0	0
Administrative costs of the non-current asset disposals (funded by Capital Receipts Reserve)	74	0	0	0	(74)
Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account)	(4,142)	(1,620)	0	0	5,762
Capital Expenditure financed from revenue balances (transferred to the Capital Adjustment Acc.)	(10,147)	(19,256)	0	0	29,403
<b>Total Adjustments between Revenue and Capital Resources</b>	<b>(14,444)</b>	<b>(21,596)</b>	<b>949</b>	<b>0</b>	<b>35,091</b>
<b>Adjustments to Capital Resources</b>					
Use of Capital Receipts Reserve to finance capital expenditure			(3,936)	0	3,936
Application of capital grants to finance capital expenditure	(28,080)	(15,271)	0	(4,043)	47,394
Cash payments in relation to deferred capital receipts					
<b>Total Adjustments to Capital Resources</b>	<b>(28,080)</b>	<b>(15,271)</b>	<b>(3,936)</b>	<b>(4,043)</b>	<b>51,330</b>
<b>Total Adjustments</b>	<b>(17,047)</b>	<b>(24,509)</b>	<b>(2,987)</b>	<b>(4,043)</b>	<b>48,586</b>

Adjustments between Accounting Basis and Funding Basis under Regulations 2024/25	Council Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Capital Grants Unapp	Mvmt in Unusable Reserves
<b>Adjustments to Revenue Resources</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Amounts by which the income and expenditure included in the CIES are different from revenue for the year calculated in accordance with statutory requirements</b>					
Reversal of items relating to retirement benefits debited or credited to the CIES	15,036	336	0	0	(15,372)
Employers pension contributions and direct payments to pensions payable in the year	(18,404)	(371)	0	0	18,775
Financial Instruments (transferred to the Financial Instruments Adjustment Account)	(71)	0	0	0	71
Holiday pay (transfers to the Accumulated Absences Reserve)	70	(45)	0	0	(25)
Charges for depreciation/impairment of non-current assets	17,592	3,334	0	0	(20,926)
Revaluation (surplus)/deficit on Property Plant and Equipment	1,394	37,596	0	0	(38,990)
Revaluation of Equity Assets	0	0	0	0	0
Amortisation of intangible assets	86	0	0	0	(86)
Amounts of non-current assets written off on disposal to CIES	3,637	0	0	0	(3,637)
Revenue Expenditure funded from capital under statute	6,893	227	0	0	(7,120)
<b>Total Adjustments to Revenue Resources</b>	<b>26,233</b>	<b>41,077</b>	<b>0</b>	<b>0</b>	<b>(67,310)</b>
<b>Adjustments between Revenue and Capital Resources</b>					
Transfer of non-current asset sale proceeds from revenue to the Capital Receipts Reserve	(1,310)	0	1,310	0	0
Transfer of non-current asset sale proceeds from the Deferred Capital Receipts Reserve to Capital Receipts	(1,869)	0	0	0	1,869
Administrative costs of the non-current asset disposals (funded by Capital Receipts Reserve)	15	0	0	0	(15)
Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account)	(5,025)	(1,733)	0	0	6,758
Capital Expenditure financed from revenue balances (transferred to the Capital Adjustment Acc.)	(3,340)	(7,550)	0	0	10,890
<b>Total Adjustments between Revenue and Capital Resources</b>	<b>(11,529)</b>	<b>(9,283)</b>	<b>1,310</b>	<b>0</b>	<b>19,502</b>
<b>Adjustments to Capital Resources</b>					
Use of Capital Receipts Reserve to finance capital expenditure	0	0	(641)	0	641
Application of capital grants to finance capital expenditure	(31,010)	(16,312)	0	(299)	47,621
Cash payments in relation to deferred capital receipts					
<b>Total Adjustments to Capital Resources</b>	<b>(31,010)</b>	<b>(16,312)</b>	<b>(641)</b>	<b>(299)</b>	<b>48,262</b>
<b>Total Adjustments</b>	<b>(16,306)</b>	<b>15,482</b>	<b>669</b>	<b>(299)</b>	<b>454</b>

## 11. Transfers To/From Earmarked Reserves

This sets out the amounts set aside from the Council Fund and HRA balances in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet Council Fund and HRA expenditure in 2024/25.

Name	31/03/2023	Tfr In	Tfr Out	31/03/2024	Tfr In	Tfr Out	31/03/2025
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Council Fund	11,523	0	(417)	11,106	1,894	0	13,000
Insurance Fund	4,877	0	0	4,877	77	0	4,954
<b>Schools Reserves</b>							
Schools Reserves	6,982	889	(5,562)	2,309	0	(6,446)	(4,137)
Other Schools Reserves	760	509	(411)	859	776	(230)	1,405
Provision for School Deficits	0	2,000	0	2,000	2,100	0	4,100
<b>Service Specific Reserves</b>							
Learning and Skills Reserves	3,946	94	(1,812)	2,228	0	(647)	1,581
Social Services Reserves	10,012	3,000	(7,198)	5,814	893	(4,707)	2,000
Neighbourhood Services Reserve	3,077	0	(10)	3,067	0	(826)	2,241
Place Reserve	1,902	179	(160)	1,921	228	(318)	1,831
Corporate Resources Reserve	734	0	(205)	528	28	(56)	500
Other Service Reserves	1,625	364	(125)	1,863	52	(692)	1,223
Other Corporate Reserve	841	14	(157)	698	44	(215)	527
Donations	60	9	0	69	10	0	79
<b>Risk and Smoothing Reserves</b>							
Homelessness and Housing Reserve	4,455	1,193	(199)	5,449	840	(2182)	4,107
Cost of Living	854	0	(483)	371	0	(247)	124
Pay Pressures	4,168	61	(361)	3,868	0	(104)	3,764
Energy Pressures	3,885	0	(,2400)	1,485	0	(486)	999
Legal	2,000	0	(910)	1,090	276	(366)	1,000
Project Zero and Ash Die Back	1,759	0	(830)	929	0	(429)	500
Energy Management Fund	159	322	(41)	440	127	(27)	540
Investment and Growth Fund	2,354	0	(2,353)	1	0	(1)	0
Reshaping, Risk and Investment	2,523	52	0	2,575	0	(278)	2,297
Corporate Landlord	5,707	0	(760)	4,947	0	(2,124)	2,823

Name	31/03/2023	Tfr In	Tfr Out	31/03/2024	Tfr In	Tfr Out	31/03/2025
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Digital Reshaping	1,532	11	(131)	1,412	0	(144)	1,268
Budget Risk	0	1,000	0	1,000	2,000	(1,000)	2,000
ALN Reshaping	0	0	0	0	250	0	250
Reshaping Assets	0	0	0	0	552	0	552
<b>Capital Reserves</b>							
Capital Committed Schemes and Other Amalgamated Capital Reserves	5,838	626	(2320)	4,144	0	(1,027)	3,117
School Investment Strategy Reserve	1,896	290	(1,054)	1,132	169	(453)	848
Waste Transfer Station	891	0	(847)	44	0	(33)	11
Telecare	1,043	0	(30)	1,013	112	(725)	400
Social Service Vehicles and Licences	408	0	(67)	341	0	(341)	0
City Deal	1,898	0	(1,898)	0	0	0	0
Vehicle Repairs and Renewals	1,973	1,312	(1,666)	1,618	1,308	(827)	2,099
Country Park Capital	137	150	0	287	244	0	531
Capital Grants	4,185	365	(4,015)	535	352	(129)	758
Independent Living Reserve	0	500	0	500	14	(500)	14
Capital Regeneration and Levelling Up	0	1458	0	1,458	576	0	2,034
<b>Sub Total Earmarked Reserves</b>	<b>82,481</b>	<b>14,398</b>	<b>(36,005)</b>	<b>60,872</b>	<b>11,028</b>	<b>(25,560)</b>	<b>46,340</b>
Joint Committee Reserves	2,384	0	(333)	2,052	86	(9)	2,129
<b>Sub Total Earmarked Reserves Incl Joint Committees</b>	<b>84,865</b>	<b>14,398</b>	<b>(36,338)</b>	<b>62,924</b>	<b>11,114</b>	<b>(25,569)</b>	<b>48,469</b>
Housing Revenue Account Reserve	16,486	0	(12,961)	3,525	360	0	3,885
<b>Total Funds and Earmarked Reserves</b>	<b>112,874</b>	<b>14,398</b>	<b>(49,716)</b>	<b>77,555</b>	<b>13,368</b>	<b>(25,569)</b>	<b>65,354</b>

## 12. Revenue Support Grant

The amount of Revenue Support Grant recorded as income is a total figure of £161.928m.

## 13. Council Tax

Council Tax income derives from charges raised according to the value of residential properties, which have been classified into 9 valuation bands estimating 1st April 2003 values for this specific purpose. Charges are calculated by taking the amount of income required for The Vale of Glamorgan Council and the Police and Crime Commissioner for South Wales (£22.358m) and Town and Community Councils (£3.652m) for the forthcoming year and dividing this amount by the council tax base.

The Council Tax base is the number of properties in each band adjusted by a proportion to convert the number to a band D equivalent, totaled across all bands.

This basic amount for a band D property £1,562.85 (£1,464.75 in 2023/24) is multiplied by the proportion specified for the particular band to give the individual amount due. In 2024/25 Council Tax bills were based on the following proportions for Bands A to I:

Council Tax Band	Proportion	No. of Properties
Band A	0.67	1,490
Band B	0.78	6,539
Band C	0.89	14,419
Band D	1.00	11,840
Band E	1.22	10,730
Band F	1.44	7,710
Band G	1.67	5,899
Band H	2.00	2,267
Band I	2.33	1,055
		61,949

Council Tax Collectable	2023/24	2024/25
	£'000	£'000
Council Tax Collectable	118,198	128,486
Council Tax Reduction Scheme and Care Leaver	(11,502)	(12,313)
Provision for non payment of Council Tax	768	(188)
<b>Amount Due From Taxpayers Before Rebates</b>	<b>107,464</b>	<b>115,985</b>
Allocated to:		
South Wales Police Precept	20,226	22,358
Vale of Glamorgan County Council	95,333	102,288
Council Tax Reduction Scheme and Care Leaver	(11,502)	(12,313)
Town and Community Councils Precepts	3,407	3,652
<b>Total</b>	<b>107,464</b>	<b>115,985</b>

#### 14. National Non-Domestic Rates

NNDR is organised on a national basis. The Government specifies an amount, 56.2p in 2024/25 this was 53.5p in 2023/24 and local businesses pay rates calculated by multiplying their rateable value by that amount.

The Council collects rates due from the ratepayers in its area but pays the proceeds into an NNDR pool administered by the Welsh Government. The sums paid into the pool are redistributed back to local authorities' Council Funds on the basis of a fixed amount per head of population. The Council received £47.853m in 2024/25 (£42.784m in 2023/24).

The NNDR billed to ratepayers, after reliefs etc. was £33,510,986 for 2024/25 (£29,506,173 in 2023/24) and was based on year end rateable value for both 2024/25 at 31/03/25 being £80,505,059 and 2023/24 at 31/03/24 being £80,593,958.

## 15. Property, Plant and Equipment

<b>Movement on Balance in 2023/24</b>	<b>Council Dwellings</b>	<b>Land &amp; Buildings</b>	<b>Vehicle Plant &amp; Equipment</b>	<b>Community Asset</b>	<b>Assets under Construction</b>	<b>Surplus Assets</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>
<b>Cost or Valuation as at 1 April 2023</b>	<b>204,690</b>	<b>492,032</b>	<b>36,287</b>	<b>3,868</b>	<b>39,831</b>	<b>3,236</b>	<b>779,944</b>
Additions	11,745	30,422	4,171	0	24,143	0	70,481
Joint Committee Additions	0	0	5	0	567	0	572
Derecognition of accumulated depreciation & impairment to GCA	(1,514)	(7,785)	(3)	0	0	(48)	(9,350)
Revaluation increase	(6,962)	11,212	0	0	0	17	4,267
Disposals	0	(1,029)	(1,545)	0	0	0	(2,574)
Transfers between asset classes	5,201	21,380	0	0	(27,185)	526	(78)
Assets reclassified (to) held for sale	0	(23)	0	0	0	(600)	(623)
<b>Cost or Valuation as at 31 March 2024</b>	<b>213,160</b>	<b>546,209</b>	<b>38,915</b>	<b>3,868</b>	<b>37,356</b>	<b>3,131</b>	<b>842,639</b>
<b>Accumulated depreciation and impairment as at 1 April 2023</b>	<b>(1)</b>	<b>(665)</b>	<b>(18,211)</b>	<b>0</b>	<b>0</b>	<b>(36)</b>	<b>(18,913)</b>
Depreciation charge	(1,514)	(8,268)	(4,558)	0	0	0	(14,340)
Derecognition of accumulated depreciation to GCA	1,514	7,785	3	0	0	48	9,350
Impairment Losses	0	(95)	0	0	0	0	(95)
Transfers between asset classes	0	11	0	0	0	(11)	0
Disposals	0	24	1,515	0	0	0	1,539
<b>Accumulated Depreciation and Impairment as at 31 March 2024</b>	<b>(1)</b>	<b>(1,208)</b>	<b>(21,251)</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>(22,459)</b>
<b>Net Book Value 2023/24</b>							
	<b>Council Dwellings</b>	<b>Land &amp; Buildings</b>	<b>Vehicle Plant &amp; Equipment</b>	<b>Community Asset</b>	<b>Assets under Construction</b>	<b>Surplus Assets</b>	<b>Total</b>
<b>At 31 March 2023</b>	<b>204,689</b>	<b>491,367</b>	<b>18,076</b>	<b>3,868</b>	<b>39,831</b>	<b>3,200</b>	<b>761,031</b>
<b>At 31 March 2024</b>	<b>213,159</b>	<b>545,001</b>	<b>17,664</b>	<b>3,868</b>	<b>37,356</b>	<b>3,132</b>	<b>820,180</b>



<b>Movement on Balance in 2024/25</b>	<b>Council Dwellings</b>	<b>Land &amp; Buildings</b>	<b>Vehicle Plant &amp; Equipment</b>	<b>Community Asset</b>	<b>Assets under Construction</b>	<b>Surplus Assets</b>	<b>ROU Asset</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>	<b>£'000</b>
<b>Cost or Valuation as at 1 April 2024</b>	<b>213,160</b>	<b>546,209</b>	<b>38,915</b>	<b>3,868</b>	<b>37,356</b>	<b>3,131</b>	<b>0</b>	<b>842,639</b>
Additions	18,040	13,956	3,478	0	12,967	0	5,797	54,238
Joint Committee Additions	0	0	46	0	0	0	0	46
Derecognition of accumulated depreciation & impairment to GCA	(3,118)	(8,721)	0	0	0	(12)	(21)	(11,872)
Revaluation increase/(decrease)	(24,705)	8,308	0	0	0	9	1,026	(15,362)
Disposals	0	(1,494)	(3,700)	0	0	(950)	0	(6,144)
Transfers between asset classes	34,257	(2,854)	0	0	(29,839)	(1,564)	0	0
Assets reclassified (to) held for sale	0	(206)	0	0	0	0	0	(206)
<b>Cost or Valuation as at 31 March 2025</b>	<b>237,635</b>	<b>555,197</b>	<b>38,739</b>	<b>3,868</b>	<b>20,483</b>	<b>615</b>	<b>6,802</b>	<b>863,339</b>
<b>Accumulated depreciation and impairment as at 1 April 2024</b>	<b>(1)</b>	<b>(1,208)</b>	<b>(21,251)</b>	<b>0</b>	<b>0</b>	<b>(1)</b>	<b>0</b>	<b>(22,459)</b>
Depreciation charge	(3,117)	(9,116)	(4,582)	0	0	(12)	(263)	(17,090)
Derecognition of accumulated depreciation to GCA	3,118	8,721	0	0	0	12	21	11,872
Impairment Losses	0	(231)	(59)	0	0	0	0	(291)
Transfers between asset classes	0	3	0	0	0	0	0	3
Disposals	0	36	3,689	0	0	0	0	3,724
<b>Accumulated Depreciation and Impairment as at 31 March 2025</b>	<b>(1)</b>	<b>(1,795)</b>	<b>(22,204)</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>(241)</b>	<b>(24,240)</b>
<b>Net Book Value 2024/25</b>								
	<b>Council Dwellings</b>	<b>Land &amp; Buildings</b>	<b>Vehicle Plant &amp; Equipment</b>	<b>Community Asset</b>	<b>Assets under Construction</b>	<b>Surplus Assets</b>	<b>ROU Asset</b>	<b>Total</b>
<b>At 31 March 2024</b>	<b>213,159</b>	<b>545,001</b>	<b>17,664</b>	<b>3,868</b>	<b>37,356</b>	<b>3,132</b>	<b>0</b>	<b>820,180</b>
<b>At 31 March 2025</b>	<b>237,634</b>	<b>553,402</b>	<b>16,535</b>	<b>3,868</b>	<b>20,483</b>	<b>616</b>	<b>6,561</b>	<b>839,098</b>

### Infrastructure Assets

In accordance with the temporary relief that has been offered by the update to the 2024/25 Code on accounting for Infrastructure Assets this note does not include disclosure of gross cost and accumulated depreciation for infrastructure assets because historical reporting practices mean that this would not accurately represent an accurate asset position to the user of the financial statements.

The Council has chosen not to disclose this information as the information available would not provide an accurate basis for the users of the financial statements to take economic or other decisions relating to infrastructure assets.

The Council has determined in accordance with Regulation 24L Wales of the Local Authorities (Capital Finance as Accounting) (Wales) Regulations 2003 (as amended) that the carrying amounts to be derecognised when there is replacement expenditure is nil. The Infrastructure Assets Net Book Value is set out in the table below:

<b>Infrastructure Net Book Value</b>	<b>2023/24</b>	<b>2024/25</b>
	<b>£'000</b>	<b>£'000</b>
<b>Net Book Value 1 April</b>	<b>126,466</b>	<b>134,135</b>
Additions	11,050	9,788
Disposals	0	(670)
Depreciation charge	(3,381)	(3,643)
Depreciation Disposal	0	83
<b>Net Book Value 31 March</b>	<b>134,135</b>	<b>139,693</b>

Infrastructure Assets are not disclosed separately on the Balance Sheet, a reconciliation of the Property Plant & Equipment amount held on the Balance Sheet is set out in the table below.

<b>Reconciliation to Balance Sheet</b>	<b>2023/24</b>	<b>2024/25</b>
	<b>£'000</b>	<b>£'000</b>
Infrastructure Assets	134,135	139,693
Other Property, Plant and Equipment	820,180	839,098
<b>Total Property Plant and Equipment Assets</b>	<b>954,315</b>	<b>978,791</b>

### Depreciation

The following useful lives and depreciation rates have been used in the calculation of depreciation:

Asset Class	Indicative Asset Life
Council Dwellings	50 years
Other Land and Buildings	3-125 years
Vehicles Plant and Equipment	2-20 years
Infrastructure	40 years
Intangible Assets	5 years

## Capital Commitments

At 31st March 2025, the Authority has entered into a number of contracts for the construction, or enhancement of property, plant and equipment which will continue into 2025/26 and future years. Similar commitments at the 31st March 2024 were £39.926m. The major commitments are listed below.

<b>Scheme</b>	<b>£'000</b>
Sustainable Communities for Learning	1,807
Other Education Schemes	2,009
Social Services Schemes	362
Housing Schemes	7,810
Highways and Transport Schemes	587
Leisure Schemes	146
Flood Schemes	234
Vehicles	1,004
Place Schemes	233
<b>Total</b>	<b>14,192</b>

## Revaluations

The Council Dwellings and Other Land and Buildings etc. are revalued on a rolling 5 year programme by a MRICS external valuer.

<b>Asset Class</b>	<b>Most Recent Valuation</b>	<b>Valuation Completed By</b>	<b>Next Valuation Due</b>
Surplus Assets (Reviewed annually)	2024/25	FRICS valuer Avison Young	2025/26
Council Dwellings	2024/25	Savills	2029/30
Schools and Social Service Assets	2022/23, DRC assets revalued 2023/24, Some DRC assets revalued 2024/25 and some indexation dependent on nature and value of capital spend.	FRICS valuer Avison Young	2027/28
Other Land and Buildings	2022/23, DRC assets revalued 2023/24, Some DRC assets revalued 2024/25 and some indexation dependent on nature and value of capital spend.	FRICS valuer Avison Young	2027/28

The Housing Revenue Account Council Dwelling assets have been revalued

following a review of the Beacons used for the asset base. This valuation has been carried out by a RICS qualified valuer from Savills using a Beacon approach. The valuation incorporates the 771 garages included in the Housing Revenue Account which are shown against Land and Buildings, they also include the new build development at Rhos Noriaidd and Ffordd Cambria in Sully, Llys Yr Eglwys in Barry and Heol Croeso in Llantwit.

