



Draft Statement of Accounts 2024 - 2025



BUILDING
a better
BOROUGH



Nuneaton
&
Bedworth
United to Achieve



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Narrative Report

INTRODUCTION

The Narrative Report provides information about Nuneaton and Bedworth, including the key issues affecting the Council and its accounts. It aims to provide key detail to support the Council's Statement of Accounts by presenting a transparent and simple overview of the Council's financial position and performance for the year, in addition to outlining its prospects for future years.

The Statement of Accounts have been prepared in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA), and in conjunction with the guidelines contained within the latest Code of Practice on Local Authority Accounting in the United Kingdom for 2024/25 (The Code).

These accounts have been prepared on a going concern basis. The concept of a going concern assumes that an organisation, its functions, and services will continue in operational existence for the foreseeable future (at least 12 months). However, there is a high degree of uncertainty about future levels of funding for local government and the future national economic outlook. The Council's management has used its judgement and determined that its financial strategy and reserves are robust, and that this uncertainty is not yet sufficient to affect the assumptions underpinning the strategy and that the Council will continue as a going concern.

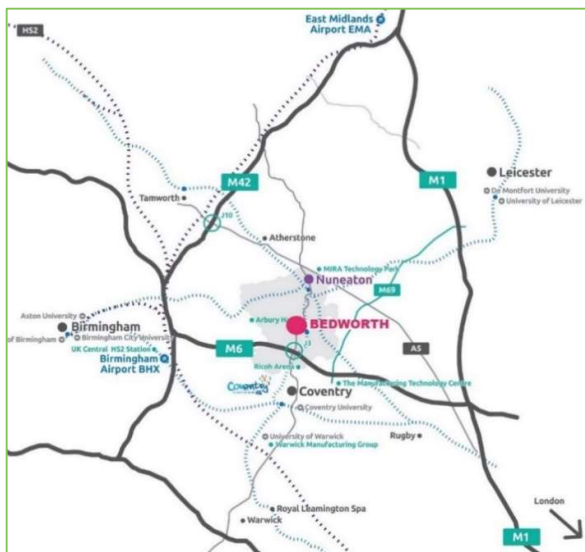
The Statement of Accounts presents the financial position and performance of the Council for the year ended 31st March 2025. It also provides information to members of the public, including electors and residents of the Borough, Council members, partners, stakeholders, and any other interested parties that the public money with which the Council has been entrusted has been used and accounted for in a legal and responsible manner.

The Narrative Report details the following information and is structured as follows:

- An introduction to Nuneaton and Bedworth and the Council
- Council performance
- An explanation of the Financial Statements
- A summary of financial performance and risks

INTRODUCTION TO NUNEATON & BEDWORTH

The Borough



Nuneaton and Bedworth Borough Council is located in a primarily urban area in the north of Warwickshire, covering approximately 78.95 km². It covers the two densely populated towns – Nuneaton and Bedworth and some surrounding land. Nuneaton is the largest town within Warwickshire. The population of the borough is approximately 134,200 (*source: Office of National Statistics*) and enjoys a central location at the heart of the midland's motorway network.

The Borough borders Rugby to the east and North Warwickshire to the west. To the south it borders Coventry and the West Midlands, and to the north Hinckley and Bosworth Borough Council in the county of Leicestershire.

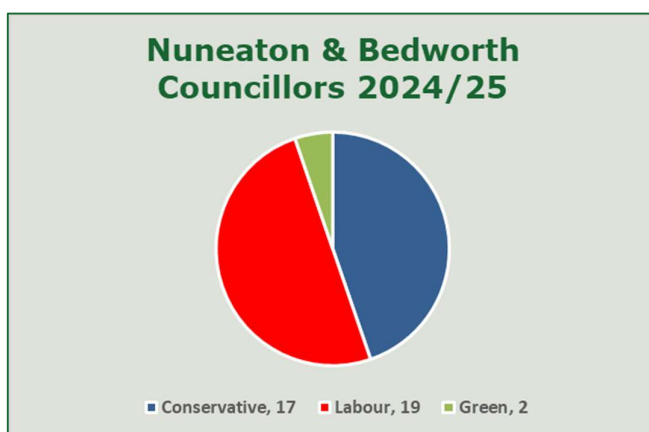
Nuneaton and Bedworth has a rich and proud manufacturing heritage, mainly supporting the car industry but service industries and logistics are now becoming a much bigger sector of businesses within the Borough. Generating further economic growth is recognised as the key priority to create future prosperity and employment opportunities for people, living, working, and visiting the Borough.

The Council

Nuneaton and Bedworth Borough Council was created on 1st April 1974 by the Local Government Act 1972, from the merger of the municipal borough of Nuneaton and the urban district of Bedworth (which included Bulkington). The Borough is divided into 19 wards, each represented by two Councillors, giving a total of 38 Councillors serving the borough and its residents. Borough elections take place every two years, when 50% of the Councillors are elected.

Following the elections in May 2024 the Labour Party is in political control with the following seats allocated:

The Borough



The result of the Borough election in May 2024 initially comprised of 20 Labour members and 16 Conservative members but one councillor moved from Labour to Conservative in December 2024.

How we work

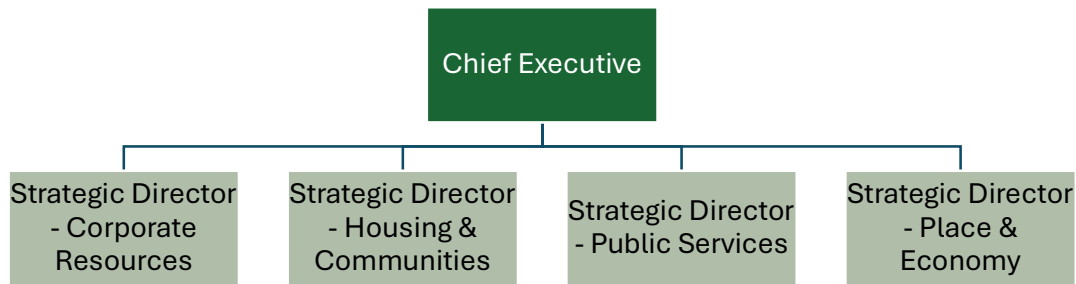
The Council has adopted the Leader and Cabinet model as its political management structure arising from the Local Government and Public involvement in the Health Act 2007. During 2024/25 the Leader of the Council and five Portfolio holders made up the Cabinet.

The Cabinet members are held to account by a system of scrutiny which is also set out in the Council's constitution. There were three scrutiny panels during 2024/25 undertaking this role covering all the services provided by the Council. Councillor Christopher Watkins was Leader for the 2024/25 municipal year.

The management structure supports the work of Councillors, and the Management Team consists of the Chief Executive, four Strategic Directors, including those with statutory responsibility. Up until December 2024, the Solicitor to the Council was the Council's Monitoring Officer. The Monitoring Officer role was undertaken by the Assistant Director – Democracy & Governance from January 2025, and the Strategic Director – Corporate Resources was the Council's Chief Finance Officer (Section 151 officer), who under statute is responsible for the administration of the Council's financial affairs.