In 2024/25 indexation has been applied to the Land and Building assets valued on a Depreciated Replacement Cost basis, the indices used were provided by a RICS qualified valuer from Avison Young to address the materiality uncertainty that continued to be applied to the other services Land and Building assets and in response to concerns expressed in the context of continuing rising construction costs by Audit Wales. Where the 2024/25 spend exceeded £50k the Council sought the opinion of a RICS qualified valuer from Avison Young to establish if the spend was enhancing or non-enhancing, for enhancing spend desk top valuations were provided. Desktop valuations of assets where spend exceeded £250k on a Depreciated Replacement Cost basis was performed by a RICS qualified valuer from Avison Young during 2024/25.

A number of HRA new build schemes were completed during 2024/25 and these assets were also revalued upon transfer from the Asset Under Construction Account by a RICS valuer from Savills on a Beacon Approach.

Therefore, a significant proportion of the Council's asset base has been subject to revaluation during the 2024/25 financial year. Whereas land asset values have typically remained unchanged the majority of building assets particularly those valued on a DRC basis have increased in value. The valuations are set out in Note 15 to the accounts Property Plant and Equipment.

### Impairment

The Council asked key staff to identify any assets that need to be reviewed for impairment, some small impairments and need for revaluation were identified as part of this process and the accounts have been adjusted accordingly.

When general fund capital expenditure is complete, a review is carried out by a RICS valuer working for Avison Young for all expenditure in excess of £250k to determine how much of this expenditure results in either an increase in asset value or an impairment. As a significant proportion of assets subject to Capital Expenditure during 2024/25 were subject to revaluation as at 31st March 2025 there are minimal impairments.

### Retentions

As at 31st March 2025 £851k (£2.332m as at 31 March 2024) has been deducted from payments to contractors to protect the Authority from situations such as the contractor going bankrupt during the defects liability period. Normally a proportion

of the retention is paid on practical completion; the balance following the defects liability period stipulated in the contract, subject to any defects being made good.

### Heritage Assets

The Authority has reviewed its assets and given consideration to the presentation of those assets that would have a heritage connection. The Council considers that it does not hold any material distinct assets that could be classed as heritage assets. In addition the Authority holds a number of items that can be grouped under the heading 'civic regalia'; which are used on ceremonial occasions during the Council's year. There is no known value for 'civic regalia' as at 31st March 2025 (although it is unlikely to be significant). It was felt that any external valuation costs of 'civic regalia' would not be cost effective compared to the benefits to the users of the Authority's financial statement. Taking account of this 'civic regalia' has not been recognised as a Heritage Asset in the Balance Sheet.

### 16. Fair Value Hierarchy – Surplus Assets

Fair Value Measurements Surplus Assets	Quoted prices in active markets for identical assets (Level 1)	Other significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	£'000	£'000	£'000	£'000
Total 31st March 2024	0	3,132	0	3,132
Total 31st March 2025	0	615	0	615

#### Transfers between levels of the Fair Value Hierarchy

There were no movements in the valuation hierarchy during 2024/25.

#### Valuation Techniques used to Determine Level 2 and 3 Fair Values

The Valuation of Surplus Assets was carried out by a RICS qualified external valuer, Avison Young. The Valuation techniques considered comparable resale and new build properties in the area. The Valuer considered Leisure/Retail, Commercial and Residential possibilities in addition to planning considerations.

### 17. Assets Held for Sale

	2023/24	2024/25
	£'000	£'000
Llancarfan former school site	600	0
119 Broad Street, Barry (Citizens Advice Bureau)	23	0
5 St Pauls Avenue, Barry	0	153
Retained Land at Hood Road	0	50
<b>Total Assets Held for Sale</b>	<b>623</b>	<b>203</b>

## 18. Leasing – Right of Use (ROU) Asset

The Council has adopted IFRS 16 (Leases) with effect from 1st April 2024. The main impact of the requirements of IFRS 16 is that, for lessee arrangements previously accounted for as operating leases (i.e. without recognising the leased vehicles, plant, equipment, property and land as an asset, and future rents as a liability), a right-of-use asset and a lease liability are now included on the balance sheet from 1st April 2024.

Properties and Other Vehicles, Plant and Equipment that fall under the scope of IFRS16 have now been reclassified as right of use assets on the balance sheet. Right-of-use assets and lease liabilities will have been calculated as if IFRS 16 had always applied but recognised in the year of adoption and not by adjusting prior year figures.

As a lessee, the Council has previously classified leases as operating leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Council. Under IFRS 16, the Council recognises right-of-use assets and lease liabilities for most leases.

A weighted average incremental borrowing rate appropriate to the term of the lease has been applied to lease liabilities as at 1st April 2024.

The Council has elected to apply recognition exemptions to low value assets (below £10,000 when new) and to short term leases i.e. existing leases that expire on or before 31st March 2025, and new leases with a duration of less than 12 months. The value of annual payments associated with low value leases is £219k which is not material to the accounts and therefore no further disclosures on low value leases have been made.

The Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. A contract is, or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

	2024/25
Leasing Liability Analysis	£'000
Value at 1 April 2024	3,465
Additions during the year	255
Disposals	0
Principal repaid in year	(798)
<b>Value at 31st March</b>	<b>2,922</b>

	2024/25
Leasing Right of Use Asset Analysis	£'000
Other Land and Buildings	2,433
Vehicles, Plant, Equipment	489
<b>Value at 31st March 2025</b>	<b>2,922</b>
Analysed by:	
Current	728
Non-Current	2,194
	<b>2,922</b>
<b>Finance Lease Liabilities</b>	
Within one year	728
Between 2 and 5 years	966
Over 5 years	1,228
<b>Total Liabilities</b>	<b>2,922</b>

### 19. Capital Expenditure and Capital Financing

	2023/24	2024/25
	£'000	£'000
<b>Opening Capital Financing Requirement</b>	<b>195,622</b>	<b>198,792</b>
<b>Plus: Capital Investment</b>		
Council Dwellings	11,745	18,040
Other Land and Buildings	30,422	13,956
Vehicle, Plant and Equipment	4,171	3,478
Infrastructure	10,971	9,788
Assets Under Construction	24,178	12,967
Disposal and Demolition Costs	74	14
Community Assets	0	0
Intangible Assets	35	145
Revenue Expenditure Funded from Capital under Statute	7,024	7,120
<b>Less: Sources of Finance</b>		
Capital Receipts	(3,936)	(641)
Government Grants and Other Contributions	(46,347)	(47,042)
<b>Less: Sums set aside from revenue</b>		
Direct Revenue Contributions	(29,399)	(10,843)
Minimum Revenue Provision (inc. Voluntary)	(5,768)	(6,539)
<b>Closing Capital Financing Requirement</b>	<b>198,792</b>	<b>199,235</b>
<b>Explanation of movements in year</b>		

Increase /(Decrease) in underlying need to borrow (unsupported by Government Financial Assistance)	3,170	443
<b>Increase /(Decrease) in Capital Financing Requirement</b>	<b>3,170</b>	<b>443</b>
<b>Closing Capital Financing Requirement Excluding Leasing</b>	<b>0</b>	<b>199,235</b>
Leasing Liability	0	3,465
2024/25 Additions	0	255
Minimum Revenue Provision Leasing	0	(799)
<b>Closing Capital Financing Requirement Including Leasing</b>	<b>0</b>	<b>202,156</b>

The above excludes Capital Adjustments for Joint Committees which relate to a revenue contribution for a vehicle for the Shared Regulatory Services Joint Committee.

## 20. Financial Instruments

The following categories of financial instrument are carried in the Balance Sheet;

	Long Term		Short Term	
	31/03/24	31/03/25	31/03/24	31/03/25
	£'000	£'000	£'000	£'000
<b>Financial Assets at Amortised Cost</b>				
Investments	2	2	28,319	5,175
Debtors	5,387	5,301	47,367	70,425
Cash and Cash Equivalents	0	0	13,280	9,276
<b>Total Financial Assets</b>	<b>5,389</b>	<b>5,303</b>	<b>88,966</b>	<b>84,876</b>
<b>Financial Liabilities at Amortised cost</b>				
Borrowings	135,786	161,242	8,568	9,810
Leasing Liability	0	2,194	0	728
Creditors	7,848	9,430	43,752	32,639
<b>Total Financial Liabilities</b>	<b>143,634</b>	<b>172,866</b>	<b>52,320</b>	<b>43,177</b>

- The above short term debtors balance at 31st March 2025 excludes £20.335m of non contractual balances (£13.053m in 2023/24) that do not meet the definition of financial assets at amortised cost.
- The above short term creditors balance at 31st March 2025 excludes £1.553m of non contractual balances (£1.324m in 2023/24) that do not meet the definition of financial liabilities at amortised cost.



<b>Financial Liabilities at Amortised Cost (Borrowing) Reconciliation</b>	<b>PWLB</b>	<b>Market Loans</b>	<b>Other</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Principal Amount	165,952	2,000	1,899	169,851
Accruals	1,290	40	0	1,330
Other Accounting Adjustments	0	0	(129)	(129)
<b>Total Borrowing measured at Amortised Cost</b>	<b>167,242</b>	<b>2,040</b>	<b>1,770</b>	<b>171,052</b>
Short Term Borrowing	9,307	40	463	9,810
Long Term Borrowing	157,935	2,000	1,307	161,242
<b>Financial Liabilities at Amortised Cost</b>	<b>167,242</b>	<b>2,040</b>	<b>1,770</b>	<b>171,052</b>

### Income, Expense, Gains and Losses

<b>2023/24</b>		<b>2024/25</b>			
<b>Total</b>		Financial Liabilities measured at Amortised cost	Financial Assets: Amortised Cost	Financial Assets: Fair Value through Profit and Loss	Total
£'000		£'000	£'000	£'000	£'000
(6,723)	Interest Expense	(6,791)	0	0	(6,791)
<b>(6,723)</b>	<b>Total Expense in Deficit on the Provision of Services</b>	<b>(6,791)</b>	<b>0</b>	<b>0</b>	<b>(6,791)</b>
4,100	Interest Income	0	0	1,811	1,811
<b>4,100</b>	<b>Total Income in Deficit on the Provision of Services</b>	<b>0</b>	<b>0</b>	<b>1,811</b>	<b>1,811</b>
<b>(2,623)</b>	<b>Net gains/losses from financial instruments</b>	<b>(6,791)</b>	<b>0</b>	<b>1,811</b>	<b>(4,980)</b>

### Fair Value of Assets and Liabilities

Financial liabilities and financial assets represented by loans and receivables and long term debtors and creditors are carried in the Balance Sheet at amortised cost.

The fair value for financial liabilities and financial assets that are not measured at fair value can be assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments, using the following assumptions:

- Estimated interest rates at 31st March 2025 are the PWLB / market set of rates in force on that date;
- No early repayment or impairment is recognised;
- Where an instrument will mature in the next 12 months, carrying amount is assumed to be approximate to fair value;
- The fair value of trade and other receivables is taken to be invoiced or billed amount.

Short Term Debtors and Creditors are carried at cost as this is a fair approximation

of their value. The fair values calculated are as follows:

	Loan Principal 31 March 2024	Carrying Amount 31 March 2024	Fair Value 31 March 2024	Loan Principal 31 March 2025	Carrying Amount 31 March 2025	Fair Value 31 March 2025
	£'000	£'000	£'000	£'000	£'000	£'000
Financial Liabilities	143,512	144,352	135,484	169,851	171,052	156,106

The fair values as at 31st March 2024 and 2025 do not include Joint Committee Liabilities.

The fair value is higher than the carrying amount because the Authority's portfolio of loans includes a number of fixed rate loans where the interest rate payable is higher than the rates available for similar loans at the balance sheet date. This commitment to pay interest above current market rates increases the amount that the Authority would have to pay if the lender requested or agreed to early repayment of the loans.

#### Fair Value Hierarchy for Financial Instruments that are not measured at Fair Value

Recurring Fair Value Measurements using;	Quoted prices in active markets for identical assets (Level 1)	Other significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	£'000	£'000	£'000	£'000
As at 31st March 2024				
Financial Liabilities	0	135,484	0	135,484
Loans and Borrowings	0	0	0	0
Long Term Creditors	0	0	0	0
<b>Total</b>	<b>0</b>	<b>135,484</b>	<b>0</b>	<b>135,484</b>
Recurring Fair Value Measurements using;	Quoted prices in active markets for identical assets (Level 1)	Other significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	£'000	£'000	£'000	£'000
As at 31st March 2025				
Financial Liabilities	0	156,106	0	156,106
Loans and Borrowings	0	0	0	0
Long Term Creditors	0	0	0	0
<b>Total</b>	<b>0</b>	<b>156,106</b>	<b>0</b>	<b>156,106</b>

## Valuation Techniques used to Determine Level 2 and 3 Fair Values

Level 2 valuations for Market Loans including LOBOs have been calculated by MUFG Treasury Advisers and incorporate PWLB rates and discussions with possible new market participants for Local Authority borrowing. The Level 2 valuations for PWLB have also been calculated by MUFG Treasury Advisers utilising data available on the Debt Management Office website.

### 21. Debtors

	31 March 2024	31 March 2025
	£'000	£'000
Central government bodies	26,157	59,430
Other local authorities	8,579	7,944
NHS bodies	5,013	435
Council Tax Payers	10,525	11,123
General	20,417	22,492
Provision for Bad Debts	(10,271)	(10,665)
<b>Gross Total</b>	<b>60,420</b>	<b>90,759</b>

### 22. Cash and Cash Equivalents

The balance of Cash and Cash Equivalents is made up of the following elements:

31/03/2024		31/03/2025
£'000		£'000
2,529	Cash held by the Authority and at Bank	(7,153)
4,054	Joint Committee Cash	4,038
6,697	Cash Held Overnight as Short Term Investments	12,391
<b>13,280</b>	<b>Total Cash and Cash Equivalents</b>	<b>9,276</b>

### 23. Creditors

31/3/2024		31/3/2025
£'000		£'000
5,444	Central government bodies	418
9,500	Other local authorities	11,095
1,072	NHS bodies	146
23,286	General	16,472
1,325	Prepayments of Council Tax	1,553
609	Receipts in advance	643
3,840	Accumulated absences	3,864
<b>45,076</b>	<b>Total</b>	<b>34,192</b>

## 24. Provisions

	Insurance	MMI	City Deal JC	Other	Total
	£'000	£'000	£'000	£'000	£'000
<b>Balance at 1st April 2023</b>	<b>1,426</b>	<b>368</b>	<b>234</b>	<b>129</b>	<b>2,157</b>
Additional provisions made	110	9	2,378	750	3,247
Amounts used / Transfer out	0	0	0	0	0
<b>Balance at 1st April 2024</b>	<b>1,536</b>	<b>377</b>	<b>2,612</b>	<b>879</b>	<b>5,404</b>
Additional provisions made	0	0	0	0	0
Amounts used / Transfer out	(134)	0	0	(750)	(884)
<b>Balance at 1st April 2025</b>	<b>1,402</b>	<b>377</b>	<b>2,612</b>	<b>129</b>	<b>4,520</b>

The closing provision balance of £4.520m is made up of £0.507m considered to be long term and £4.013m expected to fall due within 12 months.

1. Insurance - This provision covers all known claims as at 31 March 2024. These include provisions for public and employers liability, motor vehicle, buildings plus a number of risks insured internally, which cannot be covered economically by conventional external insurance. The excesses for 2024/25 are £75,000 for all property claims, £25k on fidelity guarantee covering internal and external fraud, £1k on computers and £175k on all other claim types.
2. MMI - The Scheme administrators may well require the Authority to contribute a further levy. A total of £377k has been set aside to meet this potential liability. Further information is included within note 37 - Contingent Liability.
3. Included within this figure is a sum of £2.612m in respect of the Vale of Glamorgan Council's share of the City Deal Long Term Provisions.
4. Other - Included within this figure is a sum of £128k for Housing Committed Bonds, £750k in respect legal settlements was transferred to a creditor in year.

## 24. Other Long Term Liabilities

An analysis of Other Liabilities that will not be settled for 12 months is given in the following table:

31/03/24		31/03/25
£'000		£'000
1,469	City Deal Joint Committee	1,463
1,617	Welsh Government Home Improvement Loans	1,616
300	Welsh Government Town Centre Improvement Loans	1,300
4,462	Long Term Receipts in Advance including commuted sums and S278 contributions	5,051
<b>7,848</b>	<b>Total</b>	<b>9,430</b>

Section 278 contributions relate to agreements between Developers and LA's to make permanent alterations or improvements to the highway in line with a planning decision.

## 25. Usable Reserves

31/03/24		31/03/25
£'000		£'000
11,106	Council Fund	13,000
62,925	Earmarked General Fund Reserves	48,468
3,525	Housing Revenue Account	3,885
7,647	Capital Receipts Reserve	8,316
3,386	Capital Grants Unapplied Account	3,087
<b>88,589</b>	<b>Total Usable Reserves</b>	<b>76,756</b>

An analysis of the Earmarked General Fund Reserves is shown in note 11.

## 26. Unusable Reserves

31/03/24		31/03/25
£'000		£'000
149,019	Revaluation Reserve	168,701
611,651	Capital Adjustment Account	612,711
(240)	Financial Instruments Adjustment Account	(170)
11	Deferred Capital Receipts Reserve	1,879
368	Equity Revaluation Reserve	368
(10,522)	Pensions Reserve	(17,310)
(3,840)	Accumulated Absences Account	(3,864)
<b>746,447</b>	<b>Total Unusable Reserves</b>	<b>762,315</b>

### Revaluation Reserve

The Revaluation Reserve contains the gains made by the Authority arising from its Property, Plant and Equipment and Intangible Assets.

2023/24	Revaluation Reserve	2024/25
£'000		£'000
<b>137,305</b>	<b>Balance at 1st April</b>	<b>149,019</b>
(6,749)	Downward revaluation of assets and Impairment losses not charged to the Provision of Services	(5,155)
21,028	Upward revaluation of assets	28,686
(1,911)	Difference between fair value depreciation and historical cost depreciation	(2,356)
(654)	Amount written off to the Capital Adjustment Account following disposal	(1,493)
<b>149,019</b>	<b>Balance at 31st March</b>	<b>168,701</b>

The Reserve contains only revaluation gains accumulated since 1st 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.

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

2023/24	Capital Adjustment Account	2024/25
£'000		£'000
559,180	<b>Balance at 1st April</b>	611,651
0	Opening Balance Adjustment	2,076
559,180	<b>Adjusted Balance 1st April</b>	613,726
	<b>Reversal of items relating to capital expenditure debited or credited to the CIES</b>	
(17,797)	Charges for depreciation and impairment of non current assets	(20,926)
(87)	Amortisation of intangible assets	(86)
(7,539)	Revenue expenditure funded from capital under statute	(7,120)
(1,109)	Amounts of non current assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	(3,652)
(7,499)	Other (Adjusting amounts written out of the Revaluation Reserve etc.)	(35,141)
	<b>Capital financing applied in year:</b>	
3,936	Use of the Capital Receipts Reserve to finance new capital expenditure	641
2,770	Use of the Major Repairs Reserve to finance new capital expenditure	4,770
40,581	Capital grants and contributions credited to the CIES that have been applied to capital financing	42,552
4,043	Application of grants to capital financing from the Government Grants Unapplied Account	299
5,768	Statutory provision for the financing of capital investment charged against the Council Fund and HRA balances	6,758
29,404	Capital Expenditure charged against the Council Fund and HRA balances	10,889
<b>611,651</b>	<b>Balance at 31st March</b>	<b>612,711</b>

## Financial Instruments Adjustment Account

The Financial Instruments Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for income and expenses relating to certain financial instruments and for bearing losses or benefiting from gains per statutory provisions.

2023/24	Financial Instruments Account	2024/25
£'000		£'000
(173)	<b>Balance at 1st April</b>	(240)
(67)	Amount by which finance costs charged to the CIES are different from finance costs chargeable in the year in accordance with statutory requirements	70
(240)	<b>Balance at 31st March</b>	(170)

## 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.

2023/24	The Pensions Reserve	2024/25
£'000		£'000
(64,630)	<b>Balance at 1st April</b>	(10,522)
56,517	Remeasurements of the net defined benefit liability	(1,654)
0	Minimum Funding Guarantee	(8,537)
(20,372)	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the CIES	(15,372)
,17,963	Employer's pension contributions and direct payments to pensioners payable in the year	18,775
(10,522)	<b>Balance at 31st March</b>	(17,310)

An analysis of the Pension Reserve by pension fund is set out below. An analysis of the actuarial calculation of the Vale of Glamorgan Council Pension fund at 31st March 2025 is included in note 36 to the accounts.