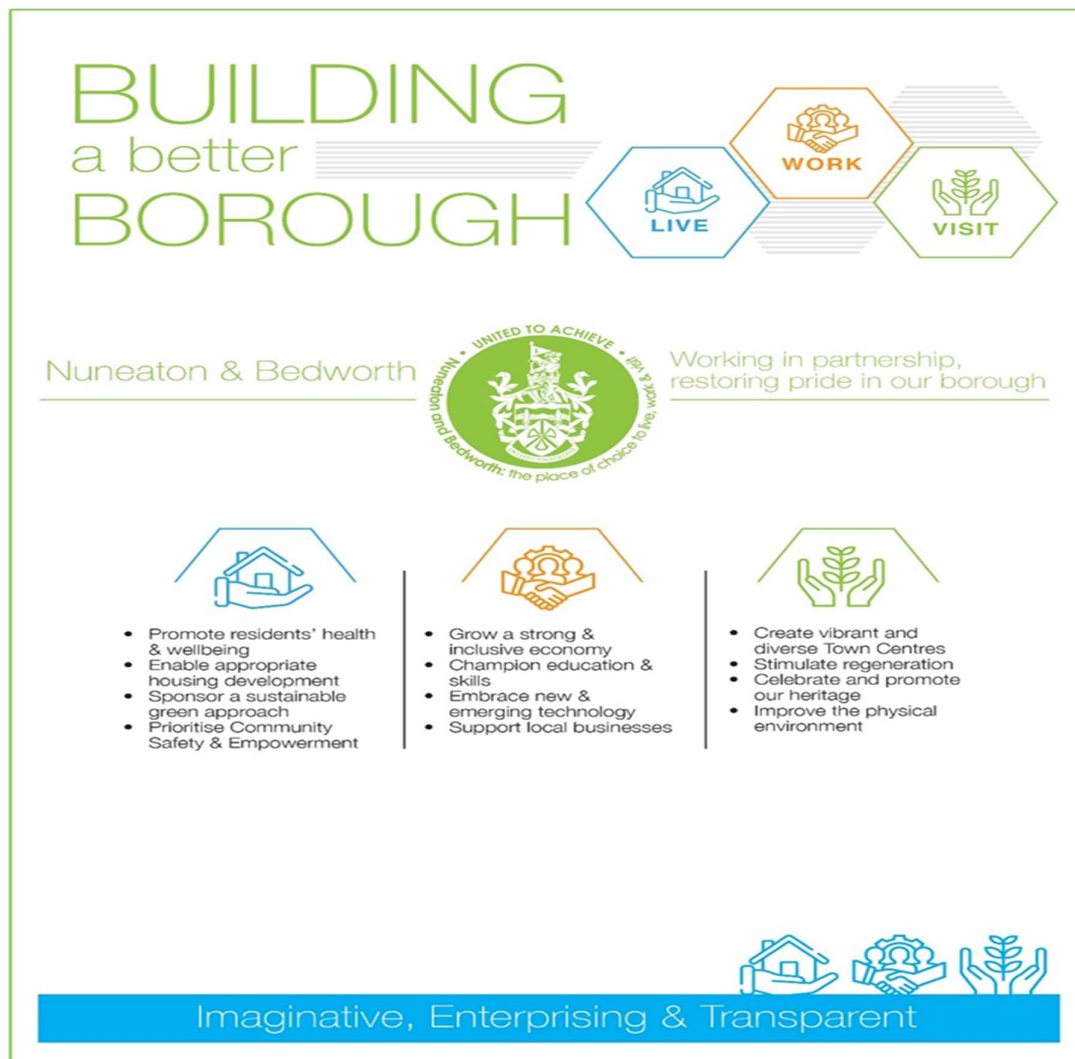
The Management Team has overall responsibility for the delivery of council services, directing improvements and future plans for Nuneaton and Bedworth. It provides managerial leadership and supports Councillors to develop strategies and deliver plans, identify and plan resources and to review the authority's effectiveness with the overall objective of providing excellent services to the public.

The organisation chart below shows the Management Team structure that was in place from June 2024 after the appointment of a new Chief Executive for the Council:



COUNCIL PERFORMANCE

In 2022 the Council adopted the Building a better Borough Corporate Plan.



The Management Team lead on the delivery of the Plan which outlines our key themes and priorities to 2025. Progress against the plan is monitored on a regular basis to Overview & Scrutiny panels throughout each financial year.

The Plan highlights three key themes for the Council, with a number of priorities sitting within each aim.

There are many risks faced by the Council, both financial and non-financial which are categorised and mitigated as far as possible.

Detailed risk registers and performance monitoring is reported quarterly to the Overview and Scrutiny Panels and can be found on the Council's website.

The Council also has a number of internal values that underpin its decision making and culture. These are:

Service for our customers – We put our customers first in everything we do.

Integrity in our actions – We are open, honest and fair; communicate accurately and keep our promises. We act within the law and the Council's Constitution and policies.

Accountability for our performance – We accept personal responsibility, not seeking to blame others and apologise if we get things wrong.

Co-operation with Councillors, colleagues and partners – We share ideas, knowledge and resources; we are friendly towards, listen to and respect each other, and work in teams to deliver excellence.

Objectivity in our decisions – We base our decisions on evidence, welcome challenge and take account of alternative opinions and the wider picture.

Efficiency to keep overall costs down – We constantly improve our value for money, learning from good practice, eliminating waste, and making the most of our assets.

Confidence to try things out – We give our people encouragement, authority and support to be creative and flexible in how they deliver services; learning from things that go wrong when we experiment.

Nuneaton & Bedworth – the place of choice to live, work and visit.

The Council has around 600 employees who deliver a range of statutory and discretionary services. These include our housing service – private sector, homelessness and our housing stock, planning, refuse and recycling, green waste, sport and recreation, licensing, elections, housing benefit and our cultural facilities. There is a programme of mandatory training in place for our employees, as well as formal and professional training as appropriate.



The Council has a number of shared services and partnerships in place with other local authorities, the key ones being:

- North Warwickshire Borough Council – Revenues and Benefits, Elections and Private Sector Housing
- Rugby Borough Council – Procurement
- Home Environment Assessment & Response Team (HEART) – A county-wide partnership to deliver disabled facilities grants and home improvements. Nuneaton and Bedworth is the host authority.
- Building Control – South Staffordshire Partnership
- Coventry City Council – Recycling, Trade Waste and HGV repairs and maintenance

GOVERNANCE ARRANGEMENTS

The Council has an effective governance framework which is reviewed annually with an action plan being put in place to address any weaknesses. This action plan is reviewed quarterly by the Corporate Governance Group.

Further detail on the Council's governance arrangements can be viewed in our Annual Governance Statement which was approved by Audit & Standards Committee on 24th June 2025 and can be found on the following link - [Audit and Standards Committee | Nuneaton and Bedworth Borough Council](#)

EXPLANATION OF THE FINANCIAL STATEMENTS

There are four primary statements within the Statement of Accounts with a brief summary below of the purpose of each statement:

Movement in Reserves Statement (MIRS)

This statement shows the movement in year on the different reserves held by the Council analysed into '**usable**' reserves (those that can be used to fund expenditure or reduce local taxation) and '**unusable**' reserves.

- The Movement in Reserves Statement shows an £8.4m increase in usable resources for 2024/25. The balance of these usable reserves stood at £53.0m as at 31st March 2025.

The Surplus or Deficit on the Provision of Services line shows the true economic cost of providing the Council's services, more details of which are shown in the Comprehensive Income & Expenditure Statement (CIES). This value is different from the statutory amounts required to be charged to the General Fund balance and Housing Revenue Account (HRA) for Council Tax setting and Housing rent setting purposes.

Comprehensive Income & Expenditure Statement (CIES)

This statement shows the accounting cost in year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Councils raise taxation to cover expenditure in accordance with regulations; this may be different to the accounting cost. The taxation position is shown in the MIRS.

- A surplus of £2.5m on the provision of services is reported for 2024/25 compared to a deficit of £2.9m for 2023/24.

Balance Sheet

This shows the value of the Council's assets and liabilities. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Council. The overall value of the Council's net assets has increased to £444.6m from £391.2m.

Assets

Non-current assets increased by £55.5m due mainly to an increased pension asset after revaluation plus increases in the value of property, plant & equipment.

Current assets decreased by £4.0m due to the reduction in short term investments with these being utilised for the significant regeneration programme. This was partially offset by the increase in cash and cash equivalents and short-term debtors due to the Council.

Liabilities

The liabilities of the Council have decreased between years by £1.9m due mainly to a reduction in external borrowing plus an increased level of grant income received in advance.

Cash Flow Statement

This statement shows the changes in cash and cash equivalents of the Council during the reporting period. It shows how the Council generates and uses cash by classifying cash flows as operating, investing and financing activities.

Changes to the Financial Statements

The main change to the Financial Statements between 31st March 2024 and 31st March 2025 is the implementation of IFRS 16 Leases. This has had no impact on the usable reserves of the Council but the assets and liabilities on the Balance Sheet have been adjusted to comply. Further detail can be found in note 1 to the Statement of Accounts. In addition, some disclosures may have been updated to comply with best practice reporting.

Accounting Policies

The Council's Accounting Policies are set out in note 1 to the Statement of Accounts. The only changes in year to the Accounting Policies is for Internal Service Recharges and IFRS 16 Leases. None of the changes in policy has impacted the usable reserve position of the Council.

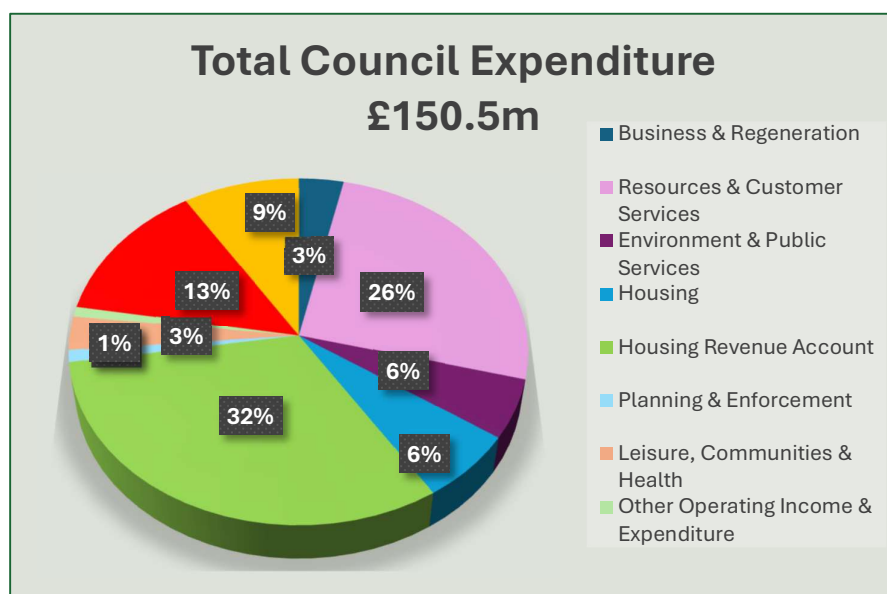
SUMMARY OF FINANCIAL PERFORMANCE & RISKS

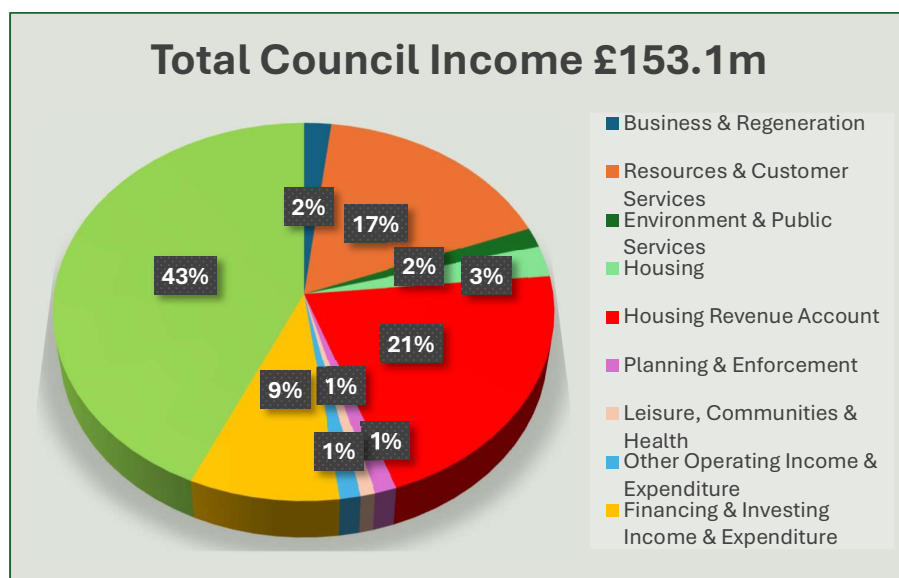
Income & Expenditure of the Council

The Council delivers key services delivered in accordance with local priorities and statutory requirements. Income is received to fund these expenses from Council Tax, Non-Domestic Rates and Council house rent plus Government grants and contributions from selling services.

Although included in the overall Comprehensive Income & Expenditure Statement, the Council is required to account separately for the costs of providing council housing. A supplementary account called the Housing Revenue Account (HRA) is in place to ensure that costs related to council housing are funded by the rental income received from housing tenants. Any surplus or deficit is adjusted through the HRA reserve and must remain "ring-fenced" from other Council reserves.

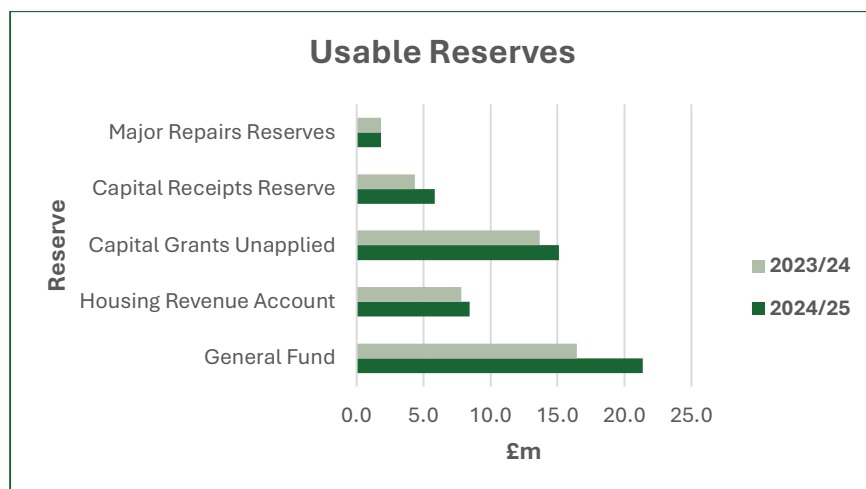
The Council's Comprehensive Income & Expenditure Statement is reported in line with the Cabinet portfolios and the charts below show the expenditure incurred and income received during 2024/25:





Council Reserves

The Council's usable reserves have increased to £52.5m from £44.1m. Both the General Fund and HRA usable reserves increased due to surpluses in year plus contributions to earmarked reserves. In addition, capital grants for regeneration projects plus asset sales in year contributed further to capital resources.