2023/24	Pension Reserve by Pension Fund	2024/25
£'000		£'000
(11,090)	Vale of Glamorgan Council	(17,160)
10	Foundation School	0
(148)	Joint Committee Shared Regulatory Services	(134)
(27)	Joint Committee Vale, Valleys and Cardiff Regional Adoption Service	(24)
733	Joint Committee Central South Consortium	8
(10,522)	<b>Balance at 31st March</b>	(17,310)

## Deferred Capital Receipts Reserve

The Deferred Capital Receipts Reserve holds the gains recognised on the disposal of non-current assets but for which cash settlement has yet to take place. Under statutory arrangements, the Authority does not treat these gains as usable for financing new capital expenditure until they are backed by cash receipts. When the deferred cash settlement eventually takes place, amounts are transferred to the Capital Receipts Reserve.

2023/24	Deferred Capital Receipts Reserve	2024/25
£'000		£'000
11	Balance at 1st April	11
0	Transfer of Deferred Capital Receipt	1,869
11	Balance at 31st March	1,879

## Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the Council Fund Balance from accruing for compensated absences earned but not taken in the year i.e. annual leave entitlement carried forward at 31st March. Statutory arrangements require that the impact on the Council Fund Balance is neutralised by transfers to or from the Account.

2023/24	Accumulated Absences Account	2024/25
£'000		£'000
(4,627)	Balance at 1st April	(3,840)
(3,840)	Amounts accrued at the end of the current year	(3,864)
4,627	Amount by which officer remuneration charged to the CIES on an accrual basis is different from remuneration chargeable in the year in accordance with statutory requirements.	3,840
(3,840)	Balance at 31st March	(3,864)

## 27. Cash Flow Statement - Operating Activities

The cash flows for operating activities include the following items:

2023/24		2024/25
£'000		£'000
3,992	Interest Received	445
(6,648)	Interest Paid	223
0	Dividends Received	0

The surplus or deficit on the provision of services has been adjusted for the following non-cash movements:



<b>2023/24</b>		<b>2024/25</b>
<b>£'000</b>		<b>£'000</b>
27,861	Depreciation and Impairment and Downward Valuations	59,932
87	Amortisation	86
(11,949)	Increase/(Decrease) in creditors	(8,998)
750	Increase/(Decrease) in provisions	0
1,951	(Increase)/Decrease in debtors	(29,362)
(247)	(Increase)/Decrease in inventories	(42)
2,410	Movement in pension liability	(3,403)
1,109	Other non-cash items charged to the net surplus or deficit on the provision of services	3,637
(1,598)	Carrying amount of non-current assets and non current assets held for sale, sold or de-recognised	(954)
<b>20,374</b>	<b>Adjustments to net surplus or deficit on the provision of services for non-cash movements.</b>	<b>20,896</b>

### 28. Members Allowances

The Authority paid the following amounts to members of the Council during the year. This includes payments to Co-opted Members.

	2023/24	2024/25
	£'000	£'000
Salaries	973	1,024
Allowances	252	276
Expenses	1	1
<b>Total</b>	<b>1,226</b>	<b>1,301</b>

### 29. External Audit Costs

The Authority has incurred the following costs in relation to the audit of the Statement of Accounts, certification of grant claims and statutory inspections and non-audit services provided by the Authority's external auditors.

	2023/24	2024/25
	£'000	£'000
Fees payable to Audit Wales with regard to external audit services carried out by the appointed auditor.	209	203
Fees payable to Audit Wales in respect of performance audit	112	112
Fees payable to Audit Wales for the certification of grant claims and returns	45	50
<b>Total</b>	<b>366</b>	<b>365</b>

### 30. Employees Emoluments

#### Remuneration Ratio

The remuneration ratio is arrived at by taking the median amount of remuneration for 2024/25 for all Vale of Glamorgan employees (excluding those employed by a Voluntary Aided) as at 31st March 2025. This Median remuneration is then compared to the annualised remuneration for the Head of Paid Service in the Council which is the Chief Executive. In 2024/25 the remuneration ratio is 1:5 and in 2023/24 the remuneration ratio was 1:5

#### Officers remunerated in excess of £60,000

There is no Returning Officer remuneration for the period shown below.

Senior Officers whose remuneration is included in the senior officers emoluments disclosure are also included in the bandings table. Staff employed by a voluntary aided or Roman Catholic aided schools are excluded from the remuneration bandings calculation.

The number of employees whose remuneration excluding employer's pension contributions was £60,000 or more in bands of £5,000 are shown in the following table:

Remuneration Band	2023/24 Number of Teaching Employees	2023/24 Number of Non Teaching Employees	2023/24 Total Number of Employees	2024/25 Number of Teaching Employees	2024/25 Number of Non Teaching Employees	2024/25 Total Number of Employees
£60,000-£64,999	38	28	66	56	14	70
£65,000-£69,999	18	4	22	24	18	42
£70,000-£74,999	19	5	24	19	2	21
£75,000-£79,999	13	2	15	16	1	17
£80,000-£84,999	9	1	10	11	3	14
£85,000-£89,999	6	5	11	14	6	20
£90,000-£94,999	8	4	12	8	1	9
£95,000-£99,999	2	0	2	4	2	6
£100,000-£104,999	1	2	3	2	1	3
£105,000-£109,999	0	0	0	3	0	3
£110,000-£114,999	4	4	8	0	2	2
£115,000-£119,999	0	0	0	0	2	2
£120,000-£124,999	0	0	0	1	0	1
£125,000-£129,999	1	0	1	1	0	1
£130,000-£134,999	1	0	1	0	0	0
£135,000-£139,999	0	0	0	1	0	1
£140,000-£144,999	0	0	0	0	0	0

£145,000-£149,999	1	1	2	0	0	0
£150,000-£154,999	0	0	0	1	1	2
£155,000-£159,999	0	0	0	2	0	2
<b>Total</b>	<b>121</b>	<b>56</b>	<b>177</b>	163	53	216

The number of employees above excludes Teaching positions employed by their Governing Body. The remuneration bands include expenses chargeable to United Kingdom income tax.

#### 2023/24 Senior Officers Emoluments

Post Holder Information	Salary	Expense Allowances	Pension Contribution	Total Remuneration
	£	£	£	£
Chief Executive	147,639	0	28,494	176,133
Director of Social Services	113,004	0	21,810	134,814
Director of Environment and Housing Services	113,004	0	21,810	134,814
Director of Learning and Skills	113,004	0	21,810	134,814
Head of Finance	94,944	0	18,324	113,268
Head of Legal Services (Monitoring Officer) *	111,147	0	21,451	132,598
Operational Manager Legal Services/Acting Head of Legal Services	75,407	0	14,554	89,961
Head of Digital (Started 23/10/2023)	36,132	0	6,973	43,105
Head of Human Resources	86,164	0	16,630	102,794
Director of Place	104,680	0	20,203	124,883
Director of Resources	104,680	0	20,203	124,883
Head of Strategy, Community Learning and Resources (Left SLT January 2024)	86,164	0	16,630	102,794

#### 2024/25 Senior Officers Emoluments

Post Holder Information	Salary	Expense Allowances	Pension Contribution	Total Remuneration
	£	£	£	£
Chief Executive	151,330	0	29,207	180,537
Director of Social Services	115,830	0	22,355	138,185
Director of Environment and Housing Services	115,830	0	22,355	138,185
Director of Learning and Skills (Left 30/06/24)	36,955	0	5,589	42,543

Director of Learning and Skills (Started 1/07/24) previously Head of ALN	100,418	0	19,381	119,799
Head of Finance	99,477	0	19,199	118,676
Head of Legal Services (Left 16/06/24)	32,548	0	5,268	37,816
Acting Head of Legal Services/Head of Legal Services (appointed to Head 17/06/24)	88,805	0	17,139	105,944
Head of Human Resources	88,319	0	17,046	105,365
Head of Digital	86,029	0	16,604	102,633
Director of Place	110,140	0	21,257	131,397
Director of Resources	110,140	0	21,257	131,397

The Pension Contribution shown above includes the deficit recovery element of the contributions made to Cardiff and Vale Pension Fund.

The Monitoring Officer was employed as the Interim Monitoring Officer for Cardiff County Council for the period commencing 27th October 2023 as part of the arrangements the Operational Manager for Legal Services was Acting Monitoring Officer on a part time basis for the period which ceased on 16th June 2024 when the Monitoring Officer left the Council. The remuneration disclosed here includes this sum. The Council was paid approximately £9,634 per month by Cardiff Council as part of these arrangements the total relating to the period to 16th June 2024 is £24,337.

Election Expenses as follows were paid during 2024/25.

Post Holder Information	2024/25
	£
Chief Executive	6,770
Head of Finance	150
Acting Head of Legal Services/Head of Legal Services (appointed to Head 17th June 2024)	1,833
Head of Human Resources	1,043
Head of Digital	134
Director of Resources	395

### Exit Packages

The number of exit packages with total cost per band and total cost of the compulsory and other departures are set out in the tables below.

Teachers are included even where appointed by the Governing body, as the liability for redundancy costs is with the Authority rather than the school.

2023/24				2024/25		
Number of other departures agreed	Total number of exit packages by cost band	Total cost of exit packages in each band	Exit Package cost band (including special payments)	Number of other departures agreed	Total number of exit packages by cost band	Total cost of exit packages in each band
		£	£			£
18	18	135,823	0-20,000	11	11	81,138
16	16	452,552	20,001-40,000	1	1	20,337
2	2	96,018	40,001-60,000	1	1	57,409
1	1	75,675	60,001-80,000	1	1	66,846
1	1	93,097	80,001-100,000	0	0	0
0	0	0	100,001-150,000	0	0	0
38	38	853,165	Total	14	14	225,729
2024/25 Analysis						£
Schools Exit Packages				8		81,678
Corporate Exit Packages				6		144,051
Total				14		225,729

### 31. Grant Income

The Authority credited the following grants, contributions and donations to services.

	2023/24 £000's	2024/25 £000's
Capital Grants		
Cardiff and Vale University Health Board	182	320
Cardiff City Region	1,542	0
Lottery/Heritage Lottery	85	106
Innovate Trust	79	106
Local Tennis Association Tennis Foundation	35	0
Local Transport Fund	50	40
NRW	35	66
S106 Contributions	11,210	4,137
Sports Wales	197	134
UK Government	891	4,963
Other Capital Grants	37	18
Welsh Councils Voluntary Association	391	429
Welsh Government	31,594	37,188
WLGA	20	114
Joint Committee Capital Grants	1,047	0
<b>Total Capital Grants</b>	<b>47,395</b>	<b>47,621</b>

<b>Revenue Grants</b>	<b>£'000</b>	<b>£'000</b>
Arts Council	18	132
HM Treasury	0	26
Department for Works and Pensions	26,706	25,571
Ministry for Housing, Communities and Local Government	1,778	6,218
Cardiff and Vale University Health Board Include RIF (Distributed by RPB)	118	3,373
Police & Crime Commissioner	225	240
Public Health Wales	136	244
Ministry of Defence	0	148
Rural Payments Agency	0	141
Sports Wales/Disability Sports Wales	589	318
Welsh Government (Incl Medr)	40,450	62,105
Welsh Local Government Association	205	213
Youth Justice Board	196	185
Home Office	546	1,420
Ministry of Justice	49	49
Other	1,825	1,207
Dept. for Business, Energy & Industrial Strategy	301	0
Grants via Central South Consortium	12,927	0
Cardiff Capital Region	10	10
Monmouthshire CC - Bus Services Support Grant	406	2,564
<b>Total Specific Revenue Grants</b>	<b>86,485</b>	<b>104,164</b>
Revenue Support Grant	160,013	161,928
Non Domestic Rates Contribution	42,784	47,853
<b>Total Unhypothecated Grants</b>	<b>202,797</b>	<b>209,781</b>

#### Capital Grants Received in Advance

	<b>2023/24</b>	<b>2024/25</b>
	<b>£'000</b>	<b>£'000</b>
Section 106 agreements – unapplied	21,177	18,183
Other Capital Grants Received in Advance	304	305
S106 Administration Fees	390	380
<b>Total Capital Grants Received in Advance</b>	<b>21,871</b>	<b>18,868</b>
The amount has been apportioned as follows:		
To be applied within one year	2,189	2,923
To be applied after one year	19,681	15,945
<b>Total</b>	<b>21,871</b>	<b>18,868</b>

### 32. Joint Committees

The Council is a member of a number of Joint Committees and the unaudited accounts have been consolidated into the Council's Financial Statements on a line by line basis calculated using a reasonable apportionment methodology e.g. population, Education Indicator Based Assessment Share. The Joint Committees consolidated are:

#### 1. Shared Regulatory Service

The Shared Regulatory Service was created on 1st May 2015 to provide a range of regulatory services across Cardiff, Bridgend and the Vale of Glamorgan. The Council is the host authority for the service. The Income and Expenditure and Balance Sheet for 2023/24 have been updated to reflect the outcome of the 2023/24 audit.

Restated Shared Regulatory Service 2023/24	Restated Vale of Glamorgan Council Share 2023/24	Income and Expenditure Statement	Shared Regulatory Service 2024/25	Vale of Glamorgan Council Share 2024/25
£'000	£'000		£'000	£'000
11,058	2,115	Operating Expenditure	11,089	2,174
(1,181)	(233)	Operating Income	(1,235)	(276)
<b>9,877</b>	<b>1,882</b>	<b>Net Cost of Services</b>	<b>9,853</b>	<b>1,899</b>
(9,400)	(1,853)	Finance and Investment Income and Expenditure	(9,866)	(1,899)
<b>477</b>	<b>29</b>	<b>(Surplus) / Deficit on Provision of Services</b>	<b>(13)</b>	<b>0</b>
(2,790)	(530)	Other Comprehensive Income and Expenditure	(30)	(6)
<b>(2,313)</b>	<b>(501)</b>	<b>Total Comprehensive Income &amp; Expenditure</b>	<b>(43)</b>	<b>(6)</b>

Shared Regulatory Service 2023/24	Vale of Glamorgan Council Share 2023/24	Balance Sheet	Shared Regulatory Service 2024/25	Vale of Glamorgan Council Share 2024/25
£'000	£'000		£'000	£'000
72	14	Property, Plant and Equipment	115	56
0	0	Intangible Assets	0	0
0	0	Long Term Debtors	0	0
<b>72</b>	<b>14</b>	<b>Total Long-Term Assets</b>	<b>115</b>	<b>56</b>
1,316	97	Short Term Debtors	997	85
0	0	Short Term Payment in Advance	0	0
0	195	Cash Owed from Host Authority	432	220
<b>1,316</b>	<b>292</b>	<b>Current Assets</b>	<b>1429</b>	<b>305</b>
(388)	(75)	Short Term Creditors	(519)	(97)
(57)	0	Cash Owed to Host Authority	0	0
<b>(445)</b>	<b>(75)</b>	<b>Total Current Liabilities</b>	<b>(519)</b>	<b>(97)</b>
(780)	(148)	Long Term Pension Liability	(700)	(134)
(490)	(100)	Other Long-Term Liabilities	(609)	(126)

(1,270)	(248)	<b>Total Long-Term Liabilities</b>	(1309)	(260)
(327)	(17)	<b>Net Assets</b>	(284)	4
535	146	Usable Reserves	505	121
(862)	(163)	Unusable Reserves	(789)	(117)
(327)	(17)	<b>Total Reserves</b>	(284)	4

## 2. Vale, Valleys & Cardiff (VVC) Adoption Collaborative Service

The VVC Adoption Services was created on 1st June 2015 to provide an adoption service across Cardiff, Rhondda Cynon Taf, Merthyr Tydfil and the Vale of Glamorgan.

The Council is the host authority for the service.

VVC Service 2023/24	Vale of Glamorgan Council Share 2023/24 15.7%	Income and Expenditure Statement	VVC Service 2024/25	Vale of Glamorgan Council Share 2024/25 16.3%
£'000	£'000		£'000	£'000
2,590	389	Operating Expenditure	2,513	398
(2,643)	(397)	Operating Income	(2,528)	(400)
<b>(53)</b>	<b>(8)</b>	<b>Net Cost of Services</b>	<b>(15)</b>	<b>(2)</b>
20	3	Finance and Investment Income and Expenditure	10	1
<b>(33)</b>	<b>(5)</b>	<b>(Surplus) / Deficit on Provision of Services</b>	<b>(5)</b>	<b>(1)</b>
(360)	(57)	Other Comprehensive Income and Expenditure	0	0
<b>(393)</b>	<b>(62)</b>	<b>Total Comprehensive Income &amp; Expenditure</b>	<b>(5)</b>	<b>(1)</b>

VVC Adoption Service 2023/24	Vale of Glamorgan Council Share 2023/24 15.7%	Balance Sheet	VVC Adoption Service 2024/25	Vale of Glamorgan Council Share 2024/25 16.3%
£'000	£'000		£'000	£'000
1,014	6	Short Term Debtors	834	0
<b>1,014</b>	<b>6</b>	<b>Current Assets</b>	<b>834</b>	<b>0</b>
(849)	20	Short Term Creditors*	(675)	26
<b>(849)</b>	<b>20</b>	<b>Total Current Liabilities</b>	<b>(675)</b>	<b>26</b>
<b>(170)</b>	<b>(27)</b>	<b>Long Term Pension Liability</b>	<b>(150)</b>	<b>(24)</b>
<b>(5)</b>	<b>(1)</b>	<b>Net Assets</b>	<b>9</b>	<b>2</b>
186	29	Usable Reserves	189	31
(191)	(30)	Unusable Reserves	(180)	(29)
<b>(5)</b>	<b>(1)</b>	<b>Total Reserves</b>	<b>9</b>	<b>2</b>

\*This balance reflects the specific Vale of Glamorgan partner share at 31st March and therefore doesn't equate to a percentage apportionment.



### 3. Glamorgan Archives

The Glamorgan Archive Joint Committee provides a Joint Archive facility for Cardiff, Bridgend, Rhondda Cynon Taf, Merthyr Tydfil and the Vale of Glamorgan Councils.

Glamorgan Archives 2023/24	Vale of Glamorgan Council Share 2023/24	Income and Expenditure Statement	Glamorgan Archives 2024/25	Vale of Glamorgan Council Share 2024/25
	12%			12%
£'000	£'000		£'000	£'000
1,081	130	Operating Expenditure	1,256	151
(1,074)	(129)	Operating Income	(1,214)	(146)
<b>7</b>	<b>1</b>	<b>Net Cost of Services</b>	<b>42</b>	<b>5</b>
(3)	0	Finance and Investment Income and Expenditure	(9)	(1)
<b>4</b>	<b>1</b>	<b>(Surplus) / Deficit on Provision of Services</b>	<b>33</b>	<b>4</b>
0	0	Other Comprehensive Income and Expenditure	0	0
<b>4</b>	<b>1</b>	<b>Total Comprehensive Income &amp; Expenditure</b>	<b>33</b>	<b>4</b>

Glamorgan Archives 2023/24	Vale of Glamorgan Council Share 2023/24	Balance Sheet	Glamorgan Archives 2024/25	Vale of Glamorgan Council Share 2024/25
	12%			12%
£'000	£'000		£'000	£'000
6,052	726	Land and Buildings	5,985	718
<b>6,052</b>	<b>726</b>	<b>Long Term Assets</b>	<b>5,985</b>	<b>718</b>
17	2	Inventories	20	2
37	4	Short Term Debtors	156	19
129	15	Cash and Cash Equivalents	68	8
<b>183</b>	<b>21</b>	<b>Current Assets</b>	<b>244</b>	<b>29</b>
(14)	(1)	Short Term Creditors	(42)	(5)
<b>(14)</b>	<b>(1)</b>	<b>Total Current Liabilities</b>	<b>(42)</b>	<b>(5)</b>
<b>6,221</b>	<b>746</b>	<b>Net Assets</b>	<b>6,188</b>	<b>742</b>
174	21	Usable Reserves	207	25
6,047	725	Unusable Reserves	5,981	717
<b>6,221</b>	<b>746</b>	<b>Total Reserves</b>	<b>6,188</b>	<b>742</b>

#### 4. Prosiect Gwyrdd

The Prosiect Gwyrdd is a Joint Working Arrangement between Cardiff, Caerphilly, Monmouthshire, Newport and the Vale of Glamorgan Councils to manage the contract with Viridor which provides a long term sustainable treatment solution to the residual waste that is remaining in each authority after recycling has been maximised.