Unusable reserves have increased to £392.0m from £347.1m due mainly to an increased valuation of assets and a revaluation of the pension fund.

A summary of the financial performance in year is reported to Cabinet in July.

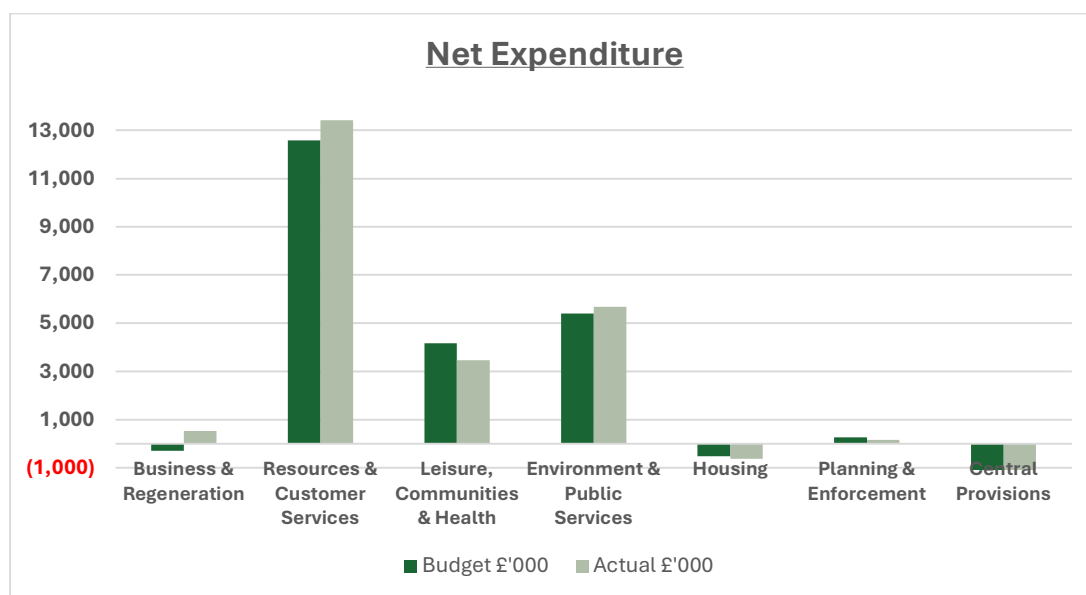
General Fund

For the 2024/25 financial year, the Council set a net expenditure budget for the General Fund of £19.131m expecting a small surplus in year of £0.002m. A Band D Council Tax of £263.59 was approved which was an increase of 2.99% and generated a precept of £10.566m. A Collection Fund surplus was budgeted at £1.304m and core funding through Business Rates and other Government Grants totalled £7.262m.

The performance on the General Fund was positive in year with a surplus of £0.250m being generated.

Although portfolio expenditure and central provisions were overspent in year, the biggest driver for this was having no requirement to draw down earmarked reserves to support services. The budget allocated £1.4m in drawdowns that were not required due to increased levels of investment income plus reduced levels of interest on external borrowing.

In addition, Business Rates income was £2m greater than budgeted and additional revenue grants were received from Government.



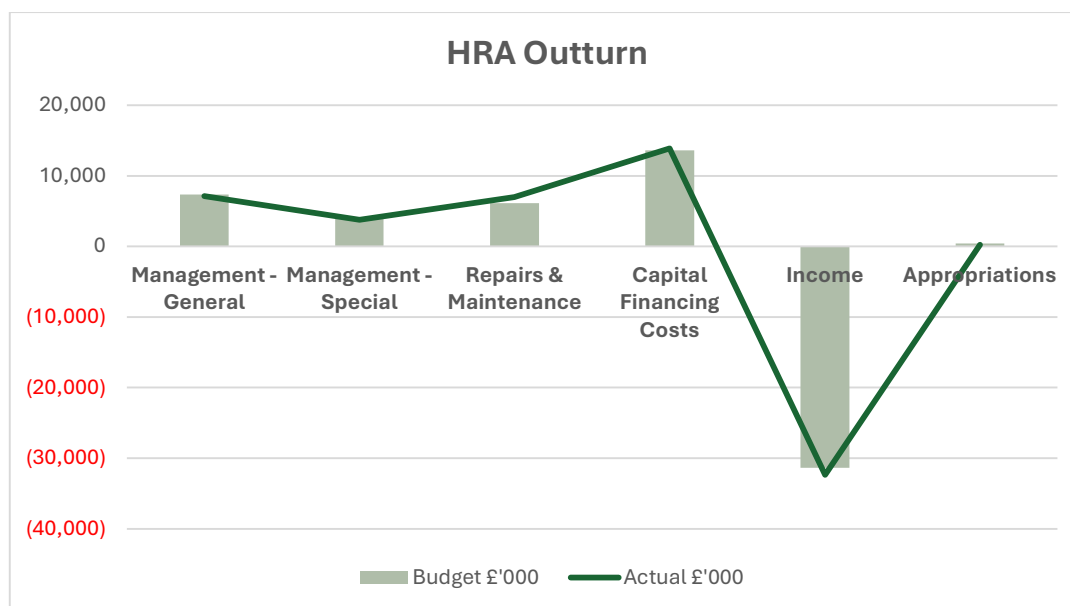
Earmarked reserves have increased between years and full detail of these reserves plus the final outturn is reported to Cabinet in July.

HRA

The budget for the HRA in 2024/25 was set as a nil budget for the year as income was expected to be utilised in full for in year expenditure.

The HRA produced a surplus in year of £0.408m and transferred balances into earmarked reserves.

Increased expenditure has been seen on repairs and maintenance and capital contributions which was more than offset by increased rental and investment income.



More detail on the HRA financial performance for 2024/25 is reported to Cabinet in July.

Capital Expenditure and Financing

The Council incurs expenditure on acquiring new assets, by undertaking significant improvements to existing assets and by developing new assets. Expenditure is funded through grants, external contributions, external and internal borrowing and by utilising Council reserves.

In 2024/25, the Council spent £52.728m on capital schemes with £16.579m spent on both major repairs and new development of council housing, £16.595m on Nuneaton town centre regeneration, £7.795m on development of the Bedworth Physical Activity Hub, £2.158m on decarbonisation of Pingles Leisure Centre, £5.966m on disabled adaptations through the HEART partnership (county-wide), £1.250m grant payments for energy efficiency in homes across the borough, £0.858m improving parks and open spaces, vehicle replacements £0.313m, major repairs to assets and cemeteries £0.249m with the remainder being spent on smaller ad hoc projects.



Revenue and capital budget monitoring information is reported quarterly to Cabinet throughout the year, in addition to quarterly reports to each Overview and Scrutiny Panel on the finance and performance of services falling within their remit.

The detailed approved budget for revenue and capital for 2024/25 can be found on the following link:

[21 February 2024: Council | Nuneaton and Bedworth Borough Council](#)

Medium Term Financial Planning

The medium-term financial strategy was presented to Cabinet in November 2022 and covers the period 2022 to 2027. An update to the financial plan was approved by Council in February 2025 as part of the budget setting process for 2025/26.

Commercial Activity

The Council's long-term aim to be self-sufficient with less reliance on Government started in 2013 when the Council established a trading arm called Nuneaton and Bedworth Community Enterprises Ltd (NABCEL).



The first business stream that NABCEL operated was rental of private rented properties at full market rent. The company now manages a growing portfolio of properties plus two Bed and Breakfast establishments and also undertakes property management, gas services and cleaning services. Further information on the turnover and costs of NABCEL can be found in Note 33.

During 2019 the Council became one of the five founding "Partner Councils" in a groundbreaking project to jointly fund, build, own and operate a Sub-Regional Materials Recycling Facility (MRF) located across our border in Coventry. There are now eight partner Councils (Coventry City Council, Solihull MBC, Walsall MBC, Rugby Borough Council, North Warwickshire Borough Council, Stratford on Avon District Council, Warwick District Council and us) and construction concluded on site during



2023/24 following a major procurement exercise for building and equipment suppliers. The facility opened in October 2023. Details on the shareholder agreement of the Council is in note 31.

Financial Outlook and Financial Resilience

The General Fund faces a number of financial risks that are outside the Council's control with the most significant one being the future funding arrangements provided by Government.

The Government plans to implement a comprehensive reform of local government funding including introducing a new funding formula and associated baselines, a full reset on Business Rates retention, implement a Revaluation in 2026 and introduce a range of new multipliers. This follows on from the first Spending Review of the Labour government, which will conclude in June 2025. Consultations are underway.

A fundamental and radical change is due but transitional arrangements will be in place to prevent a significant impact year on year. A three-year settlement has also been previously suggested which would give more certainty in financial planning from 2026/27.

Financial planning into future years has been challenging as even small variations to assumptions can have a significant impact to any forecast and although financial planning is prudent, the uncertainty around future funding has made longer-term commitments extremely risky.

The Future

Although there are many financial risks and uncertainty within the Council's financial planning, there are many opportunities present which will aid financial resilience into the future.

- The Council will continue with its aim to become self-financing and NABCEL, as its trading arm, will be critical to achieving this.
- The Council is committed to continuing digital transformation of its services to allow customers to access services in a way that suits them. We continue to implement new self-service systems which will allow customers to access their own accounts online, check balances and pay bills as well as report changes in their circumstances. This will create capacity for our staff to provide more value added services to those that are in greatest need.
- The Council is committed to transforming services and ensuring that efficiency, effectiveness and economic ways of working are at the forefront of all we do, delivering value for money services for our residents.
- The Council continues to be focused on the regeneration of its town centres. It has launched an ambitious 'Transforming Nuneaton' programme to develop and regenerate sites across the town centre.

Interested members of the public have a statutory right to inspect the accounts before the audit is completed. The availability of the accounts for inspection is advertised on the Council's website at www.nuneatonandbedworth.gov.uk and a copy of the accounts can be downloaded (in addition to financial transparency reporting).

The information in this document may be made available in other selected languages. Copies may be made available on tape, in Braille or large print



Statement of Responsibilities

Nuneaton and Bedworth Borough Council's Responsibilities

The Council is required to:

- make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Council, that officer is the Strategic Director for Corporate Resources.
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- approve the Statement of Accounts.

The Responsibilities of the Strategic Director for Corporate Resources

The Strategic Director for Corporate Resources (Chief Finance Officer) is responsible for the preparation of the Council's Statement of Accounts in accordance with proper practices as set out in CIPFA / LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

In preparing the Statement of Accounts, the Strategic Director 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 Strategic Director has also:

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

Certificate of the S151 Officer

The Statement of Accounts set out on pages 18 to 97 have been prepared in accordance with the Code. They present a true and fair view of the financial position of the Council at 31st March 2025 and of its expenditure and income for the year ended 31st March 2025.

Victoria Summerfield (FCCA)
Strategic Director for Corporate Resources (S151 Officer)

Date

Comprehensive Income and Expenditure Statement

The Comprehensive Income and Expenditure Statement (CIES) 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 the Movement in Reserves Statement.

£000	2024/25			2023/24 Restated		
	Expenditure	Income	Net	Expenditure	Income	Net
Business & Regeneration	5,184	(2,921)	2,263	4,210	(2,373)	1,837
Environment & Public Services	8,271	(2,589)	5,682	7,656	(2,464)	5,193
Housing	9,674	(4,042)	5,632	7,403	(3,316)	4,087
Housing Revenue Account	47,585	(32,285)	15,300	36,803	(29,489)	7,314
Leisure, Communities & Health	4,662	(1,298)	3,364	9,156	(1,536)	7,620
Planning & Enforcement	1,669	(1,986)	(318)	1,691	(1,535)	156
Resources & Customer Services	38,480	(26,371)	12,108	35,291	(26,505)	8,786
Cost of Services	115,524	(71,493)	44,031	102,209	(67,217)	34,993
Other Operating Income & Expenditure	Note 11		(489)			1,561
Financing & Investing Income & Expenditure	Note 12		6,549			(63)
Taxation & Non-Specific Grant Income	Note 13		(52,677)			(33,572)
(Surplus) / Deficit on Provision of Services			(2,586)			2,920
(Surplus) / Deficit on Revaluation of Property Plant & Equipment			(24,127)			(71,302)
Remeasurement of the Net Defined Benefit Liability			(26,702)			(9,952)
Total Comprehensive Income & Expenditure			(53,415)			(78,335)



Movement in Reserves Statement

This statement shows the movement in the year on the different reserves held by the Council, 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 Council's services, more details of which are shown in the CIES. This is different from the statutory amounts required to be charged to the General Fund Balance and the Housing Revenue Account for council tax setting and dwellings rent setting purposes.

Movement in Reserves Statement 2024/25

£'000	General Fund	HRA	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Usable Reserves	Unusable Reserves	Total Reserves
Balance at 31 March 2024	(16,448)	(7,833)	(4,344)	(1,830)	(13,660)	(44,116)	(347,108)	(391,223)
Movement in Reserves during 2024/25:								
(Surplus) / Deficit on Provision of Services	(17,366)	14,780	0	0	0	(2,586)	0	(2,586)
Other Comprehensive Income & Expenditure	0	0	0	0	0	0	(50,829)	(50,829)
Total Comprehensive Income & Expenditure	(17,366)	14,780	0	0	0	(2,586)	(50,829)	(53,415)
Adjustments between Accounting & Funding basis (note 9)	12,441	(15,375)	(1,481)	0	(1,453)	(5,867)	5,867	0
(Increase) / Decrease in 2024/25	(4,925)	(595)	(1,481)	0	(1,453)	(8,453)	(44,962)	(53,415)
Balance at 31 March 2025	(21,373)	(8,428)	(5,825)	(1,830)	(15,113)	(52,569)	(392,070)	(444,638)
Adjustment for amounts earmarked for specific purposes (Earmarked Reserves - Note 10)	18,986	5,496						
Remaining Unallocated Balance	(2,387)	(2,932)						

Movement in Reserves Statement 2023/24

£'000	General Fund	HRA	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Usable Reserves	Unusable Reserves	Total Reserves
Balance at 31 March 2023	(14,550)	(7,784)	(3,427)	(2,064)	(16,737)	(44,562)	(268,327)	(312,889)
Movement in Reserves during 2023/24:								
(Surplus) / Deficit on Provision of Services	(4,596)	7,515	0	0	0	2,920	0	2,920
Other Comprehensive Income & Expenditure	0	0	0	0	0	0	(81,254)	(81,254)
Total Comprehensive Income & Expenditure	(4,596)	7,515	0	0	0	2,920	(81,254)	(78,335)
Adjustments between Accounting & Funding basis (note 9)	2,698	(7,564)	(918)	234	3,077	(2,473)	2,473	0
(Increase) / Decrease in 2023/24	(1,898)	(49)	(918)	234	3,077	446	(78,781)	(78,335)
Balance at 31 March 2024	(16,448)	(7,833)	(4,344)	(1,830)	(13,660)	(44,116)	(347,108)	(391,223)
Adjustment for amounts earmarked for specific purposes (Earmarked Reserves - Note 10)	14,309	5,311						
Remaining Unallocated Balance	(2,139)	(2,522)						