Prosiect Gwyrdd 2023/24	Vale of Glamorgan Council Share 2023/24	Income and Expenditure Statement	Prosiect Gwyrdd 2024/25	Vale of Glamorgan Council Share 2024/25
	20%			20%
£'000	£'000		£'000	£'000
206	41	Operating Expenditure	223	45
(175)	(35)	Operating Income	(177)	(36)
<b>31</b>	<b>6</b>	<b>Net Cost of Services</b>	<b>46</b>	<b>9</b>
(31)	(6)	Transfer to(from) Joint Committee Reserve	(46)	(9)
<b>0</b>	<b>0</b>	<b>Total</b>	<b>0</b>	<b>0</b>

Prosiect Gwyrdd 2023/24	Vale of Glamorgan Council Share 2023/24	Balance Sheet	Prosiect Gwyrdd 2024/25	Vale of Glamorgan Council Share 2024/25
	20%			20%
£'000	£'000		£'000	£'000
0	0	Short Term Debtors	0	0
239	48	Cash and Cash Equivalents	193	39
<b>239</b>	<b>48</b>	<b>Current Assets</b>	<b>193</b>	<b>39</b>
(2)	(1)	Short Term Creditors	(2)	(1)
<b>(2)</b>	<b>(1)</b>	<b>Total Current Liabilities</b>	<b>(2)</b>	<b>(1)</b>
<b>237</b>	<b>47</b>	<b>Net Assets</b>	<b>191</b>	<b>38</b>
(237)	(47)	Usable Reserves	(191)	(38)
		Unusable Reserves		
<b>(237)</b>	<b>(47)</b>	<b>Total Reserves</b>	<b>(191)</b>	<b>(38)</b>

#### 5. Central South Consortium

The Central South Consortium was created on 1st September 2012 to provide a range of School Improvement services within the local authority areas of Bridgend, Cardiff, Merthyr Tydfil, Rhondda Cynon Taf and the Vale of Glamorgan. Rhondda Cynon Taf is the host authority for the service.

Central South Consortium 2023/24	Vale of Glamorgan Council Share 2024/24	Income and Expenditure Statement	Central South Consortium 2024/25	Vale of Glamorgan Council Share 2024/25
	14.82%			14.92%
£'000	£'000		£'000	£'000
55,819	8,271	Operating Expenditure	10,563	1,576
(55,508)	(8,225)	Operating Income	(10,624)	(1,585)
<b>311</b>	<b>46</b>	<b>Net Cost of Services</b>	<b>(61)</b>	<b>(9)</b>
(479)	(71)	Finance and Investment Income and Expenditure	(509)	(76)
<b>(168)</b>	<b>(25)</b>	<b>(Surplus) / Deficit on Provision of Services</b>	<b>(570)</b>	<b>(85)</b>
607	90	Other Comprehensive Income and Expenditure	4,862	725
<b>439</b>	<b>65</b>	<b>Total Comprehensive Income &amp; Expenditure</b>	<b>4,292</b>	<b>640</b>

Central South Consortium 2023/24	Vale of Glamorgan Council Share 2023/24	Balance Sheet	Central South Consortium 2024/25	Vale of Glamorgan Council Share 2024/25
	14.82%			14.92%
£'000	£'000		£'000	£'000
4,944	733	Long Term Asset - Defined Benefit Pension Asset	54	8
<b>4,944</b>	<b>733</b>	<b>Long Term Assets</b>	<b>54</b>	<b>8</b>
2,141	317	Short Term Debtors	2,810	419
<b>2,141</b>	<b>317</b>	<b>Current Assets</b>	<b>2,810</b>	<b>419</b>
(439)	(65)	Short Term Creditors	(510)	(76)
<b>(439)</b>	<b>(65)</b>	<b>Total Current Liabilities</b>	<b>(510)</b>	<b>(76)</b>
<b>1,702</b>	<b>252</b>	<b>Net Current Assets</b>	<b>2,300</b>	<b>343</b>
<b>6,646</b>	<b>985</b>	<b>Net Assets/Liabilities</b>	<b>2,354</b>	<b>351</b>
1,744	258	Usable Reserves	2,349	350
4,902	726	Unusable Reserves	5	1
<b>6,646</b>	<b>985</b>	<b>Total Reserves</b>	<b>2,354</b>	<b>351</b>

## 6. City Deal

The £1.2 billion Cardiff Capital Region City Deal has been established between the UK Government, the Welsh Government and 10 local authorities in South East Wales, including the Vale of Glamorgan Council. The City Region has become constituted as a Corporate Joint Committee. Due to the technical nature of the accounts the audited 2023/24 accounts and draft 2024/25 accounts were not available during the accounts preparation. Due to the time period elapsed since audited accounts have been received no projection has been made for 2024/25 and the position reflected in the 2023/24 accounts maintained and this position will be revisited during the 2024/25 audit period.

City Deal 2023/24	Vale of Glamorgan Council Share 2023/24	Income and Expenditure Statement	City Deal 2024/25	Vale of Glamorgan Council Share 2024/25
	8.48%			8.48%
£'000	£'000		£'000	£'000
14,898	1,263	Operating Expenditure	0	0
(6,857)	(581)	Operating Income	0	0
<b>8,041</b>	<b>682</b>	<b>Net Cost of Services</b>	<b>0</b>	<b>0</b>
(1,562)	(133)	Finance and Investment Income and Expenditure	0	0
(12,349)	(1,047)	Taxation and Non Specific Grant Income	0	0
<b>(5,870)</b>	<b>(498)</b>	<b>(Surplus) / Deficit on Provision of Services</b>	<b>0</b>	<b>0</b>
0	0	Other Comprehensive Income and Expenditure	0	0
<b>(5,870)</b>	<b>(498)</b>	<b>Total Comprehensive Income &amp; Expenditure</b>	<b>0</b>	<b>0</b>

City Deal 2023/24	Vale of Glamorgan Council Share 2023/24	Balance Sheet	City Deal 2024/25	Vale of Glamorgan Council Share 2024/25
	8.48%			8.48%
£'000	£'000		£'000	£'000
63,592	5,390	Investment Properties	63,592	5,390
8,108	687	Assets Under Construction	8,108	687
5,680	481	VPFE	5,680	481
(2,027)	(172)	Depreciation – VPFE	(2,027)	(172)
11,843	1,004	Equity	11,843	1,004
1,415	120	Long Term Investments	1,415	120
14,788	1,254	Long Term Debtors	14,788	1,254
<b>103,399</b>	<b>8,764</b>	<b>Long Term Assets</b>	<b>103,399</b>	<b>8,764</b>
3,000	254	Financial Assets and Bonds	3,000	254
11,112	942	Short Term Debtors	11,112	942
1,798	152	Deferred Tax Asset	1,798	152
47,088	3,991	Cash and Cash Equivalents	47,088	3,991
<b>62,998</b>	<b>5,339</b>	<b>Current Assets</b>	<b>62,998</b>	<b>5,339</b>
(33,975)	(2,880)	Short Term Creditors	(33,975)	(2,880)
<b>(33,975)</b>	<b>(2,880)</b>	<b>Current Liabilities</b>	<b>(33,975)</b>	<b>(2,880)</b>
(70)	(6)	Long Term Borrowing	(70)	(6)
(17,264)	(1,463)	Long Term Creditors	(17,264)	(1,463)
(30,819)	(2,612)	Provisions for Liabilities	(30,819)	(2,612)
<b>(48,153)</b>	<b>(4,081)</b>	<b>Long Term Liabilities</b>	<b>(48,153)</b>	<b>(4,081)</b>
<b>84,269</b>	<b>7,142</b>	<b>Net Assets/Liabilities</b>	<b>84,269</b>	<b>7,142</b>
18,477	1,565	Usable Reserves	18,477	1,565
65,792	5,576	Unusable Reserves	65,792	5,576
<b>84,269</b>	<b>7,142</b>	<b>Total Reserves</b>	<b>84,269</b>	<b>7,142</b>

### **34. Pooled/Joint Budgets Arrangements**

The Council has entered into a number of joint and pooled budget arrangements for the following :-

#### **Older People Care Accommodation Pooled Budget**

Under regulation 19(1) of the Partnership Arrangements (Wales) Regulations 2015, a pooled budget arrangement has been agreed between Cardiff and Vale local authorities and the Cardiff and Vale University Health Board in relation to the provision of care home accommodation for older people. The arrangement came into effect on 1st April 2018. Cardiff Council is currently acting as host authority. The processes for commissioning and payment for services has remained unchanged and is still undertaken by the individual partners. Each partner continues to be responsible for their own budget and expenditure.

Costs incurred by each partner are charged to the pooled budget held by Cardiff Council and these costs are then offset by contributions made by each partner into the pool. The value of the Vale's transactions into and out of the pool for 2024/25 are £19.5m.

#### **Joint Equipment Store (JES)**

The contributors to the pool are the Vale of Glamorgan Council, Cardiff County Council and the Cardiff and Vale University Health Board. The JES is run by Cardiff County Council and provides community equipment and minor adaptations to residents of Cardiff and the Vale of Glamorgan. £416k was paid into the pool in respect of 2024/25.

#### **Regional Integration Fund (RIF)**

RIF grant is provided to the Cardiff and Vale University Health Board by Welsh Government. The funding allows various initiatives to be undertaken by the Cardiff and Vale University Health Board, Cardiff County Council and the Vale of Glamorgan Council. This fund is being used to build effective working practices across health, social services and housing, to take forward schemes which demonstrate an effectiveness across community and acute environments and linking out-of-hospital care and social care to strengthen the resilience of the unscheduled care system. The Vale of Glamorgan Council undertook revenue schemes to the value of £918k during 2024/25 from this fund.

#### **Integrated Family Support Service (IFSS)**

The service covers the Vale of Glamorgan Council and Cardiff County Council geographical area. The service is run by Cardiff County Council and provides targeted intervention to support children and families affected by parental substance

misuse. The Vale of Glamorgan Council contributed £207k to the service in 2024/25.

### Coroner

There is a South Wales Central Joint Coroner Service for Rhondda Cynon Taf, Cardiff, Powys, Bridgend, Merthyr Tydfil and the Vale of Glamorgan Councils. The service is hosted by Rhondda Cynon Taf. During 2024/25 the Council made contributions of £420k.

### Internal audit

The Council is the lead authority for a Shared Internal Audit Service covering the Vale of Glamorgan, Rhondda Cynon Taf, Merthyr Tydfil and Bridgend Councils. The total cost of the service for 2024/25 was £871k with a contribution of £379k from the Vale of Glamorgan, £0k from Rhondda Cynon Taf and £232k Merthyr Tydfil and £260k from Bridgend. As at 31st March 2025 a reserve to the value of £326k was held by the Vale of Glamorgan Council on behalf of the service.

### Local Resilience Forum

The Authority is the lead for the Local Resilience Forum, the members of the forum are: the Local Health Board, Natural Resources Wales, Fire Service, South Wales Police and Local Authorities - Cardiff, Newport, Swansea, Bridgend, Rhondda Cynon Taf and The Vale of Glamorgan.

The Local Resilience Forum is no longer consolidated into the Council's accounts. The Council's share of the LRF's balance is 8% and the overall reserve balances stood at £170k at 31st March 2025.

### Swansea and Carmarthen Bay Coastal Engineering Group.

The Authority is the lead for the Swansea and Carmarthen Bay Coastal Engineering Group. The members of the partnership are Natural Resources Wales, Pembrokeshire County Council, Swansea City County Council, Bridgend County Borough Council, Carmarthenshire County Council and the Vale of Glamorgan.

This group is not consolidated into the Council's accounts. The overall cash balance of the group was £184k at 31st March 2025 due to a WG grant that has been carried forward.

### **35. Other Related Parties**

Other than that shown below there are no matters that the Council is required to disclose separately as 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 other than those shown elsewhere in the notes to the accounts. All transactions referred to in this Related Parties disclosure have been conducted on an arms length basis.

There are no monies owed from/to disclosed related parties at the end of the year. If there are any outstanding amounts at year end they will be included in the relevant disclosure.

As part of the Senior Leadership Team disclosure a Director of the Council has disclosed a close family relationship with a tyre supplier for the Council. The Director is not party to negotiations or approvals in respect of this contract the value of the expenditure with this supplier in 2024/25 was £256k (2023/24 £275k).

Welsh Government effect influence on the Authority via legislation and grant funding. As at 31st March 2025 there was a debtor balance of £41.506m for revenue and £11.220m for capital. During 2024/25 the Council received revenue grants as set out in Note 31.

The Council also receives grant funding direct from UK Government Ministry of Housing Communities & Local Government Shared Prosperity Fund the revenue income of £2.777m and capital income of £4.963m are reflected in the 2024/25 accounts.

The Authority has material transactions with the Cardiff and Vale University Health Board in respect of Social Service matters whereby the Health Board reimburses the Authority for Continuing Health Care costs. The Council also receives Regional Integration Funding and other grant income for capital and revenue expenditure from the Health Board. During 2024/25 there were income transactions with the Health Board totalling £7.870m and as at 31st March 2025 there was a debtor balance of £435k.

Until 16th June 2024 in the 2024/25 financial year the Monitoring Officer also acted as the Monitoring Officer for Cardiff Council. In year the Council's Income from Cardiff Council in respect of this arrangement was £24,337. The Debtor balance relating the Cardiff Council at year end was £5.999m and the Creditor Balance at year end relating to Cardiff Council was £6.197m

The Big Fresh Catering Company (BFCC) was established on 1st January 2020 and the Vale of Glamorgan Council is sole shareholder. The Council has included income of £664k and expenditure of £8.134m in its 2024/25 single entity accounts. A number of Council Officers and Members were named as directors of BFCC during the 2024/25 financial year, Cabinet Member for Learning and Skills Cllr Rhiannon Birch, Head of Strategy, Community Learning and Resources, the Headteacher at Victoria Primary School and the Headteacher St Richard Gwyn. None of these Directors are remunerated in excess of the sum included in the Single Entity accounts for their role.

At 31st March 2025 there are 31 Vale of Glamorgan Councillors who also were members of Town and Community Councils. The precepts raised in respect of Town and Community Councils in the Vale were £3.652m in 2024/25 (£3.407m in 2023/24



and are included in the Comprehensive Income and Expenditure Statement.

A Councillor of the Council works for Llamau Limited, the Council has payments of £2.031m in the 2024/25 accounts relating to this organisation.

During 2024/25 a number of Strong Community Grant Funds were allocated to Town and Community Councils as set out below.

<b>Town and Community Councils</b>	<b>Amount Paid 2024/25 £000s</b>
Penarth Town Council	5
Barry Town Council	10

### **36. Pension Assets and Liabilities**

#### **Local Government Pension Scheme Funded Benefits**

The disclosures below relate to the funded liabilities within the Cardiff and Vale of Glamorgan Pension Fund (the Fund) which is part of the Local Government Pension Scheme (the LGPS). The LGPS is a funded defined benefit plan with benefits earned up to 31st March 2014 being linked to final salary. Benefits after 31st March 2014 are based on a Career Average Revalued Earnings scheme. Details of the benefits to be paid for the period covered by this disclosure are set out in the 'Local Government Pension Scheme Regulations 2013' and 'The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014'.

The funded nature of the LGPS requires the Employer and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid is set out in LGPS Regulations 2013 and the Fund's Funding Strategy Statement. The last actuarial valuation was at 31st March 2022 and the contributions to be paid until 31st March 2025 resulting from that valuation are set out in the Fund's rates and adjustment certificate.

The funds consolidated for 2024/25 predominantly have a net pensions asset before calculation of a surplus restriction as required by IAS19. The standard states that when an entity has a surplus in a defined benefit plan, the defined benefit should be measured at the lower of the surplus in the defined benefit plan and the asset ceiling determined using the discount rate. The asset ceiling is the present value of any benefits available in the form of refunds in the plan or reductions in future contributions to the plan.

The Fund Administering Authority, City and County of Cardiff, is responsible for the governance of the Fund.



## Local Government Pension Scheme Unfunded Benefits

The disclosures below also relate to the unfunded pension arrangements established by The Vale of Glamorgan Council. These are termination benefits made on a discretionary basis upon early retirement in respect of members of the Local Government Pension Scheme (LGPS) under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations and members of the Teachers' Pension Scheme.

The latest actuarial valuation of unfunded benefits took place as at 31st March 2025. Liabilities have been estimated by the independent qualified actuary basis on an actuarial basis using the projected unit credit method.

The accounts have been adjusted to include the Joint Committees and the Foundation School's Pension Liabilities in 2023/24 as at 31st August 2024 the Foundation School's pension fund was transferred into the main Vale of Glamorgan's as at 31st August 2024 when the school ceased to be a Foundation School and became a Community School. The Council's share of the Joint Committees and Foundation School's pension liabilities is reflected in the disclosure notes below. The table below sets out the reconciliation of the pension liability figure included on the Council's balance sheet.

The Central South Consortium and Shared Regulatory Service Joint Committees are consolidated using different percentages each year this means that there are small discrepancies between the closing 2023/24 position and the opening 2024/25 position for some of the notes included in this analysis.

Pension Liability	31 March 2024	31 March 2025
	£'000	£'000
Vale of Glamorgan Council Pension (Liability)	(11,089)	(17,160)
Vale, Valleys and Cardiff Regional Adoption Service Joint Committee Pension (Liability)	(27)	(24)
Shared Regulatory Service Joint Committee Pension (Liability)	(148)	(134)
Central South Consortium Joint Committee Pension Asset	732	8
Foundation School Pension (Liability)/Asset (transferred into main Vale of Glamorgan liability in 2024/25)	10	0
<b>Total Pension Liability</b>	<b>(10,522)</b>	<b>(17,310)</b>

\*The administering body for the Central South Consortium Joint Committee Pension Fund is Rhondda Cynon Taf County Council.

Liabilities have been estimated by the independent qualified actuary on an actuarial basis using the projected unit credit method.

## Key issues impacting the actuarial calculation

### Actuarial Valuation

These results allow for the 2022 Full Actuarial Valuation of the Cardiff and Vale Pension Fund. The effect of this is shown in the Actuarial (gains)/losses due to liability experience and the Return on plan assets (in excess of)/below that recognised in net interest and is reflected in the balance sheet position. The demographic assumptions have also been adjusted, and the Current Service Cost has also been updated to reflect the employer's membership data as at the valuation. The roll-forward becomes less accurate the further the figures are rolled-forward in time. There is a triennial actuarial valuation of the LGPS (England, Wales and Northern Ireland) with effect from 31st March 2025, which is due to complete by 31st March 2026 and new contributions effective from 1st April 2026.

### McCloud Judgement

All employers will have accounted for McCloud in previous years and there is therefore no requirement to recognise an additional past service cost in relation to this.

### Virgin Media Judgement

In June 2023 the High Court handed down a decision which was subsequently upheld by the court of appeal in July 2024. The ruling potentially has implications for the validity of amendments made by pension schemes, including the LGPS, which were contracted-out on a salary related basis. The ruling related to the requirement on the trustees to obtain the scheme actuary's confirmation that a scheme continued to provide a minimum level of benefits following certain types of rule amendments.

At time of writing the Government has not yet confirmed that they have been able to locate the actuarial confirmations from the Government Actuary's Department for all LGPS amendments between 1997 and 2016. There remains uncertainty as the case may be subject to a further appeal or the Department for Work and Pensions could legislate to amend section 37 to allow retrospective actuarial confirmation.

Given the uncertainty, the actuary has not made any allowance for the possible impact of the ruling as it is currently unclear whether any additional liabilities might arise, and if they were to arise, how they would be reliably measured. A contingent liability has been included in the accounts reflecting this uncertainty.

### Assets Returns

Asset Returns over the accounting period have been lower than expected. This has

led to a loss on assets over the accounting period and a worsening in the balance sheet position.

### Financial Assumptions

There has been a change to the financial assumptions over the period. The discount rate has increased by 1.00%, the CPI inflation assumption has reduced by 0.10% and the salary increase assumption has reduced by 0.10%.

This has resulted in a more positive balance sheet position than if the financial assumptions at the start of the period had been used. The impact of this change is recognised in Other Comprehensive Income and Expenditure

Over this accounting period the CPI Inflation adjustment is based on actual CPI inflation of 2.8% between 29th February 2024 and 28th February 2025.