Balance Sheet

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Council. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Council. Reserves are reported in two categories. The first category of reserves are usable reserves, i.e. those reserves that the Council may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). The second category of reserves is those that the Council is not able to use to provide services. 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 reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

£000		2024/25	2023/24
	<i>Notes</i>		
Property, Plant & Equipment	14	395,131	356,964
Heritage Assets		1,165	1,165
Investment Property	15	29,199	29,496
Intangible Assets		694	942
Assets Under Construction	14	20,828	31,772
Pensions Asset	38	62,272	33,360
Long Term Investments	16	1,871	1,837
Long Term Debtors	16	5,760	5,805
Non-Current Assets		516,920	461,340
Short Term Investments	16	11,208	19,073
Inventories		106	110
Short Term Debtors	19	13,834	12,498
Cash & Cash Equivalents	18	7,508	5,038
Current Assets		32,655	36,718
Short Term Borrowing	16	(12,501)	(10,371)
Short Term Creditors	20	(24,037)	(19,728)
Provisions	21	(1,134)	(1,178)
Current Liabilities		(37,672)	(31,276)
Long Term Creditors	20	(643)	0
Long Term Borrowing	16	(50,705)	(62,699)
Capital Grants Receipts in Advance	29	(15,913)	(12,859)
Long Term Liabilities		(67,260)	(75,558)
NET ASSETS		444,642	391,223
Usable Reserves	23	(52,571)	(44,115)
Unusable Reserves	24	(392,071)	(347,108)
TOTAL RESERVES		(444,642)	(391,223)

Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents of the Council during the reporting period. The statement shows how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, 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 Council 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 Council'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 Council.

£'000		2024/25	2023/24
	<i>Notes</i>		
Net (Surplus) or Deficit on Provision of Services		(2,586)	2,920
Depreciation and Amortisation	14	(14,241)	(12,055)
Revaluation and Impairment	14/15	(27,743)	(14,195)
Movement in Pension	38	2,210	1,448
Profit / (Loss) on Non-current Assets sold	14	489	(1,561)
Movement in Provisions	21	44	454
Other non-cash movements		35	(58)
Capital Grants that relate to Financing		29,933	14,308
Movement in Creditors	20	(3,629)	613
Movement in Debtors	21	2,172	2,096
Movement in Provision for Bad Debt	21	51	(371)
Movement in Inventory		(4)	(34)
Net Cash generated from Operations		(13,271)	(6,437)
Investing activities:			
Purchase of Non-Current Assets	36	45,277	34,830
Purchase of Short and Long-term Investments		11,000	24,000
Proceeds from sale of Non-Current Assets		(2,005)	(1,276)
Proceeds from sale of Investments		(18,864)	(25,154)
Capital Grants received		(32,351)	(18,313)
Net Cash from Investing activities		3,057	14,087
Financing activities:			
Repayment of Borrowing	16	10,000	7,500
New Borrowing	16	0	(16,000)
Other Financing activities		(2,256)	108
Net Cash from Financing activities		7,744	(8,392)
Net (increase)/decrease in Cash and Cash Equivalents		(2,470)	(742)
Cash and Cash Equivalents at the start of the period		5,038	4,295
Cash and Cash Equivalents at the end of the period		7,508	5,038

Notes to the Accounts

1. Accounting Policies

General Principles

The Statement of Accounts summarises the Council's transactions for the 2024/25 financial year and its position at the year-end of 31st March 2025. The Council is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2015, and those Regulations require to be prepared in accordance with proper accounting practices. These practices primarily comprise the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, supported by International Financial Reporting Standards (IFRS).

The Statement of Accounts has been prepared on a 'going concern' basis. The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from the sale of goods is recognised when the Council 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 Council.
- Revenue from the provision of services is recognised when the Council 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 Council.
- Supplies are recorded as expenditure when they are consumed – where considered material, where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- 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.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- 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.

Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that



mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

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 Council's cash management.

Exceptional Items

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 accounts, depending on how significant the items are to an understanding of the Council's financial performance.

Prior Period Adjustment, Changes in Accounting Policies, Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e., in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or when the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Council'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.

Charges to Revenue for Non-Current Assets

Services, support services and trading accounts are debited with the following amounts to record the cost of holding non-current assets during the year:

- Depreciation attributable to the assets used by the relevant service
- Revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off
- Amortisation of intangible assets attributable to the service.

The Council is not required to raise Council Tax to fund depreciation, revaluation and impairment losses or amortisation. However, it is required to make an annual contribution from revenue towards the reduction of its overall borrowing requirement. Depreciation, revaluation and impairment losses and amortisation are therefore replaced by the contribution in the General Fund Balance of a Minimum Revenue Provision charge (MRP), by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement.

Employee Benefits

Benefits Payable During Employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave, paid sick leave and bonuses for current employees, and are recognised as an expense for services in the year in which employees render service to the Council. An accrual is made for the cost of benefits



earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to the Surplus or Deficit on the Provision of Services but then reversed out through the Movement in Reserves Statement so that annual leave benefits are charged to revenue in the financial year in which the annual leave absence occurs.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Council to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy. These are charged on an accrual's basis to the appropriate service line in the Comprehensive Income and Expenditure Statement when the Council is demonstrably committed to the termination of the employment of an officer or group of officers or making an offer to encourage voluntary redundancy.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund or Housing Revenue Account to be charged with the amount payable by the Council to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination 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.

Post-Employment Benefits – The Local Government Pension Scheme

Warwickshire County Council, the Administering Authority to the Warwickshire County Council Pension Fund instructed Hyman Robertson LLP, an independent firm of actuaries, to undertake pension expense calculations on behalf of Nuneaton & Bedworth Borough Council as at 31st March 2025.

The Local Government Scheme is accounted for as a defined benefits scheme:

- The liabilities of the Warwickshire Pension Fund attributable to the Council 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.
- Liabilities are discounted to their value at current prices, using a discount rate as determined by the actuary (based on the indicative rate of return on high quality corporate bonds).
- The assets of the Warwickshire Pension Fund attributable to the Council are included in the Balance Sheet at their fair value:
 - Quoted securities – current bid price
 - Unquoted securities – professional estimate
 - Unitised securities – current bid price
 - Property managed funds – current bid price

- The change in the net pensions 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 – 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 on the Provision of Services in the Comprehensive Income and Expenditure Statement.
 - Net interest on the net defined benefit liability, i.e. net interest expense for the Council – the change during the period in the net defined liability 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 – taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments.
 - Remeasurements comprising:
 - The return on plan assets – excluding amounts included in the net interest on the net defined benefit liability – 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 actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
 - Contributions paid to the Warwickshire Pension Fund – cash paid as employer’s contributions to the Pension Fund in settlement of liabilities; not accounted for as an expense.
- In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the Pension Fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are appropriations 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 General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits earned by employees.



- Further details of the estimation techniques and values attributed to the Pensions Liability can be found in note 38.

Discretionary Benefits

The Council 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 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.

Events After the Balance Sheet Date

Events after the Balance Sheet date are those 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. Two types of events can be identified:

- 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
- 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.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

Fair Value Assessment

The Council measures some of its non-financial assets such as surplus assets and investment properties and some of its financial instruments such as property fund investments 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:

- a) in the principal market for the asset or liability, or
- b) in the absence of a principal market, in the most advantageous market for the asset or liability.

The Council 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 economic interest.

When measuring the fair value of a non-financial asset, the Council takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Council uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the Council's financial statements are categorised within the fair value hierarchy as follows:

- **Level 1** – quoted prices (unadjusted) in active markets for identical assets or liabilities that the Council can access at the measurement date
- **Level 2** – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- **Level 3** – unobservable inputs for the asset or liability.

Financial Instruments

Financial Instruments are recognised on the Balance Sheet when the Council becomes party to the contractual provisions of a financial instrument. They are mainly measured at fair value.

Financial Liabilities

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. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

For most of the borrowings that the Council has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest); and interest charged to the Comprehensive Income and Expenditure Statement is the amount payable for the year according to the loan agreement.

Gains and losses on the repurchase or early settlement of borrowing are credited and debited to the Financing & Investing Income & Expenditure line in the Comprehensive Income and Expenditure Statement in the year of repurchase/settlement. However, where any repurchase takes place as part of a restructuring of the loan portfolio that involves the modification or exchange of existing instruments, the premium or discount is respectively deducted from or added to the amortised cost of the new or modified loan and the write-down to the Comprehensive Income and Expenditure Statement is spread over the life of the loan by an adjustment to the effective interest rate.

Where premiums and discounts have been charged to the Comprehensive Income and Expenditure Statement, regulations allow the impact on the General Fund Balance to be spread over future years. The Council has a policy of spreading the gain or loss over the term that was remaining on the loan against which the premium was payable or discount receivable when it was repaid. The reconciliation of amounts charged to the Comprehensive Income and Expenditure Statement to the net charge required against the General Fund or Housing Revenue Account is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

Financial Assets

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cashflow characteristics. There are three main classes of financial assets measured at:



- amortised cost
- fair value through profit or loss (FVPL), and
- fair value through other comprehensive income (FVOCI)

The Council's business model is to hold investments to collect contractual cash flows. Financial assets are therefore classified as amortised cost, except for those whose contractual payments are not solely payment of principal and interest (i.e. where the cash flows do not take the form of a basic debt instrument).

Financial Assets Measured at Amortised Cost

These are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing & Investing Income & 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 financial assets held by the Council, 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.

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

Expected Credit Loss Model

The Council recognises expected credit losses on all of its financial assets held at amortised cost, either on a 12-month or lifetime basis. The expected credit loss model also applies to lease receivables and contract assets. Only lifetime losses are recognised for trade receivables (debtors) held by the Council.

Impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations. Credit risk plays a crucial part in assessing losses. Where risk has increased significantly since an instrument was initially recognised, losses are assessed on a lifetime basis. Where risk has not increased significantly or remains low, losses are assessed on the basis of 12-month expected losses.

Financial Assets Measured at Fair Value through Profit or Loss

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

The fair value measurements of the financial assets are based on the following techniques:

- instruments with quoted market prices – the market price
- other instruments with fixed and determinable payments – discounted cash flow analysis

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

- Level 1 inputs – quoted prices (unadjusted) in active markets for identical assets that the Council can access at the measurement date.
- Level 2 inputs – inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly.
- Level 3 inputs – unobservable inputs for the asset.

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

Government Grants and Contributions

Whether paid on account, by instalments or in arrears, government grants and third-party contributions and donations are recognised as due to the Council when there is reasonable assurance that:

- the Council will comply with the conditions attached to the payments, and
- the grants or contributions will be received.

Amounts recognised as due to the Council are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, or where grants are received without conditions, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ringfenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

Council Tax and Non-Domestic Rates

Nuneaton and Bedworth Borough Council is a billing authority and as such act as agents, collecting Council Tax and Non-Domestic Rates (NDR) on behalf of the major preceptors (including government for NDR) and, as principals, collecting Council Tax and NDR for themselves. Billing authorities are required by statute to maintain a separate fund (the Collection Fund) for the collection and distribution of amounts due in respect of Council Tax and NDR.



Under the legislative framework for the Collection Fund, billing authorities, major preceptors and central government share proportionately the risks and rewards that the amount of Council Tax and NDR collected could be less or more than predicted.

Accounting for Council Tax and Non-Domestic Rates (NDR)

The Council Tax and NDR income included in the Comprehensive Income and Expenditure Statement is the Authority's share of accrued income for the year. However, regulations determine the amount of Council Tax and NDR that must be included in the authority's General Fund. Therefore, the difference between the income included in the Comprehensive Income and Expenditure Statement and the amount required by regulation to be credited to the General Fund is taken to the Collection Fund Adjustment Account and included as a reconciling item in the Movement in Reserves Statement.

The Balance Sheet includes the Council's share of the year-end balances in respect of Council Tax and NDR relating to arrears, impairment allowances for doubtful debts, overpayments, prepayments, and provisions for NDR appeals.

Where debtor balances for the above are identified as impaired because of a likelihood arising from a past event that payments due under the statutory arrangements will not be made (fixed or determinable payments), the asset is written down and a charge made to the Taxation and Non-Specific Grant Income line in the Comprehensive Income and Expenditure Statement. The impairment loss is measured as the difference between the carrying amount and the revised future cash flows.

Investment Property

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

Investment properties are measured initially at cost and subsequently at fair value. Fair value is the amount that would be paid for the asset in its existing use calculated by projecting its annual rentals into perpetuity. Properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the Financing & Investing Income & Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.

Rentals received in relation to investment properties are credited to the Financing & Investing Income & Expenditure line of the Comprehensive Income and Expenditure Statement and result in a gain for the General Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

Leases

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases.

Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.



Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

The Council as Lessee

IFRS 16

IFRS 16 was adopted and made mandatory to implement in the Code of Practice on Local Authority Accounting in the United Kingdom for 2024/25.

This change led to operating leases as a lessee which were treated as arrangements with rental expenses in the financial year changing. IFRS 16 now requires all leases as a lessee to be treated as a financial lease, recognising the rights acquired to use an asset.

The change subsequently shows the right of use asset on the balance sheet as an asset with a corresponding liability in relation to the payments falling within 1 year (short term) or 2 years and above (long-term).

The impact to the Council's net asset position on the balance sheet is nil with the increase in assets being offset by the increase in liabilities.

The Council as Lessor

Operating Leases

Where the Council grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the Other Operating Income & Expenditure line in the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g. there is a premium paid at the commencement of the lease). Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

Overheads and Support Services

The costs of overheads and support services are charged to those that benefit from the supply or service in accordance with the costing principles of the CIPFA Service Reporting Code of Practice 2024/25 (SeRCOP). The total absorption costing principle is used – the full cost of overheads and support services are shared between users in proportion to the benefits received.

During 2023/24 support services within the Council were apportioned to each individual Portfolio based on a recharge mechanism. After a review during the 2024/25 budget setting round, the methodology changed to only apportion support services to the Housing Revenue Account. This led to a budget for the services being established and the change impacting the expenditure and income within the 'Resources and Customer Services' Portfolio.

Property, Plant and Equipment

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



Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably. De minimis levels of £5,000 for the General Fund and £10,000 for the Housing Revenue Account have been set as the materiality level for assets to be included in the Balance Sheet. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

Measurement

Assets are initially measured at cost, comprising:

- 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
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

The Council does not capitalise borrowing costs incurred whilst assets are under construction.