### Demographic Assumptions

Other demographic assumptions are the rates of withdrawal and ill health retirements (for active members). The allowance made for cash commutation on retirement, the proportion of members whose death gives rise to a dependants pension and the assumed levels of promotional salary increases. These assumptions have been kept as the same as those adopted for the 2022 Valuation.

### Impact of Covid-19 on Mortality

The impact on longevity for the Funds members will be affected by the indirect impact of Covid 19, including the health of the surviving population, and the economic, social and political consequences of tackling Covid 19.

The UK experienced very high level of excess death (measured using 2019 experience as a baseline) in the late part of 2022 and continued to see elevated mortality in early 2023. However, population-level mortality in the last months of 2023 was more in line with historic norms. In the view set out in the actuarial report

- Some of the factors driving the previous excess (in particular the 2022-23 flu season which was significantly earlier than typical) are likely to be temporary, and
- Some of the excess may be related to longer delays between deaths occurring and being reported.

The actuarial report set out a recommendation of an allowance for future mortality improvements, a parameter of 0.5% is also utilised to recognise that members of defined benefit schemes generally experience faster rates of longevity improvement relative to the UK population.

At this accounting date the actuary adopts the latest CMI 2023 projected mortality model with smoothing factor and reduces the rate longevity improvement rate from

1.5% to 1.25% per annum this change is expected to reduce liabilities by 0.6% to 1% for most employers.

### Estimated Employer Payments 2025/26

The estimated Employer payments for the year ended 31st March 2026 are set out in the table below. Additional contributions may also become due in respect of any employer discretions to enhance members' benefits in the Fund over the next accounting period.

Employer regular contribution for 2025/26	Year ended 31st March 2026 (£M)
Vale of Glamorgan	17.530
Vale of Glamorgan share of Shared Regulatory Service	0.277
Vale of Glamorgan share of Vale, Valleys and Cardiff Regional Adoption Service	0.051
Vale of Glamorgan share of Central South Consortium	0.033
<b>Total</b>	<b>17.891</b>

The expected employer payments direct to beneficiaries in 2025/26 for unfunded pensions is £1.17m

The principal assumptions used by the actuary in updating the latest valuation of the Fund for IAS 19 purposes were:

### Principal Financial Assumptions (% per annum)

	Funded			Unfunded		
	31/03/23	31/03/24	31/03/25	31/03/23	31/03/24	31/03/25
	%	%	%	%	%	%
Discount Rate	4.7	4.8	5.8	4.7	4.8	5.8
CPI Rate	2.7	2.6	2.5	2.7	2.6	2.5
Rate of increase to pensions (1)	2.7	2.6	2.5	2.7	2.6	2.5
Pension accounts revaluation rate (2)	2.7	2.6	2.5			
Rate of general increase in salaries (3)	3.7	3.6	3.5			

The above Pension assumptions apply to Cardiff and Vale Pension Fund schemes (Vale of Glamorgan and the Foundation School).

- The duration of the liabilities is the average period between the calculation date and the date at which benefit payments fall due. Durations will be calculated based on the output of the most recent

valuation exercise of the Employer's funded liabilities

- Employers may also prepare a separate disclosure note for their unfunded benefit schemes' which pay pensions awarded at retirement on a discretionary basis. The duration of the unfunded liabilities will usually be shorter than the duration of the LGPS benefits. In the interest of pragmatism and practicality it is recommended that the financial assumptions used to report the unfunded scheme liabilities are the same as those used for valuing funded benefits.
- Pension increases on pension in excess of the Guaranteed Minimum Pension in payment where appropriate.
- It is recommended that the assumption for the revaluation rate of pension accounts is set equal to the assumption for pension increases.
- The defined benefit obligation has been adjusted to allow for salary increases. This impacts the value of active members' liabilities that remain linked to final salary.
- The mortality tables shown apply to normal health retirements. Different rates may apply to retirements in ill health

Assumptions for the Vale, Valleys and Cardiff Regional Adoption Service and Shared Regulatory Service are set out below:

	<b>Joint Committees Vale Valleys and Cardiff Regional Adoption Service and Shared Regulatory Service (Funded)</b>		
	<b>31/03/23</b>	<b>31/03/24</b>	<b>31/03/25</b>
	%	%	%
Discount Rate	4.6%	4.7%	5.8%
CPI Rate	2.6%	2.6%	2.5%
Rate of increase to pensions (1)	2.6%	2.6%	2.5%
Pension accounts revaluation rate (2)	2.6%	2.6%	2.5%
Rate of general increase in salaries (3)	3.6%	3.6%	3.5%

Assumptions for the Central South Consortium Pension Fund are set out below:

	<b>Central South Consortium (Funded)</b>		
	<b>31/03/23</b>	<b>31/03/24</b>	<b>31/03/25</b>
	%	%	%
Discount Rate	4.7%	4.8%	5.8%
CPI Rate	2.7%	2.6%	2.5%
Rate of increase to pensions (1)	2.7%	2.6%	2.5%
Pension accounts revaluation rate (2)	2.7%	2.6%	2.5%
Rate of general increase in salaries (3)	3.95%	3.85%	3.75%

The majority of the pension liabilities are linked to either price or pay inflation. Higher inflation expectations will lead to a higher liability value. The assets are either unaffected or loosely correlated with inflation meaning that an increase in inflation will increase the deficit.

The mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for expected future mortality improvements.

#### Post retirement mortality (retirement in normal health)

Post Retirement Mortality	Funded (excluding CSC)		CSC Funded		Unfunded	
	31/03/24	31/03/25	31/03/24	31/03/25	31/03/24	31/03/25
<b>Males</b>						
Future lifetime from age 65 (aged 65 at accounting date)	22.1	21.9	21.0	20.9	22.1	21.9
Future lifetime from age 65 (aged 45 at accounting date)	22.7	22.2	22.3	21.8		
<b>Females</b>						
Future lifetime from age 65 (aged 65 at accounting date)	24.3	24.2	23.8	23.7	24.3	24.2
Future lifetime from age 65 (aged 45 at accounting date)	25.3	25.0	25.2	24.8		

The majority of the Fund's obligations are to provide benefits for the life of a member following retirement, so increases in life expectancy will result in an increase in the approximate split of assets for the Fund as a whole (based on data supplied by the Fund Administering Authority) is shown in the table below. The assets allocated to the employer in the Fund are notional and the assets are assumed to be invested in line with the investments of the Fund set out below for the purposes of calculating the return to be applied to those notional assets. The Fund is large and largely liquid and as a consequence there will be no significant restriction on realising assets if the situation arises. The assets are invested in a diversified spread of investments and the approximate split for the Fund as a whole is included in the disclosures.

The Administering Authority does not invest in property or assets related to itself. It is possible, however, that assets may be invested in shares relating to some of the private sector employers participating in the Fund if it forms part of their balanced investment strategy.

	Funded (excl CSC)		Funded CSC	
	Asset split at 31 March 2024 (%)	Asset split at 31 March 2025 (%)	Asset split at 31 March 2024 (%)	Asset split at 31 March 2025 (%)
Equities	70.3	67.6	63.97	65.10
Property	6.3	5.8	6.49	6.08
Government Bonds	8.4	7.5	12.21	10.88
Corporate Bonds	7.3	5.1	15.64	14.75
Cash	2.3	0.5	0.39	0
Multi Asset Credit	0	5.2	0	0
Infrastructure	0	0	1.30	2.67
Other	5.4	8.3	0	0.52
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

### Reconciliation of Funded/Unfunded Status to Balance Sheet

As at 31/03/24	Funded					Unfunded	Total
	Vale	Foundation School	CSC	SRS	VVC		
	£M's	£M's	£M's	£M's	£M's	£M's	£'Ms
Fair Value of Assets	567.450	7.920	5.149	8.524	0.956	0	589.999
Present Value of Defined Benefit Obligation	(568.510)	(7.760)	(3.866)	(8.602)	(0.964)	(10.030)	(599.732)
<b>Funded/Unfunded status</b>	<b>(1.060)</b>	<b>0.160</b>	<b>1.283</b>	<b>(0.078)</b>	<b>(0.008)</b>	<b>(10.030)</b>	<b>(9.734)</b>
Unrecognised asset	0	(0.150)	(0.550)	0	0	0	(0.700)
Impact of minimum funding requirement / asset ceiling	0	0	0	(0.082)	(0.019)	0	(0.101)
<b>Asset / (Liability) recognised on the Balance Sheet</b>	<b>(1.060)</b>	<b>0.010</b>	<b>0.733</b>	<b>(0.160)</b>	<b>(0.027)</b>	<b>(10.030)</b>	<b>(10.535)</b>

As at 31/03/25	Funded					Unfunded	Total
	Vale	Foundation School	CSC	SRS	VVC		
	£M's	£M's	£M's	£M's	£M's	£M's	£'Ms
Fair Value of Assets	594.050	0.000	5.195	8.471	1.041	0.000	<b>608.757</b>
Present Value of Defined Benefit Obligation	(500.950)	0.000	(3.386)	(6.699)	(0.809)	8.680	<b>(520.524)</b>
<b>Funded/Unfunded status</b>	<b>93.100</b>	<b>0.000</b>	<b>1.809</b>	<b>1.772</b>	<b>0.232</b>	<b>(8.680)</b>	<b>88.233</b>
Unrecognised asset	(93.100)	0.000	(1.801)	(1.772)	(0.232)	0.000	<b>(96.905)</b>

Impact of minimum funding requirement / asset ceiling	(8.480)	0.000	0.000	(0.134)	(0.024)	0.000	<b>(8.638)</b>
Asset / (Liability) recognised on the Balance Sheet	<b>(8.480)</b>	<b>0.000</b>	<b>0.008</b>	<b>(0.134)</b>	<b>(0.024)</b>	<b>(8.680)</b>	<b>(17.310)</b>

The split of the defined benefit obligation at the last valuation date between the various categories of members was as follows:

Active Members	Vale of Glamorgan	CSC	SRS	VVC
	%	%	%	%
Active Members	38	n/a	73	70
Deferred Pensioners	17	n/a	11	15
Pensioners	35	n/a	16	15

Employers who leave the Fund (or their guarantor) may have to make an exit payment to meet any shortfall in assets against their pension liabilities. If the employer (or guarantor) is not able to meet this exit payment the liability may in certain circumstances fall on other employers in the Fund. Further the assets at exit in respect of 'Orphan Liabilities' may in retrospect not be sufficient to meet the liabilities. This risk may fall on other employers. 'Orphan Liabilities' are currently a small proportion of the overall liabilities in the Fund.

#### Maturity Profile of the Defined Benefit Obligation

The estimated duration of liabilities for the scheme members is set out below.

Duration of Liabilities (in years)	Vale of Glamorgan	Foundation School	CSC	SRS	VVC
2023/24	16.7	18.1	n/a	22.1	23
2024/25	14.9	n/a	n/a	20.1	20.8



Breakdown of Amounts recognised in Surplus or Deficit on the Provision of Services and Other Comprehensive Income.

Year Ending 31/03/24	Funded					Unfunded	Total
	Vale	Found School	CSC	SRS	VVC		
	£M's	£M's	£M's	£M's	£M's		
<b>Comprehensive Income and Expenditure Cost of Services</b>							
<b>Service Cost Comprising</b>							
Current Service Cost*	16.94	0.23	0.139	0.277	0.046	0	17.632
Past Service Cost (including curtailments)	0.04	0.10	0	0	0	0	0.140
(Gain)/Loss on Settlements	0	0	0	0	0	0	0
<b>Financing and Investment Income</b>							
Net Interest Expense	2.13	0.02	(0.042)	0.025	0.003	0.49	2.626
Total post-employment benefits charged to the surplus or deficit on the provision of services	19.11	0.35	0.097	0.302	0.049	0.49	20.398
<b>Remeasurements in Other Comprehensive Income and Expenditure</b>							
Return on plan assets (in excess of) /below that recognised in net interest	(33.99)	(0.48)	(0.302)	(0.509)	(0.057)	0	(35.338)
Actuarial (gains)/ losses due to change in financial assumptions	(19.32)	(0.28)	(0.060)	(0.187)	(0.020)	(0.11)	(19.977)
Actuarial (gains)/ losses due to changes in demographic assumptions	(8.79)	(0.11)	(0.142)	(0.119)	(0.014)	(0.27)	(9.445)
Actuarial (gains) / losses due to liability experience	7.04	0.12	0.044	0.160	0.016	0.07	7.450
Actuarial (gains) / losses due to restriction of surplus	0	0.15	0.550	0	0	0	0.700
Total post-employment benefits charged to the comprehensive income and expenditure statement	(55.06)	(0.60)	0.09	(0.655)	(0.075)	(0.31)	(56.610)
Total Amount Recognised	(35.95)	(0.250)	0.187	(0.353)	(0.026)	0.18	(36.212)
Reversal of net charges made to the surplus or deficit on the provision of services for post-employment benefits in accordance with the Code	(19.11)	(0.35)	(0.097)	(0.302)	(0.049)	(0.49)	(20.398)
<b>Actual amount charged against General Fund and HRA balances for Pensions in year</b>							
Employers' contributions payable to scheme	16.12	0.31	0.051	0.277	0.047	0	16.805
Retirement benefits payable	0	0	0	0	0	1.180	1.180
*The current service cost included an allowance for the administration expenses	0.50	0.01	n/a	0.04	0.01	0	0.560

For Year Ending 31/03/25	Funded					Unfunded	Total
	Vale	Found School	CSC	SRS	VVC		
	£M's	£M's	£M's	£M's	£M's		
<b>Comprehensive Income and Expenditure Cost of Services</b>							
<b>Service Cost Comprising</b>							
Current Service Cost*	15.47	0.09	0.12	0.256	0.044	0	15.98
Past Service Cost (including curtailments)	0.23	0	0	0	0	0	0.23
(Gain)/Loss on Settlements	(0.7)	0.7	0	0	0	0	0
<b>Financing and Investment Income</b>							
Net Interest Expense	(1.21)	(0.01)	(0.063)	(0.002)	0	0.45	(0.835)
Total post-employment benefits charged to the surplus or deficit on the provision of services	13.79	0.78	0.057	0.254	0.044	0.45	15.375
<b>Remeasurements in Other Comprehensive Income and Expenditure</b>							
Return on plan assets (in excess of) /below that recognised in net interest	7.850	(0.050)	0.200	0.088	0.011	0.000	8.099
Actuarial (gains)/ losses due to change in financial assumptions	(95.450)	(0.400)	(0.700)	(1.862)	(0.248)	(0.550)	(99.210)
Actuarial (gains)/ losses due to changes in demographic assumptions	(4.170)	(0.070)	(0.028)	(0.067)	(0.008)	(0.050)	(4.393)
Actuarial (gains) / losses due to liability experience	0.990	(0.010)	0.006	0.010	0.000	(0.050)	0.946
Actuarial (gains) / losses due to restriction of surplus	93.100	(0.150)	1.247	1.772	0.237	0.000	96.206
Minimum Funding Guarantee	8.480	0.000	0.000	0.053	0.003	0.000	8.537
Total post-employment benefits charged to the comprehensive income and expenditure statement	10.800	(0.680)	0.725	(0.005)	(0.005)	(0.650)	10.185
Total Amount Recognised	24.590	0.100	0.782	0.249	0.039	(0.200)	25.560
Reversal of net charges made to the surplus or deficit on the provision of services for post-employment benefits in accordance with the Code	(13.790)	(0.78)	(0.057)	(0.254)	(0.044)	(0.45)	(15.375)
<b>Actual amount charged against General Fund and HRA balances for Pensions in year</b>							
Employers' contributions payable to scheme	17.17	0.09	0.053	0.267	0.049	0	17.629
Retirement benefits payable to pensioners	0	0	0	0	0	1.18	1.18
*The current service cost included an allowance for the administration expenses	0.53	0	n/a	0.08	0.02	0	0.63

### Changes to the Present Value of Defined Benefit Obligation during the Period

Year Ended 31/03/24	Funded					Unfunded	Total
	Vale	Foundation School	CSC	SRS	VVC		
	£M's	£M's	£M's	£M's	£M's		
Opening Defined Benefit Obligation	<b>563.270</b>	<b>7.590</b>	<b>3.796</b>	<b>8.097</b>	<b>0.885</b>	<b>11.030</b>	<b>594.668</b>
Current Service Cost	16.940	0.230	0.139	0.277	0.046	0	17.632
Interest Expense on defined benefit obligation	26.100	0.350	0.176	0.372	0.041	0.490	27.529
Contributions by Participants	5.270	0.070	0.084	0.101	0.016	0	5.541
Actuarial (gains)/ losses on liabilities financial assumptions	(19.320)	(0.280)	(0.060)	(0.187)	(0.020)	(0.110)	(19.977)
Actuarial (gains)/ losses on liabilities demographic assumptions	(8.790)	(0.110)	(0.142)	(0.119)	(0.014)	(0.270)	(9.445)
Actuarial (gains)/ losses on liabilities experience	7.040	0.120	0.044	0.160	0.016	0.070	7.450
Net Benefits Paid Out	(22.040)	(0.310)	(0.148)	(0.103)	(0.005)	(1.180)	(23.786)
Past Service Cost (including curtailments)	0.040	0.100	0	0	0	0	0.140
Closing Defined Benefit Obligation	<b>568.510</b>	<b>7.760</b>	<b>3.889</b>	<b>8.598</b>	<b>0.965</b>	<b>10.030</b>	<b>599.752</b>

Year Ended 31/03/25	Funded					Unfunded	Total
	Vale	Foundation School	CSC	SRS	VVC		
	£M's	£M's	£M's	£M's	£M's		
Opening Defined Benefit Obligation	<b>568.510</b>	<b>7.760</b>	<b>3.893</b>	<b>7.999</b>	<b>1.001</b>	<b>10.03</b>	<b>599.193</b>
Current Service Cost	15.470	0.090	0.12	0.256	0.044	0	15.980
Interest Expense on defined benefit obligation	27.030	0.150	0.185	0.376	0.047	0.45	28.238
Contributions by Participants	5.480	0.030	0.074	0.094	0.018	0	5.696
Actuarial (gains)/ losses on liabilities financial assumptions	(95.450)	(0.400)	(0.700)	(1.862)	(0.248)	(0.55)	(99.210)
Actuarial (gains)/ losses on liabilities demographic assumptions	(4.170)	(0.070)	(0.028)	(0.067)	(0.008)	(0.05)	(4.393)
Actuarial (gains)/ losses on liabilities experience	0.990	(0.010)	0.006	0.01	0	(0.05)	0.946
Net Benefits Paid Out	(24.540)	(0.150)	(0.149)	(0.107)	(0.015)	(1.15)	(26.111)
Past Service Cost (including curtailments)	0.230	0.000	0	0	0	0	0.230

Settlements	7.400	(7.400)	0	0	0	0	0.000
Closing Defined Benefit Obligation	<b>500.950</b>	<b>0.000</b>	<b>3.401</b>	<b>6.699</b>	<b>0.839</b>	<b>8.680</b>	<b>520.569</b>

### Changes to the Fair Value of Assets during the Accounting Period

Year ended 31/03/24	Funded					Unfunded	Total
	Vale	Foundation School	CSC	SRS	VVC		
	£M's	£M's	£M's	£M's	£M's		
<b>Opening Fair Value of Assets</b>	<b>510.140</b>	<b>7.040</b>	<b>4.664</b>	<b>7.392</b>	<b>0.804</b>	<b>0</b>	<b>530.040</b>
Interest Income on Assets	23.970	0.330	0.218	0.347	0.038	0	24.903
Remeasurement gains/ (losses) on Assets	33.990	0.480	0.302	0.509	0.057	0	35.338
Contributions by the Employer	16.120	0.310	0.051	0.277	0.047	1.180	17.985
Contributions by Participants	5.270	0.070	0.061	0.101	0.016	0	5.518
Net Benefits Paid Out	(22.040)	(0.310)	(0.148)	(0.103)	(0.005)	(1.180)	(23.786)
Net increase in assets from disposals/ acquisitions	0	0	0	0	0	0	0
Settlements	0	0	0	0	0	0	0
<b>Closing Fair Value of Assets</b>	<b>567.450</b>	<b>7.920</b>	<b>5.148</b>	<b>8.523</b>	<b>0.957</b>	<b>0</b>	<b>589.998</b>

Year ended 31/03/25	Funded					Unfunded	Total
	Vale	Foundation School	CSC	SRS	VVC		
	£M's	£M's	£M's	£M's	£M's		
<b>Opening Fair Value of Assets</b>	567.450	7.920	5.184	7.927	0.993	0.000	<b>589.474</b>
Interest Income on Assets	28.240	0.160	0.248	0.378	0.047	0.000	<b>29.073</b>
Remeasurement gains/ (losses) on Assets	(7.850)	0.050	(0.200)	(0.088)	(0.011)	0.000	<b>(8.099)</b>
Contributions by the Employer	17.170	0.090	0.053	0.267	0.049	1.150	<b>18.779</b>
Contributions by Participants	5.480	0.030	0.058	0.094	0.018	0.000	<b>5.680</b>
Net Benefits Paid Out	(24.540)	(0.150)	(0.149)	(0.107)	(0.015)	(1.150)	<b>(26.111)</b>
Net increase in assets from disposals/ acquisitions	0.000	0.000	0.000	0.000	0.000	0.000	<b>0.000</b>
Settlements	8.100	(8.100)	0.000	0.000	0.000	0.000	<b>0.000</b>
<b>Closing Fair Value of Assets</b>	<b>594.050</b>	<b>0.000</b>	<b>5.194</b>	<b>8.471</b>	<b>1.081</b>	<b>0.000</b>	<b>608.796</b>

## Actual Return on Assets

Year ended 31/03/24	Funded					Total
	Vale	Foundation School	CSC	SRS	VVC	
	£M's	£M's	£M's	£M's	£M's	£M's
Interest Income on Assets	23.970	0.330	0.218	0.347	0.038	24.903
Remeasurement gains/ (losses) on Assets	33.990	0.480	0.302	0.509	0.057	35.338
<b>Actual Return on Assets</b>	<b>57.960</b>	<b>0.810</b>	<b>0.520</b>	<b>0.856</b>	<b>0.095</b>	<b>60.241</b>

Year ended 31/03/25	Funded					Total
	Vale	Foundation School	CSC	SRS	VVC	
	£M's	£M's	£M's	£M's	£M's	£M's
Interest Income on Assets	28.240	0.160	0.248	0.378	0.047	29.073
Remeasurement gains/ (losses) on Assets	(7.850)	0.050	(0.200)	(0.088)	(0.011)	(8.099)
<b>Actual Return on Assets</b>	<b>20.390</b>	<b>0.210</b>	<b>0.048</b>	<b>0.290</b>	<b>0.036</b>	<b>20.974</b>

## Sensitivity Analysis of Projected Service Costs

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

Projected service cost in the sensitivity analysis below is the projected service cost for the period ending 31st March 2026.