The cost of assets acquired other than by purchase (e.g. finance lease) is deemed to be its fair value, unless the acquisition does not have commercial substance (i.e. it will not lead to a variation in the cash flows of the Council). In the latter case, where an asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the Council.

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

- infrastructure, community assets and assets under construction – depreciated historical cost
- dwellings – fair value, determined using the basis of existing use value for social housing (EUV-SH)
- all other assets – current value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV).

Where there is no market-based evidence of fair value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of fair value.

Where non-property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for fair value.

Assets included in the Balance Sheet at current value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their current value at the year-end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Gains may be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of a loss previously charged to a service.

Where decreases in value are identified, they are accounted for as follows:



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

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.

Impairment

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

Where impairment losses are identified, they are accounted for as follows:

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

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

Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land and certain Community Assets) and assets that are not yet available for use (i.e. Assets Under Construction).

Depreciation is calculated on the following bases:

- dwellings and other buildings – straight-line allocation over the useful life of the property as estimated by the valuer. The depreciable value is deemed to be the total asset valuation less the value of the land.
- vehicles, plant, furniture and equipment – vehicles are depreciated on a straight-line basis to a residual resale value over a period of 5 to 7 years, computer hardware is depreciated over a period of 5 years on a straight-line basis to a nil residual value and other equipment is depreciated on a straight-line basis to a residual value over periods up to 10 years.

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.

Component Accounting

Where an item of Property, Plant and Equipment asset has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately.

It is the policy of this Council to consider assets for componentisation when their value is more than £500,000 and they have either been revalued or have incurred capital expenditure in the financial year. Individual components will be created where their value is more than 20% of the total value of the asset and has a depreciable life materially different from the main asset.

Disposals and Non-Current Assets Held for Sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and 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. Gains in fair value are recognised only up to the amount of any previous losses recognised in the Surplus or Deficit on Provision of Services. Depreciation is not charged on Assets Held for Sale.

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to non-current assets and valued at the lower of their carrying amount before they were classified as Held for Sale; adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as Held for Sale, and their recoverable amount at the date of the decision not to sell.

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 (whether Property, Plant and Equipment or Assets Held for Sale) 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 (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains 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. A proportion of receipts relating to housing disposals is payable to the Government. The balance of receipts is required to be credited to the Capital Receipts Reserve and can only be used for new capital investment or set aside to reduce the Council's underlying need to borrow (the capital financing requirement). Receipts are appropriated to the Reserve from the General Fund or Housing Revenue Account in the Movement in Reserves Statement.

The written-off value of disposals is not a charge against Council Tax or housing rents, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund or Housing Revenue Account in the Movement in Reserves Statement.

Provisions, Contingent Liabilities and Contingent Assets



Provisions

Provisions are made where an event has taken place that gives the Council a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. For instance, the Council may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Council 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.

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.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the Council settles the obligation.

Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Council 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 Council. 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.

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

Contingent Assets

A contingent asset arises where an event has taken place that gives the Council 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 Council.

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.

Reserves

The Council sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Fund or Housing Revenue Account in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year and therefore impacts the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then reduced accordingly so that there is no net charge against Council Tax or housing rent for the expenditure.



Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments, retirement and employee benefits and do not represent usable resources for the Council – these reserves are explained in the relevant policies. Details can be found in note 24.

Revenue Expenditure Funded from Capital Under Statute

Expenditure incurred during the year that may be capitalised under statutory provisions but that does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year. 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 General Fund or Housing Revenue Account to the Capital Adjustment Account then reverses out the amounts charged so that there is no impact on the level of Council Tax or housing rent.

VAT

VAT payable is included as an expense only to the extent that it is not recoverable from His Majesty's Revenue and Customs. VAT receivable is excluded from income.

2. Accounting Standards Issued but not yet Adopted

The CIPFA Code of Practice on Local Authority Accounting in the UK requires an authority to disclose information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted by the Code for the relevant financial year.

At the Balance Sheet date, the following new standards and amendments to existing standards have been published but not yet adopted by the Code.

- a) Classification of Liabilities as Current or Non-current (Amendments to IAS 1) issued in January 2020. The amendments specify that an entity's right to defer settlement must exist at the end of the reporting period, to clarify that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement, to clarify how lending conditions affect classification, and to clarify requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.
- b) Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) issued in September 2022. The amendments to IFRS 16 add additional measurement requirements for sale and leaseback transactions.
- c) Non-current Liabilities with Covenants (Amendments to IAS 1) issued in October 2022. The amendments improved the information an entity provides when its right to defer the settlement of a liability for at least 12 months is subject to compliance with covenants.
- d) Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7) issued in May 2023. The amendments require an entity to provide additional disclosures about its supplier finance arrangements. The IASB developed the new requirements to provide users of financial statements with information to enable them to assess how supplier finance arrangements affect an entity's liabilities and cash flows, and understand the effect of supplier finance arrangements on an entity's exposure to



liquidity risk and how the entity might be affected if the arrangements were no longer available to it.

The amendments noted from a) to d) are not considered to have a material impact on the Council's accounts.

3. Critical Judgement in Applying Accounting Policies

In applying the accounting policies set out in note 1, the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

Going Concern

Local authorities are required by the Code of Practice on Local Authority Accounting to prepare their accounts on a going concern basis, which is services the Council will continue to operate for the foreseeable future, as a local authority can only be discontinued as a result of statutory prescription.

The Council faces significant cost pressures due to inflationary increases, increased borrowing interest rates plus an increased demand for its services. In addition, the continued uncertainty regarding future levels of funding increases the difficulty in ensuring a robust medium-term financial position.

Controls are in place to help mitigate and manage inherent risks including a robust approach to financial planning and budget setting, quarterly financial performance reporting to elected members and senior officers and an internal audit function that assess controls and processes.

A prudent level of reserves is in place and sound management of these reserves will aid in supporting the Council to achieve savings and efficiencies into the future.

Based on the controls on place and the reserves set aside, the Council considers that it can continue to meet its liabilities as they fall due, supporting the preparation of the Statement of Accounts on a going concern basis.

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 Council about the future or that are otherwise uncertain. Estimates take 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 Council's Balance Sheet at 31st March 2025 for which there is a significant risk of material adjustment in the forthcoming financial year are detailed in the following table:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Valuation of Property, Plant & Equipment and Investment Property	Asset valuations are based on market prices and are periodically reviewed to ensure that the Council does not materially misstate the value of its non-current assets.	<p>A reduction in the estimated valuations would result in reductions to the Revaluation Reserve and / or a loss recorded as appropriate in the CIES.</p> <p>An increase in estimated valuations would result in increases to the Revaluation Reserve and / or reversals of previous downward revaluations to the CIES and / or gains being recorded as appropriate in the CIES.</p> <p>Depreciation charges for operational buildings will change in direct relation to changes in estimated current value.</p>
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. Consulting actuaries are engaged to provide the Council with expert advice about the assumptions to be applied.	<p>In year, the discount rate used increased by 1.00%. Very small percentage movements have significant impacts on the valuation of the liability.</p> <p>The assumptions used can be found in note 38.</p>

5. Material Items of Income and Expense

When items of income or expenditure 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 accounts, depending on how significant the items are to an understanding of the Council's financial performance.

There are considered to be no material items to be disclosed.

6. Events After the Balance Sheet Date

The Statement of Accounts was originally authorised for issue by the Strategic Director – Corporate Resources on 30th June 2025. Events taking place after this date are not reflected in the financial statements or notes.

There are no known events after 31st March 2025 and before the authorised issue date.

7. Expenditure and Funding Analysis

The