The Sensitivity Analysis is only shown below relating to the main Vale of Glamorgan LGPS pension fund however a similar analysis has been compiled as part of the actuarial report for each pension fund that has been consolidated as part of these accounts.

### Discount rate assumption

Adjustment to discount rate	+0.1% p.a.	Base figure	-0.1% p.a.
Present value of total obligation (£M)	493.44	500.95	508.46
% change in present value of total obligation	-1.5%		+1.5%
Projected service cost (£M)	10.63	11.13	11.64
Approx. % change in projected service cost	-4.5%		+4.6%

### Rate of general increase in salaries

Adjustment to salary increase rate	+0.1% p.a.	Base figure	-0.1% p.a.
Present value of total obligation (£M)	501.95	500.95	499.95
% change in present value of total obligation	0.2%		-0.2%
Projected service cost (£M)	11.13	11.13	11.13
Approx. % change in projected service cost	0%		0%

### Rate of increase to pensions and rate of revaluation of pension accounts

Adjustment to pension increase rate	+0.1% p.a.	Base figure	-0.1% p.a.
Present value of total obligation (£M)	507.46	500.95	494.44
% change in present value of total obligation	1.3%		-1.3%
Projected service cost (£M)	11.64	11.13	10.63
Approx. % change in projected service cost	4.6%		-4.5%

### Post retirement mortality assumption\*

Adjustment to mortality age rating assumption	-1 year	Base figure	+1 year
Present value of total obligation (£M)	512.49	500.95	489.43
% change in present value of total obligation	2.3%		-2.3%
Projected service cost (£M)	11.53	11.13	10.73
Approx. % change in projected service cost	3.6%		-3.6%

\*A rating of +1 year means that members are assumed to follow the mortality pattern for the base table for an individual that is 1 year older than them.

### Teacher's Pension Scheme

The total employer contributions to the Teacher's Pension Scheme in 2024/25 made by the Council were £19.053m, (2023/24 contributions were £15.037m). This includes contributions for all teachers with the Vale of Glamorgan.

A notional fund is used as the basis for calculating the employer's contribution rate paid by local authorities and valuations of the notional fund are undertaken every four years. This scheme is administered by the Teachers' Pensions Agency (TPA). No liability for future payments of these benefits is recognised in the Council's Balance Sheet.

It is projected that the total employer contributions to the Teacher's Pension Scheme in 2025/26 will be approximately £20m.

## 37. Contingent Liabilities

### Municipal Mutual Insurance Ltd. (MMI)

Municipal Mutual Insurance (MMI) was the main insurer of the public sector prior to it closing its insurance business in 1992. A scheme is in place for any liabilities still outstanding from historical insurance with MMI and therefore a provision has been included in the accounts. Any increase in claims could lead to a further levy being imposed on the Authority by the administrator of MMI in the future; provision for any sum due will be made once such an event becomes likely and can be reasonably assessed. The scheme administrator regularly reviews the scheme and any significant changes in the financial position may lead to a further clawback.

### Virgin Media Ruling and Pension Liability

There are potential financial impacts associated with a recent Virgin Media ruling in respect of Pension Funds. The Council's Actuary have advised that there is no consideration of any potential impact as part of the review reflected in the 2024/25 accounts. The Government Actuaries Department (GAD) are the Scheme Actuary to the LGPS and so they will be advising the Ministry for Housing and Local Government if the appropriate Section 37 documentation is in place and therefore if there is likely to be any impact from the ruling.

### Rented Homes Wales Act

From December 2023, the Renting Homes (Wales) Act 2016 brought into effect a change in rights for tenants and increased safety responsibilities for landlords. This has potential financial implications for the Housing Revenue Account, however this cannot be reliably estimated until there is further guidance. The council is taking legal advice to clarify its responsibilities and remedial actions

### Social Services S117 Adult Services

Section 117 places a duty on health authorities and local social services authorities to provide aftercare services for people who have left hospital following compulsory detention for treatment for mental disorder under the Mental Health Act (for example, under section 3). There is a disputed case related to this legislation which the Council is contending with another Local Authority.

## 38. Nature and Extent of Risks Arising From Financial Instruments

The Authority's activities expose it to a variety of financial risks:

- Credit risk – the possibility that other parties might fail to pay amounts due to the Authority;
- Liquidity risk – the possibility that the Authority might not have funds available to meet its commitments to make payments;
- Market risk – the possibility that 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. The Council has approved the Annual Treasury Management Strategy which includes policies on risk management.

### Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Authority's customers. Deposits are not made with banks and financial institutions unless they are rated independently and comply with the credit rating as set out in the Treasury Management and Investment Strategy Statement. The Authority's internally managed investments complied with this strategy statement in 2024/25 and 2023/24 and the Authority does not expect any losses from non-performance by any of its counterparties in relation to deposits.

The Authority has a cautious approach to risk, with its priority to safeguard capital. During 2023/24 and 2024/25 investments were made with the Debt Management Account Deposit Facility which is guaranteed by the UK Government and UK Local Authorities however due to reducing reserve balances investments were constrained when compared with previous years. The maximum investment sum per Local Authority was £5m and the maximum investment period was 12 months. The Authority also utilised Money Market Funds and Call Accounts with Lloyds (the Council's bankers). The maximum investment sum with UK institutions was £10m. The investment position at 31st March 2025 is set out below:

	31 March 2024	31 March 2025
	£'000	£'000
UK Debt Management Account Deposit Facility	0	5,625
UK Local Authorities	27,500	2,000
Federated Hermes Money Market Fund	6,625	6,050
CCLA Money Market Fund	50	3,150
Lloyds Instant Access Deposit Account	20	365
<b>Total</b>	<b>34,195</b>	<b>17,190</b>
Reconciliation of Investment Balances		
Short Term Investment	27,500	4,800
Overnight Investments shown as Cash and Cash Equivalents	6,695	12,390
<b>Total</b>	<b>34,195</b>	<b>17,190</b>
Short Term Investment Accrued Interest	566	121
Short Term Investment Joint Committees	374	254
	<b>35,135</b>	<b>17,565</b>



## Liquidity Risk

As 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. When the Authority borrows money the maturity date determined for the loan is considered on each occasion.

The Authority was given the opportunity to repay £4m in respect of LOBOs (Lenders Option Borrowers Option) in August 2024 without penalty and having taken advice from MUFG Treasury Management advisors decided to exercise the option. The maturity analysis of financial liabilities is as follows:

	31 March 2024	31 March 2025
	£'000	£'000
Less than one year	7,961	8,480
Between one and two years	6,355	9,460
Between two and five years	22,578	35,557
More than five years	106,418	116,354
<b>Total</b>	<b>143,312</b>	<b>169,851</b>

This analysis excludes £6k of Borrowing relating to the City Region CJC.

## Market Risk

### Interest Rate Risk

The Authority is exposed to significant risk in terms of its exposure to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Authority. For instance, a rise in interest rates would have the following effects:

- Borrowings at variable rates – the interest expense charged to the Surplus or Deficit on the Provision of Services will rise;
- Borrowings at fixed rates – the fair value of the liabilities borrowings will fall;
- Investments at variables rates – the interest income credited to the Surplus or Deficit on the Provision of Services will rise;
- Investments at fixed rates – the fair value of the assets will fall.

Borrowings are not carried at fair value, so nominal gains and losses on fixed rate borrowings would not impact on the Surplus or Deficit on the Provision of Services or Other Comprehensive Income and Expenditure. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services and affect the Council Fund Balance. Movements in the fair value of fixed rate investments that have a quoted market price will be reflected in Other Comprehensive Income and Expenditure.

The total Government Grant Support receivable by the Authority for future years is indicative only and therefore no amount has been included for this in the table.

The Treasury Management Strategy Statement includes a section on borrowings and the Head of Finance (Section 151 Officer) will monitor the interest rate market and adopt a pragmatic approach to changing circumstances.

If interest rates had been 1% higher with all other variables held constant, the financial effect would be:

	£'000
Increase in interest payable on variable rate borrowings	0
Increase in interest receivable on variable rate investments	(20)
Increase in government grant receivable for financing costs	0
<b>Impact on (Surplus) or Deficit on the Provision of Services</b>	<b>(20)</b>
Share of overall impact credited to the HRA	(8)
Decrease in fair value of fixed rate investment assets	0
Impact on Other Comprehensive Income and Expenditure	0
Decrease in fair value of fixed rate borrowings liabilities (no impact on the (Surplus) or Deficit on the Provision of Services or Other Comprehensive Income and Expenditure)	(10,083)

To compile the above analysis the Council reviews the following:

- The interest chargeable on variable rate loans.
- The interest received on investment income in 2024/25.
- Information provided by the Treasury Management Advisor on the projected decrease in fair value of fixed rate borrowings liabilities.

The impact of a 1% fall in interest rates would be as above but with the movements being reversed.

## The Housing Revenue Account

### Housing Revenue Account Income and Expenditure Account

The HRA Income and Expenditure Statement shows the economic cost in the year of providing housing services in accordance with generally accepted accounting practices, rather than the amount to be funded from rents and government grants. Authorities charge rents to cover expenditure in accordance with the legislative framework; this may be different from the accounting cost. The increase or decrease in the year, on the basis on which rents are raised, is shown in the Movement on the Housing Revenue Account Statement.

2023/24		2024/25	2024/25
£'000		£'000	£'000
	<b>Expenditure</b>		
5,805	Repairs and Maintenance	6,582	
6,663	Supervision and Management	6,366	
228	Rents, Rates, Taxes, & Other Charges	261	
10,179	Revaluation charged to CIES	37,597	
1,712	Non-Current Assets Depreciation /Impairment	3,335	
41	Debt Management Costs	56	
294	Increase in Provision for Bad and Doubtful Debts	307	
257	Revenue Expenditure Funded from Capital Under Statute	226	
<b>25,179</b>	<b>Total Expenditure</b>		54,730
	<b>Income</b>		
(22,662)	Dwelling Rents	(25,284)	
(172)	Non Dwelling Rents	(188)	
(770)	Charges for Services and Facilities	(846)	
(100)	Contributions towards expenditure	(94)	
(277)	Grant Income	(249)	
<b>(23,981)</b>	<b>Total Income</b>		(26,661)
<b>1,198</b>	<b>Net Expenditure of HRA Services as Included in the Whole Authority CIES</b>		<b>28,069</b>
0	HRA share of other amounts included in the whole authority Net Expenditure of Continuing Operations but not allocated to specific services		0
<b>1,198</b>	<b>Net Expenditure of HRA Services</b>		<b>28,069</b>
	HRA share of the operating income and expenditure included in the CIES		
(548)	(Gain)/ loss on sale of HRA assets		0
3,503	Interest payable and similar charges		3,565
(448)	Interest and Investment Income		(179)
18	Interest on net defined benefit liability/ (asset)		(20)
(15,271)	Capital Grants		(16,312)
<b>(11,548)</b>	<b>(Surplus) or deficit for the year on HRA services</b>		<b>15,123</b>

## Movement on the HRA Statement

2023/24		2024/25
£'000		£'000
(16,486)	<b>Balance on the HRA at the end of the previous year</b>	<b>(3,525)</b>
(11,548)	(Surplus) or deficit for the year on the HRA Income and Expenditure Statement	15,123
24,509	Adjustments between accounting basis and funding basis under statute	(15,483)
<b>12,961</b>	<b>(Increase)/Decrease during the financial year</b>	<b>(360)</b>
<b>(3,525)</b>	<b>Balance on the HRA at the end of the current year</b>	<b>(3,885)</b>

## Note to the Statement of Movement on the HRA Balance

### Adjustments between Accounting Basis and Funding Basis under Statute

	2023/24	2024/25
	£'000	£'000
Revaluation Loss/ Gain on Property, Plant and Equipment	(10,180)	(37,597)
Charges for depreciation and Impairment of Non Current Assets	(1,712)	(3,335)
Capital Grants and Contributions	15,271	16,312
Statutory Provision for the Financing of Capital Investment	1,621	1,734
Revenue Expenditure Funded from Capital Under Statute	(257)	(227)
Capital Expenditure charged against HRA	19,256	7,549
Gains / (Losses) on sales of non current assets	548	0
Pensions Reserve	(22)	36
Accumulated Absences	(16)	45
<b>Total Adjustments</b>	<b>24,509</b>	<b>(15,483)</b>

## Summary

The Housing Revenue Account revenue balance at 31st March 2025 was £3.885m

### H1 Gross Dwelling Rent Income

This is the total dwelling rent income due for the year after allowance is made for voids. During the year 2.31% of the total dwelling rent due was uncollectable due to lettable properties being vacant; in 2023/24 the figure was 1.32%. Average dwelling rents were £122.12 a week in 2024/25 an increase of 9.04% over the previous year.

## H2 Rent Rebates

Assistance with rents is available under the Housing Benefit Scheme for those on low incomes. 36.16% of the Council's tenants receive some help with the costs of rent charges.

## H3 Housing Stock

Average Housing Stock over the past ten years is shown in the following table:

2015/16	3,930
2016/17	3,909
2017/18	3,891
2018/19	3,883
2019/20	3,868
2020/21	3,894
2021/22	3,916
2022/23	3,940
2023/24	3,977
2024/25	4,159

The numbers and types of dwelling at 31st March for the past two years are shown below:

Number of Dwellings by Type	At 31st March 2024	At 31st March 2025	Changes 2024/25
1 Bedroom Houses	0	0	
2 Bedroom Houses	351	371	+20
3 Bedroom Houses	1,566	1,592	+26
4 or more Bedroom Houses	90	90	
1 Bedroom Bungalows	272	358	+86
2 Bedroom Bungalows	71	71	
3 Bedroom Bungalows	33	34	+1
4 or more Bedroom Bungalows	2	2	
1 Bedroom Flats	893	935	+42
2 Bedroom Flats	591	597	+6
3 Bedroom Flats	93	94	+1
Other – Hostel	15	15	
<b>Total</b>	<b>3,977</b>	<b>4,159</b>	<b>182</b>

The change in stock can be summarised as follows:

<b>Housing Stock 31st March 2024</b>	<b>3,977</b>
Less: Sold	0
Change of Use	0
New Build & Acquisitions	182
<b>Housing Stock 31st March 2025</b>	<b>4,159</b>

#### H4 Rent Arrears

During the year 2024/25 rent arrears as a proportion of gross rent income was 12.28% of the amount due, compared to 11.26% in 2023/24. The figures are as follows: -

	2023/24	2024/25
	£'000	£'000
Arrears at 31st March	2,736	3,031

Amounts written off during the year amounted to £5k. The aggregate provision in respect of uncollectable rent and other housing debts is £2.347m (£2.040m in 2023/24).

#### H5 Sale of Council Dwellings/ Administration Costs

There were no sales of council dwellings during the year. The right to buy scheme was abolished on 26th January 2019.

#### H6 Water Rates

No longer applicable from April 2023 due to Welsh Water repatriating the Water collection. Welsh Water now bill direct to council tenants.

#### H7 Capital Expenditure

Capital Expenditure of £26.707m has been spent in 2024/25 improving Council Dwellings and building new Council Dwellings, this Capital Expenditure has been taken into account at arriving at the Council Dwellings valuation.

#### H8 Capital Funding

	2023/24	2024/25
	£'000	£'000
Unsupported Borrowing	5,486	3,542
Supported Borrowing – Affordable Housing Grant	0	0
Usable Capital Receipts	720	0
Revenue Contributions	19,276	7,420
Major Repairs Reserve	2,770	4,770
Non HRA Reserve	87	129
Section 20 contributions	0	0
Other Capital Grants	12,526	10,846
<b>Total</b>	<b>40,865</b>	<b>26,707</b>

#### H9 Assets - Depreciation / Impairment

The charge is broken down as follows:

	2023/24	2024/25
	£'000	£'000
Council Dwellings		
Depreciation of Dwellings	1,514	3,118
Depreciation of Other Land and Buildings	116	125
Depreciation of Equipment	35	52
<b>Total</b>	<b>1,665</b>	<b>3,295</b>

Council Dwellings / Other are included in note 15 to the main accounts, Property, Plant and Equipment.

### H10 Pension Reserve

Staff that are employed within the HRA are included in the Vale of Glamorgan Council's share of the Cardiff and Vale of Glamorgan Pension Fund and therefore a proportion of the actuarial adjustments are included in the HRA accounts.

The impact of the principal assumptions used by the independent qualified actuaries in updating the latest valuations of the Fund for IAS 19 are shown below.

	2023/24	2024/25
	£'000	£'000
IAS 19 Adjustment	22	16
Interest on net defined benefit liability/ (asset)	18	20
<b>Contribution from Pension Reserve</b>	<b>40</b>	<b>36</b>

### H11 Major Repairs Allowance

The Major Repairs Allowance is a grant provided by the Welsh Government and is used to fund capital expenditure in the Housing Revenue Account.

	2023/24	2024/25
	£'000	£'000
<b>Opening Balance brought forward</b>	<b>0</b>	
Grant Received in Year	2,770	4,770
Grant Utilised in Year	(2,770)	(4,770)
<b>Closing Balance Carried Forward</b>	<b>0</b>	<b>0</b>

## Trust Funds

### Welsh Church Acts

The Council is sole trustee of this Fund which was set up on the disestablishment of The Church in Wales. Funds generated from investments and property rents are disbursed in the form of grants to deserving causes on the basis of applications considered by the Welsh Church Act Estate Committee.

Restated	Balance at 31 March 2024	Acquisitions / Disposals	Revaluation	Surplus/ (Deficit)	Balance at 31 March 2025
	£'000	£'000	£'000	£'000	£'000
Accumulated Fund	6,509	0	(81)	(2)	6,426

The non-current assets of the fund are included at their 31st March 2024 value. The external investments held by the fund are included at their fair value at 31st March 2024.

The Welsh Church Acts fund although not audited as part of the Council audit, will be subject to independent examination by Audit Wales.



## **Group Accounts Vale of Glamorgan Council and Big Fresh Catering Company**

### **Introduction**

The 2024/25 Local Authority Accounting Code requires the consolidation of material interests on subsidiaries into group accounts in addition to the preparation of single entity accounts.

The Big Fresh Catering Company (BFCC) is a Local Authority Owned Trading Company that was established on 1st January 2020, the principal purpose of the organisation is the provision of school meals and other catering services. The Council is the sole shareholder and its shares in the company are valued at £1. The accounts for the Big Fresh Catering Company have been prepared for the period ended 31st March 2025. At the date of authorising these draft accounts, the audit of the BFCC accounts has been undertaken and is substantially complete but not finalised therefore the accounts remain in draft status.

A board of directors is in place for the Company and is made up of a number of Council Officers and Members.

### **Basis of Consolidation**

The group accounts have been prepared on the basis of a full consolidation of the financial transactions and balances of the Council and Big Fresh Catering Company Inter-group transactions and balances between the Council and its subsidiary have been eliminated in full.

The BFCC Accounts that have been consolidated into the Group Accounts reflect the 12 months of operation for the Trading Company in 2024/25.

### **Accounting Policies**

The accounts have been prepared in accordance with the accounting policies used in the preparation of the single entity accounts, the exceptions to this approach are detailed below.

#### **Value Added Tax**

VAT paid by BFCC is accounted for in the Group Comprehensive Income and Expenditure Statement to the extent that it is irrecoverable from HM Revenue and Customs.

## Group Accounts Comprehensive Income and Expenditure Statement

2023/24			Expenditure on Services	2024/25		
Gross Expt.	Income	Net Expt.		Gross Expt.	Income	Net Expt.
£'000	£'000	£'000		£'000	£'000	£'000
178,861	44,562	134,299	Learning and Skills	193,395	58,153	135,242
124,019	26,043	97,976	Social Services	130,311	22,721	107,590
60,151	23,418	36,733	Visible and Housing Services	66,662	24,509	42,153
25,182	23,986	1,196	Housing Revenue Account (HRA)	54,730	26,662	28,068
9,616	3,790	5,826	Place	13,430	6,944	6,486
5,1650	32,480	19,170	Corporate Resources	48,229	28,896	19,333
9,776	978	8,798	Policy	2,109	3,137	(1,028)
6,848	332	6,516	Big Fresh Catering Company (BFCC)	7,693	557	7,135
<b>466,103</b>	<b>155,589</b>	<b>310,514</b>	<b>Cost of Services</b>	<b>516,558</b>	<b>171,580</b>	<b>344,978</b>
			<b>Other operating expenditure</b>			
3,407	0	3,407	Town and Community Council Precepts	3,652	0	3,652
20,226	0	20,226	South Wales Police Authority	22,358	0	22,358
7,778	0	7,778	South Wales Fire Authority	8,302	0	8,302
128	0	128	Other Levies and Contributions	143	0	143
160	0	160	(Gains)/losses on the disposal of non-current assets	462	0	462
			<b>Financing and investment income and expenditure</b>			
6,723	0	6,723	Interest payable and similar charges	6,791	0	6,791
2,694	0	2,694	Net interest on defined benefit liability	0	695	(695)
	368	(368)	Revaluation of Investment Properties and Equities	0	0	0
0	4,258	(4,258)	Interest receivable and other income	54	1,948	(1,894)
			<b>Taxation and non-specific grant income</b>			
0	107,464	(107,464)	Council Tax income (Note 13)	0	115,985	(115,985)
0	42,784	(42,784)	Non domestic rates (Note 14)	0	47,853	(47,853)
0	160,013	(160,013)	Revenue Support grants	0	161,928	(161,928)
0	0	0	Council Tax grant	0	0	0
94	0	94	Deferred Tax	0	0	0
0	0	0	Corporation Tax (Note G16)	147	0	147
0	43,351	(43,351)	Capital grants and contributions	0	47,322	(47,322)
<b>507,313</b>	<b>513,828</b>	<b>(6,514)</b>	<b>(Surplus) or Deficit on the Provision of Services</b>	<b>558,467</b>	<b>547,311</b>	<b>11,156</b>
		(14,296)	(Surplus)/Deficit on revaluation of non current assets (Note 15)			(23,629)
		18	Impairment losses on non current assets charged to the Revaluation Reserve (Note 15)			98
		(57,200)	Remeasurements of the net defined benefit liability/(asset) (Note G14)			10,328

		171	Income Tax Relating to Other Comprehensive Income			(34)
		<b>(71,307)</b>	<b>Other Comprehensive Income and Expenditure</b>			<b>(13,237)</b>
		<b>(77,821)</b>	<b>Total Comprehensive Income and Expenditure</b>			<b>(2,080)</b>

## Group Accounts Movement in Reserves Statement 2023/24 and 2024/25

Movement in Reserves Statement	Council Fund & Earmarked Reserves	Housing Revenue Account	Capital Receipts Reserve	Capital Grants Unapplied Account	Total Usable Reserves	Unusable Reserves	Group Entity Unusable Reserves	Total Group Reserves
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance as at 31st March 2023</b>	<b>96,388</b>	<b>16,486</b>	<b>10,634</b>	<b>7,429</b>	<b>130,937</b>	<b>627,066</b>	<b>516</b>	<b>758,519</b>
Total Comprehensive Income and Expenditure	(5,310)	11,548	0	0	6,238	70,795	789	77,822
Adjustments between accounting basis and funding basis under regulations (Note 10)	(17,047)	(24,509)	(2,987)	(4,043)	(48,586)	48,586	0	0
<b>Increase/(Decrease) in 2023/24</b>	<b>(22,357)</b>	<b>(12,961)</b>	<b>(2,987)</b>	<b>(4,043)</b>	<b>(42,348)</b>	<b>119,381</b>	<b>789</b>	<b>77,822</b>
<b>Balance as at 31st March 2024</b>	<b>74,031</b>	<b>3,525</b>	<b>7,647</b>	<b>3,386</b>	<b>88,589</b>	<b>746,447</b>	<b>1,305</b>	<b>836,341</b>
<b>Opening Adjustment</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,076</b>	<b>0</b>	<b>2,076</b>
<b>Amended Opening Balance</b>	<b>74,031</b>	<b>3,525</b>	<b>7,647</b>	<b>3,386</b>	<b>88,589</b>	<b>748,523</b>	<b>1,305</b>	<b>838,417</b>
Total Comprehensive Income and Expenditure	3,744	(15,123)	0	0	(11,379)	13,339	120	2,080
Adjustments between accounting basis and funding basis under regulations ( <a href="#">Note 10</a> )	(16,306)	15,484	670	(299)	(451)	451	0	0
<b>Increase/(Decrease) in 2024/25</b>	<b>(12,562)</b>	<b>361</b>	<b>670</b>	<b>(299)</b>	<b>(11,830)</b>	<b>13,790</b>	<b>120</b>	<b>2,080</b>
<b>Balance as at 31st March 2025</b>	<b>61,469</b>	<b>3,886</b>	<b>8,317</b>	<b>3,087</b>	<b>76,759</b>	<b>762,313</b>	<b>1,425</b>	<b>840,497</b>

## Group Accounts Balance Sheet

31 March 2024		Notes	31 March 2025
£'000			£'000
954,334	Property, Plant and Equipment	<a href="#">G7</a>	978,814
5,390	Joint Committee Investment Properties		5,390
1,004	Equity		1,004
271	Intangible Assets		322
2	Long Term Investments		2
0	Deferred Tax Asset		0
5,387	Long Term Debtors		5,301
<b>966,388</b>	<b>Long Term Assets</b>		<b>990,833</b>
28,319	Short Term Investment		5,175
623	Assets Held for Sale	15	203
1,039	Inventories		1,088
152	Deferred Tax Asset		152
59,808	Short Term Debtors	<a href="#">G9</a>	90,320
15,340	Cash and Cash Equivalents	<a href="#">G10</a>	11,619
<b>105,281</b>	<b>Current Assets</b>		<b>108,557</b>
8,568	Short Term Borrowing		9,810
45,409	Short Term Creditors	<a href="#">G11</a>	34,787
0	Short Term Liabilities (Leasing)	<a href="#">18</a>	728
2,321	Provisions (Short Term)	<a href="#">G12</a>	4,013
8	Donated Inventory Account		0
2,190	Grants Receipts in Advance – Capital	<a href="#">31</a>	2,923
<b>58,496</b>	<b>Current Liabilities</b>		<b>52,261</b>
3,118	Provisions (Long Term)	<a href="#">G12</a>	512
135,786	Long Term Borrowing		161,242
0	Other Long Liabilities (Leasing)	18	2,194
7,848	Other Long Term Liabilities		9,430
10,399	Other Long Term Liabilities (Pensions)	<a href="#">G14</a>	17,310
19,681	Grants Receipts in Advance - Capital (Long Term)	<a href="#">31</a>	15,945
<b>176,832</b>	<b>Long Term Liabilities</b>		<b>206,633</b>
<b>836,341</b>	<b>Net Assets</b>		<b>840,496</b>
88,589	Usable Reserves	25	76,756
747,752	Unusable Reserves	<a href="#">G13</a>	763,740
<b>836,341</b>	<b>Total Reserves</b>		<b>840,496</b>

## Group Accounts Cash flow Statement

31 March 2024		Notes	31 March 2025
£'000			£'000
6,514	<b>Net surplus or (deficit) on the provision of services</b>		<b>(11,156)</b>
20,486	Adjustments to net surplus or deficit on the provision of services for non-cash movements	G15	20,961
	<b>Adjustments for items that are investing and financing activities</b>		
(949)	Proceeds from the sale of property, plant and equipment and intangible assets.		(3,179)
(47,394)	Any items which the cash effects are investing or financing cashflows		(47,621)
<b>(48,343)</b>	<b>Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities</b>		<b>(50,800)</b>
<b>(21,343)</b>	<b>Net cash flows from Operating Activities</b>		<b>(40,995)</b>
	<b>Investing Activities</b>		
(81,535)	Purchase of property, plant and equipment and intangible assets.		(57,447)
949	Proceeds from the sale of property, plant and equipment and intangible assets.		1,311
0	Purchase of short term/long term investments		0
(1,187)	Other payments for investing activities		(3,003)
55,031	Proceeds from short term/long term investments		22,699
49,568	Other Receipts from Investing Activities		45,312
<b>22,826</b>	<b>Net Cashflow from Investing Activities</b>		<b>8,872</b>
	<b>Financing Activities</b>		
(5,132)	Repayments of Short and Long Term Borrowing		26,539
(2,234)	Other Payments for Financing Activities		1,863
<b>(7,366)</b>	<b>Net cash flows from Financing Activities</b>		<b>28,402</b>
<b>(5,884)</b>	<b>Net increase or decrease in cash and cash equivalents</b>		<b>(3,721)</b>
<b>21,223</b>	<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>15,340</b>
<b>15,340</b>	<b>Cash and cash equivalents at the end of the reporting period</b>		<b>11,619</b>

## Group Accounts Notes to the Financial Statements

The following notes to the Financial Statements have been adjusted to include details relating to the Vale of Glamorgan Council and The Big Fresh Catering Company (BFCC) as a group.

### G1. Employee Emoluments

#### Remuneration over £60k

Remuneration Band	2024/25 Number of Teaching Employees	2024/25 Number of Non Teaching Employees	2024/25 Number of BFCC Employees	2024/25 Total Number of Employees
£60,000-£64,999	56	14	0	70
£65,000-£69,999	24	18	0	42
£70,000-£74,999	19	2	1	22
£75,000-£79,999	16	1	0	17
£80,000-£84,999	11	3	0	14
£85,000-£89,999	14	6	0	20
£90,000-£94,999	8	1	0	9
£95,000-£99,999	4	2	0	6
£100,000-£104,999	2	1	0	3
£105,000-£109,999	3	0	0	3
£110,000-£114,999	0	2	0	2
£115,000-£119,999	0	2	0	2
£120,000-£124,999	1	0	0	1
£125,000-£129,999	1	0	0	1
£130,000-£134,999	0	0	0	0
£135,000-£139,999	1	0	0	1
£140,000-£144,999	0	0	0	0
£145,000-£149,999	0	0	0	0
£150,000-£154,999	1	1	0	2
£155,000-£159,999	2	0	0	2
<b>Total</b>	<b>163</b>	<b>53</b>	<b>1</b>	<b>217</b>

The Directors of BFCC during the accounting period are set out below. With the exception of the Managing Director post Directors did not receive any additional remuneration in excess of the amount disclosed in the Single Entity Accounts for their roles in the BFCC. The Managing Director of BFCC is a remunerated post and is included in the table above.

<b>Director</b>	<b>Date Appointed</b>
Head of Strategy, Community Learning	11/09/2019
Cabinet Member for Learning and Culture (Councillor)	01/06/2022
Headteacher St Richard Gwyn Catholic School	02/03/2023
Headteacher Victoria Primary School	24/04/2024
BFCC Managing Director	01/01/2020

## **G2. Exit Payments**

There are no Exit Payments in the Group other than those set out in Note 30 of the Single Entity accounts.

## **G3. Members Allowances**

The Members allowances for 2024/25 are as shown in Note 28 of the Single Entity Accounts.

## **G4. Related Parties**

The Related Party transactions are included in Note 35 of the Single Entity Accounts.

## **G5. External Audit Costs**

	<b>2023/24</b>	<b>2024/25</b>
	<b>£'000</b>	<b>£'000</b>
Fees payable to Audit Wales with regard to external audit services carried out by the appointed auditor.	209	203
Fees payable to Audit Wales in respect of performance work	112	112
Fees payable to Audit Wales for the certification of grant claims and returns	45	50
Fees payable in respect of External Audit of BFCC by Advantage Accountancy and Advisory Limited	16	17
<b>Total</b>	<b>382</b>	<b>382</b>

## **G6. Leases**

There is no lease expenditure in the Group other than those shown in Notes 18 of the single entity accounts. Lease Income includes £190k from Big Fresh Catering Company to the Vale for kitchen equipment that is excluded from the Group Accounts as an intercompany transaction.

## G7. Property Plant and Equipment

In addition to the Property Plant and Equipment shown in Note 15 of the single entity accounts. The BFCC holds £23k of Equipment as a Tangible Asset.

Summary of Property Plant and Equipment Group Accounts	Council Dwellings	Land & Buildings	Vehicle Plant & Equipment	Community Asset	Assets under Construction	Surplus Assets	ROU Assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or Valuation as at 31st March 2025 Single Entity	237,635	555,197	38,739	3,868	20,483	615	6,802	863,339
BFCC Cost or Valuation	0	0	53	0	0	0	0	53
Cost or Valuation as at 31st March 2025 Group Accounts	237,635	555,197	38,792	3,868	20,483	615	6,802	863,392
Accumulated Depreciation and Impairment as at 31st March 2025 Single Entity	(1)	(1,795)	(22,204)	0	0	1	(241)	(24,240)
BFCC Accumulated Depreciation	0	0	(31)	0	0	0	0	(31)
Accumulated Depreciation and Impairment as at 31 March 2025 Group	(1)	(1,795)	(22,235)	0	0	1	(241)	(24,271)
Net Book Value 2024/25								
	Council Dwellings	Land & Buildings	Vehicle Plant & Equipment	Community Asset	Assets under Construction	Surplus Assets	ROU Assets	Total
At 31st March 2025	237,634	553,402	16,557	3,868	20,483	616	6,561	839,121

Reconciliation to Balance Sheet	2024/25
	£'000
Infrastructure Assets	139,693
Other Property, Plant and Equipment	839,121
<b>Total Property Plant and Equipment Assets</b>	<b>978,814</b>

## G8. Financial Instruments

The BFCC only invests in basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payables.



**G9. Debtors**

	31 March 2024	31 March 2025
	£'000	£'000
Central government bodies	26,157	59,430
Other local authorities	8,579	7,944
NHS bodies	5,013	435
Council Tax Payers	10,525	11,123
General	19,804	22,053
Provision for Bad Debts	(10,271)	(10,665)
<b>Total</b>	<b>59,807</b>	<b>90,320</b>

**G10. Cash and Cash Equivalents**

	31 March 2024	31 March 2025
	£'000	£'000
Cash held by the Authority and at Bank	2,529	(7,151)
Joint Committee Cash	4,054	4,037
Short-term Investment	6,697	12,390
BFCC Cash	2,060	2,343
<b>Total Cash and Cash Equivalents</b>	<b>15,340</b>	<b>11,619</b>

**G11. Creditors**

	31 March 2024	31 March 2025
	£'000	£'000
Central government bodies	8,475	864
Other local authorities	9,500	11,095
NHS bodies	1,072	146
Prepayments of Council Tax	1,325	16,621
General	20,588	1,553
Receipts in advance	609	643
Accumulated absences	3,840	3,864
<b>Total</b>	<b>45,409</b>	<b>34,787</b>

## G12. Provisions

	Total Single Entity £'000	BFCC	Total Group Provisions
<b>Balance at 1st April 2024</b>	<b>5,404</b>	<b>35</b>	<b>5,439</b>
Additional provisions made	0	0	0
Amounts used / Transfer out	(884)	(30)	(914)
<b>Balance at 1st April 2025</b>	<b>4,520</b>	<b>5</b>	<b>4,525</b>
Short Term Provisions	<b>4,013</b>	<b>0</b>	<b>4,013</b>
Long Term Provisions	<b>507</b>	<b>5</b>	<b>512</b>

## G13. Unusable Reserves

31/03/24		31/03/25
£'000		£'000
149,019	Revaluation Reserve	168,701
611,651	Capital Adjustment Account	612,711
(240)	Financial Instruments Adjustment Account	(170)
11	Deferred Capital Receipts Reserve	1,879
368	Revaluation of Equity Reserve	368
(10,399)	Pensions Reserve	(17,310)
(3,840)	Accumulated Absences Account	(3,864)
1,182	Group Entity BFCC Reserves	1,425
<b>747,752</b>	<b>Total Unusable Reserves</b>	<b>763,740</b>

## G14. Pension Assets and Liabilities

A summary of the various Joint Committees and Pension Fund Elements that make up the Pension Funding Liability included in the Group Accounts Balance Sheet is set out below.

Pension Liability	31 March 2024	31 March 2025
	£'000	£'000
Vale of Glamorgan Council Pension (Liability) Funded and Unfunded	(11,089)	(17,160)
Vale, Valleys and Cardiff Regional Adoption Service Joint Committee Pension (Liability)	(27)	(24)

Shared Regulatory Service Joint Committee Pension (Liability)	(148)	(134)
Central South Consortium Joint Committee Pension Asset/(Liability)*	732	8
Foundation School Pension Asset/(Liability)	10	0
BFCC Pension Asset/(Liability)	123	0
<b>Total Pension Liability</b>	<b>(10,399)</b>	<b>(17,310)</b>

\*The administering body for the Central South Consortium Joint Committee Pension Fund is Rhondda Cynon Taf County Council.

The Employer's regular contributions to the Fund for the accounting period ending 31st March 2026 are set out in the table below. Additional contributions may also become due in respect of any employer discretions to enhance members' benefits in the Fund over the next accounting period.

	Year ended 31st March 2026 (£M)
Single Entity Accounts	17.890
BFCC	0.660
<b>Total</b>	<b>18.550</b>

There are no Unfunded Pensions in the Group Accounts other than those included in Note 37 of the Single Entity Accounts.

The assumptions for the Group Accounts are in line with those recorded in the Single Entity Accounts except where stated below.

As at 31st March 2024	Vale of Glamorgan Single Entity Accounts	Big Fresh Catering Company	Total
	£M's	£M's	£M's
Fair Value of Assets	589.999	7.233	597.232
Present Value of Defined Benefit Obligation	(599.732)	(7.11)	(606.842)
<b>Funded/Unfunded status*</b>	<b>(9.733)</b>	<b>0.123</b>	<b>(9.610)</b>
Unrecognised Asset	(0.700)	0	(0.700)
Impact of minimum funding requirement / asset ceiling	(0.101)	0	(0.101)
<b>Asset / (Liability) recognised on the Balance Sheet</b>	<b>(10.534)</b>	<b>0.123</b>	<b>(10.411)</b>

As at 31st March 2025	Vale of Glamorgan Single Entity Accounts	Big Fresh Catering Company	Total
	£M's	£M's	£M's
Fair Value of Assets	608.757	8.150	616.907
Present Value of Defined Benefit Obligation	(520.524)	(6.570)	(527.094)
<b>Funded/Unfunded status*</b>	<b>88.233</b>	<b>1.580</b>	<b>89.813</b>
Unrecognised Asset	(96.905)	(1.580)	(98.485)
Impact of minimum funding requirement / asset ceiling	(8.638)	0.000	(8.638)
<b>Asset / (Liability) recognised on the Balance Sheet</b>	<b>(17.310)</b>	<b>0.000</b>	<b>(17.310)</b>

Active Members	Vale Funded	SRS	RAS	BFCC
	%	%	%	%
Active Members	38	73	70	79
Deferred Pensioners	17	11	15	10
Pensioners	35	16	15	11

We do not have the split of membership for the CSC Joint Committee Pension

The duration of liabilities for the scheme members is set out below.

Duration of liabilities	Vale of Glamorgan *	CSC	SRS	RAS	BFCC
Liability in years	14.9	n/a	20.1	20.8	17.1

Breakdown of Amounts recognised in Surplus or Deficit on the Provision of Services and Other Comprehensive Income.

For Year Ending 31st March 2024	£M's	£M's	£M's
	Single Entity Accounts	BFCC	Total Group Pensions
Comprehensive Income and Expenditure			
Cost of Services			
Service Cost Comprising			
Current Service Cost*	17.632	0.631	18.263
Past Service Cost (including curtailments)	0.140	0	0.140
(Gain)/Loss on Settlements	0	0	0
Financing and Investment Income			
Net Interest Expense	2.626	0.009	2.635
<b>Total post-employment benefits charged to the surplus or deficit on the provision of services</b>	<b>20.398</b>	<b>0.64</b>	<b>21.038</b>
Remeasurements in Other Comprehensive Income and Expenditure			
Return on plan assets (in excess of) /below that recognised in net interest	(35.338)	(0.416)	(35.754)
Actuarial (gains)/ losses due to change in financial assumptions	(19.977)	(0.274)	(20.251)
Actuarial (gains)/ losses due to changes in demographic assumptions	(9.445)	(0.098)	(9.543)
Actuarial (gains) / losses due to liability experience	7.450	0.105	7.555
Actuarial (gains) / losses due to restriction of surplus	0.700	0	0.700
<b>Total post-employment benefits charged to the comprehensive income and expenditure statement</b>	<b>(56.610)</b>	<b>(0.683)</b>	<b>(57.293)</b>
<b>Total Amount Recognised</b>	<b>(36.212)</b>	<b>(0.043)</b>	<b>(36.255)</b>
Reversal of net charges made to the surplus or deficit on the provision of services for post-employment benefits in accordance with the Code	(20.398)	(0.64)	(21.038)
Actual amount charged against General Fund and HRA balances for Pensions in year			
Employers' contributions payable to scheme	16.805	0.574	17.379
Retirement benefits payable to pensioners	1.180	0	1.180
Administration Allowance *The current service cost included an allowance for the administration expenses	0.560	0.018	0.578

For Year Ending 31st March 2025	£M's	£M's	£M's
	Single Entity Accounts	BFCC	Total Group Pensions
Comprehensive Income and Expenditure			
Cost of Services			
Service Cost Comprising			
Current Service Cost*	15.980	0.645	16.625
Past Service Cost (including curtailments)	0.230	0.000	0.230
(Gain)/Loss on Settlements	0.000	0.000	0.000
Financing and Investment Income			
Net Interest Expense	(0.835)	(0.021)	(0.856)
<b>Total post-employment benefits charged to the surplus or deficit on the provision of services</b>	<b>15.375</b>	<b>0.624</b>	<b>15.999</b>
Remeasurements in Other Comprehensive Income and Expenditure			
Return on plan assets (in excess of) /below that recognised in net interest	8.099	0.089	8.188
Actuarial (gains)/ losses due to change in financial assumptions	(99.210)	(1.476)	(100.686)
Actuarial (gains)/ losses due to changes in demographic assumptions	(4.393)	(0.066)	(4.459)
Actuarial (gains) / losses due to liability experience	0.946	0.009	0.955
Actuarial (gains) / losses due to restriction of surplus	96.206	1.580	97.786
Minimum Funding Guarantee	8.537	0.000	8.537
<b>Total post-employment benefits charged to the comprehensive income and expenditure statement</b>	<b>10.185</b>	<b>0.136</b>	<b>10.321</b>
<b>Total Amount Recognised</b>	<b>25.560</b>	<b>0.760</b>	<b>26.320</b>
Reversal of net charges made to the surplus or deficit on the provision of services for post-employment benefits in accordance with the Code	(15.375)	(0.624)	(15.999)
Actual amount charged against General Fund and HRA balances for Pensions in year			
Employers' contributions payable to scheme	17.629	0.574	18.203
Retirement benefits payable to pensioners	1.180	0	1.180
Administration Allowance *The current service cost included an allowance for the administration expenses	0.530	0.020	0.550

Changes to the Present Value of Defined Benefit Obligation during the Period

Year Ended 31st March 2024	Single Entity Accounts	BFCC	Total Group Pension
	£M's	£M's	£M's
<b>Opening Defined Benefit Obligation</b>	594.668	6.324	600.992
Current Service Cost	17.632	0.631	18.263
Interest Expense on defined benefit obligation	27.529	0.3	27.829
Contributions by Participants	5.541	0.169	5.710
Actuarial (gains)/ losses on liabilities financial assumptions	(19.977)	(0.274)	(20.251)
Actuarial (gains)/ losses on liabilities demographic assumptions	(9.445)	(0.098)	(9.543)
Actuarial (gains)/ losses on liabilities experience	7.450	0.105	7.555
Net Benefits Paid Out	(23.786)	(0.047)	(23.833)
Past Service Cost (including curtailments)	0.140	0	0.140
<b>Closing Defined Benefit Obligation</b>	<b>599.752</b>	<b>7.110</b>	<b>606.862</b>

Year Ended 31st March 2025	Single Entity Accounts	BFCC	Total Group Pension
	£M's	£M's	£M's
<b>Opening Defined Benefit Obligation</b>	<b>599.193</b>	<b>7.110</b>	<b>606.303</b>
Current Service Cost	15.980	0.645	16.625
Interest Expense on defined benefit obligation	28.238	0.342	28.580
Contributions by Participants	5.696	0.187	5.883
Actuarial (gains)/ losses on liabilities financial assumptions	(99.210)	(1.476)	(100.686)
Actuarial (gains)/ losses on liabilities demographic assumptions	(4.393)	(0.066)	(4.459)
Actuarial (gains)/ losses on liabilities experience	0.946	0.009	0.955
Net Benefits Paid Out	(26.111)	(0.181)	(26.292)
Past Service Cost (including curtailments)	0.230	0.000	0.230
<b>Closing Defined Benefit Obligation</b>	<b>520.569</b>	<b>6.570</b>	<b>527.139</b>

## Changes to the Fair Value of Assets during the Accounting Period

Year ended 31st March 2024	Single Entity Accounts	BFCC	Total
	£M's	£M's	£M's
<b>Opening Fair Value of Assets</b>	530.040	5.830	535.870
Interest Income on Assets	24.903	0.291	25.194
Remeasurement gains/ (losses) on Assets	35.338	0.416	35.754
Contributions by the Employer	17.985	0.574	18.559
Contributions by Participants	5.518	0.169	5.687
Net Benefits Paid Out	(23.786)	(0.047)	(23.833)
<b>Closing Fair Value of Assets</b>	<b>589.998</b>	<b>7.233</b>	<b>597.231</b>

Year ended 31st March 2025	Single Entity Accounts	BFCC	Total
	£M's	£M's	£M's
<b>Opening Fair Value of Assets</b>	589.474	7.233	596.707
Interest Income on Assets	29.073	0.363	29.436
Remeasurement gains/ (losses) on Assets	(8.099)	(0.089)	(8.188)
Contributions by the Employer	18.779	0.637	19.416
Contributions by Participants	5.680	0.187	5.867
Net Benefits Paid Out	(26.111)	(0.181)	(26.292)
<b>Closing Fair Value of Assets</b>	<b>608.796</b>	<b>8.150</b>	<b>616.946</b>

## Actual Return on Assets

Year ended 31st March 2024	Single Entity Accounts	BFCC	Total
	£M's	£M's	£M's
Interest Income on Assets	24.903	0.291	25.194
Remeasurement gains/ (losses) on Assets	35.338	0.416	35.754
<b>Actual Return on Assets</b>	<b>60.241</b>	<b>0.707</b>	<b>60.948</b>

Year ended 31st March 2025	Single Entity Accounts	BFCC	Total
	£M's	£M's	£M's
Interest Income on Assets	29.073	0.363	29.436
Remeasurement gains/ (losses) on Assets	(8.099)	(0.089)	(8.188)
<b>Actual Return on Assets</b>	<b>20.974</b>	<b>0.274</b>	<b>21.248</b>



## G15. Cash Flow Statement - Operating Activities

The cash flows for operating activities include the following items:

2023/24		2024/25
£'000		£'000
3,992	Interest Received	445
(6,648)	Interest Paid	223

The surplus or deficit on the provision of services has been adjusted for the following non-cash movements:

2023/24		2024/25
£'000		£'000
27,860	Depreciation and Impairment and Downward Valuations	59,932
87	Amortisation	86
0	Soft Loans (non-subsiary)	0
0	Deferred revenue/deferred payment agreements (IFRS 15)	0
(11,620)	Increase / (Decrease) in creditors	(8,736)
750	Increase in provisions	0
1,824	(Increase) / Decrease in debtors	(29,535)
(262)	(Increase) / Decrease in inventories	(57)
2,305	Movement in pension liability	(3,382)
(1,567)	Other non-cash items charged to the net surplus or deficit on the provision of services	(984)
1,109	Carrying amount of non-current assets and non current assets held for sale, sold or de-recognised	3,637
<b>20,486</b>	<b>Adjustments to net surplus or deficit on the provision of services for non-cash movements.</b>	<b>20,961</b>

## G16. Taxation

Big Fresh Catering Company	31/3/2024	31/3/2025
	£'000	£'000
Corporation Tax	110	142
Current Tax on Profits for the year	0	
<b>Total Current Tax</b>	<b>110</b>	<b>142</b>
Deferred Tax	(16)	4
Changes to Tax Rates	0	0
Adjustments in Respect of Prior Year	0	0
<b>Total Deferred Tax</b>	<b>(16)</b>	<b>4</b>
<b>Taxation on Ordinary Activities</b>	<b>94</b>	<b>146</b>

<b>Deferred Taxation 2023/24</b>	<b>Asset</b>	<b>Liability</b>
	<b>£'000</b>	<b>£'000</b>
Deferred Tax Asset on Pension Deficit	0	31
Accelerated Capital Allowances	0	5
<b>Total Deferred Taxation</b>	<b>0</b>	<b>36</b>

<b>Deferred Taxation 2024/25</b>	<b>Asset</b>	<b>Liability</b>
	<b>£'000</b>	<b>£'000</b>
Deferred Tax Asset on Pension Deficit	0	0
Accelerated Capital Allowances	0	6
<b>Total Deferred Taxation</b>	<b>0</b>	<b>6</b>

## Glossary

### Accounting Period

The period of time covered by the accounts, typically a period of twelve months commencing on 1st April. The end of the accounting period is the balance sheet date.

### Accounting Policies

The specific principles, bases, conventions, rules and practices applied by the Council in preparing & presenting its financial statements.

### Accruals

Amounts included in the final accounts to recognise revenue and capital income and expenditure earned or incurred in the financial year, but for which actual payment had not been received or made as at 31st March.

### Actuarial Gains and Losses

For a defined benefit pension scheme, the changes in actuarial surpluses or deficits that arise because the events have not coincided with the actuarial assumptions made for the last valuation (experience gains and losses); or the actuarial assumptions have varied.

### Amortisation

The gradual elimination of a liability, such as a loan, in regular payments over a specified period of time. Such payments must be sufficient to cover both principal & interest.

### Asset

An item having value to the authority in monetary terms. Assets are classed as either current or non current:

- A **current** asset will be consumed or cease to have material value within the next financial year (e.g. cash and stock); and
- A **non current** asset provides benefits to the Authority and to the services it provides for a period of more than one year and may be tangible e.g. a school building, or intangible, e.g. computer software licences.

### Assets Under Construction

The cost of work performed on an incomplete project at the balance sheet date, which should be accounted for.

### Balance Sheet

A statement of the recorded assets, liabilities and reserves at the end of the accounting period.

### Beacon Valuation

This approach is designed to value large groups of properties which are of similar design, age or construction. In essence, this approach comprises three stages:

- a) Dividing the stock into Asset Groups (large groupings of properties such as a housing estate or groups of estates);
- b) Sub-dividing these Asset Groups into Archetype Groups (dwellings within the Asset Groups which have similar characteristics; and
- c) Selecting a Beacon Property – an actual property which is representative of its Archetype group.

### **Capital Financing**

Funds obtained to pay for capital expenditure. There are various methods of financing capital expenditure including borrowing, leasing, direct revenue financing, usable capital receipts, capital grants, capital contributions, revenue reserves and earmarked reserves.

### **Capital Receipt**

The income from the disposal of land or other non current assets.

### **Cash Equivalents**

Short-term, highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value.

### **Community Assets**

Assets that the Council plans 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 historical buildings.

### **Comprehensive Income and Expenditure Account**

The revenue account of the Council that reports the net cost for the year of the functions for which it is responsible and demonstrates how that cost has been financed from precepts, grants and other income.

### **Contingent Asset**

A contingent asset is a likely asset arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the Authority's control.

### **Contingent Liability**

A contingent liability is either a potential obligation arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the Authority's control; or a present obligation arising from past events where it is not probable that a transfer of economic benefits will be required, or the amount of the obligation cannot be measured with sufficient reliability.

**Creditor**

Amount owed by the Council for works done, goods received or services rendered within the accounting period, but for which payment has not been made by the end of that accounting period.

**Current Service Cost (Pensions)**

The increase in the present value of a defined benefit pension scheme's liabilities, expected to arise from employee service in the current period.

**Debtor**

Amount owed to the Council for works done, goods received or services rendered within the accounting period, but for which payment has not been received by the end of that accounting period.

**Defined Benefit Pension Scheme**

Pension schemes in which the benefits received by the participants are independent of the contributions paid and are not directly related to the investments of the scheme.

**Depreciated Replacement Cost (DRC)**

A method of valuation which gives a recognised approximation for the market value of specialised properties. It is an estimate of the market value for the existing use of the land, plus the current gross replacement costs for the building less an allowance for physical deterioration of the asset to its current equivalent physical state.

**Depreciation**

The measure of the cost of the wearing out, consumption or other reduction in the useful economic life of the Authority's non current assets during the accounting period, whether from use, the passage of time, or obsolescence through technological or other changes.

**Discretionary Benefits (Pensions)**

Retirement benefits which the employer has no legal, contractual or constructive obligation to award and are awarded under the Authority's discretionary powers such as The Local Government Pension Scheme (Benefits, Membership & Contributions) Regulations 2007.

**Effective Interest Rate**

This is the rate of interest needed to discount the estimated stream of principal and interest cash flows through the expected life of a financial instrument to equal the amount at initial recognition.

**Employee Benefits**

All forms of consideration given by the Council in exchange for service rendered by its employees.

### **Events After The Balance Sheet Date**

Events after the balance sheet date are those events, favourable or unfavourable, that arise between the balance sheet date and the date when the Statement of Accounts is authorised for issue.

### **Exceptional Items**

Material items which derive from affairs or transactions that fall within the ordinary activities of the Authority and which need to be disclosed separately by virtue of their size or incidence to give fair presentation of the accounts.

### **Existing Use Value (EUV)**

The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing wherein the parties had acted knowledgeably, prudently and without compulsion. It assumes that the buyer is granted vacant possession of all parts of the property required by the business and disregarding potential alternative uses and any other characteristics of the property that would cause its market value to differ from that needed to replace the remaining service potential at least cost.

### **Expected Return on Pension Assets**

For a funded defined benefit scheme, this is the average rate of return, including both income and changes in fair value but net of scheme expenses, which is expected over the remaining life of the related obligation on the actual assets held by the scheme.

### **Extraordinary Items**

Material items, having 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 fair value of an asset is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's-length transaction.

### **Financial Instrument**

Any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another. The term covers both financial assets and financial liabilities, from straightforward trade receivables (invoices owing) and trade payables (invoices owed) to complex derivatives and embedded derivatives.

## Going Concern

The concept that the statement of accounts are prepared on the assumption that the Council will continue in operational existence for the foreseeable future.

## Gross Carrying Amount (GCA)

This is the value of the land, building or other category of non current asset as per the latest valuation including any enhancements but before allowing for any depreciation or impairments.

## Housing Revenue Account (HRA)

A separate account to the Council Fund that includes the expenditure and income arising from the provision of housing accommodation by the Authority.

## Impairment

A reduction in the value of a non current asset to below its carrying amount on the balance sheet. Impairment may be caused by a consumption of economic benefit (economic benefit impairment) or a general fall in prices.

## Infrastructure Assets

Non current assets belonging to the Authority that cannot be transferred or sold, on which expenditure is only recoverable by continued use of the asset created. Examples are highways, footpaths and bridges.

## Intangible Assets

An intangible asset is an identifiable non-monetary asset without physical substance. Intangible assets most frequently found in local authorities are computer software.

## Inventories

Items of raw materials and stores an authority has procured and holds in expectation of future use.

## Liability

A liability is where the Council owes payment to an individual or another organisation.

- A **current** liability is an amount which will become payable or could be called in within the next accounting period, e.g. creditors or cash overdrawn.
- A **deferred** liability is an amount which by arrangement is payable beyond the next year at some point in the future or to be paid off by an annual sum over a period of time.

## Materiality

The concept that the Statement of Accounts should contain all amounts which, if omitted, or misstated, could be expected to lead to a distortion of the financial statements and ultimately mislead a user of the accounts.

### **Minimum Revenue Provision (MRP)**

The minimum amount, which must be charged to the revenue account each year in order to provide for the repayment of loans and other amounts borrowed by the Council.

### **National Non-Domestic Rates (NDR)**

The National Non-Domestic Rate is a levy on businesses, based on a national rate in the pound set by the government and multiplied by the assessed rateable value of the premises they occupy. It is collected by the Council on behalf of central government and then redistributed back to support the cost of services.

### **Net Book Value**

The amount at which non current assets are included in the balance sheet, i.e. their historical costs or current value less the cumulative amounts provided for depreciation and impairment.

### **Operating Lease**

A lease where the ownership of the non current asset remains with the lessor.

### **Past Service Cost (Pensions)**

For a defined benefit pension 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.

### **Pension Scheme Liabilities**

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

### **Peppercorn Lease**

A peppercorn lease, or peppercorn rent, refers to a lease agreement where a very small, often nominal amount of rent is paid.

### **Precept**

The levy made by precepting authorities on billing authorities, requiring the latter to collect income from council taxpayers on their behalf.

### **Prior Year Adjustment**

Material adjustments relating to prior years arising from changes in accounting policies or from the correction of fundamental errors. This does not include normal recurring corrections or adjustments of accounting estimates made in prior years.

### **Provision**

An amount put aside in the accounts for future liabilities or losses which are certain or very likely to occur, but the amounts or dates of when they will arise are uncertain.

### **Public Works Loan Board (PWLB)**



A Central Government Agency, which provides loans for one year and above to authorities at interest rates only slightly higher than those at which the government itself can borrow.

### **Related Parties**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions.

### **Remeasurement of Pension Liability**

Changes to the pension liability made to reflect the return on plan assets and because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions

### **Reserves**

The accumulation of surpluses, deficits and appropriations over past years. Reserves of a revenue nature are available and can be spent or earmarked at the discretion of the Council. Some capital reserves such as the Revaluation Reserve cannot be used to meet current expenditure.

### **Residual Value**

The net realisable value of an asset at the end of its useful life.

### **Revenue Expenditure Funded From Capital Under Statute (REFCUS)**

Expenditure which can be classified as capital for funding purposes when it does not result in the expenditure being carried on the Balance Sheet as a non-current asset. This is to enable it to be funded from capital resources. Examples of REFCUS are grants of a capital nature to voluntary organisations.

### **Revenue Support Grant –**

A grant paid by Central Government to authorities, contributing towards the general cost of their services.

### **Right of Use Asset (ROU)**

A ROU asset represents a lessee's contractual right to use an underlying asset e.g. land, property, equipment or vehicles, for a specified period, as outlines in a lease agreement. It is recognised on the lessee's balance sheet, alongside a corresponding lease liability, reflecting the obligation to make lease payments.

### **Soft Loan**

A loan made interest free or at a rate less than the market rate, usually for policy reasons. Such loans are often made to individuals or organisations that the Council considers benefits the local population.

### **Trust Funds**

Funds administered by the Authority for such purposes as prizes, charities, specific projects, and on behalf of minors.

**Useful Economic Life (UEL)**

The period over which the Council will derive benefits from the use of a non current asset.

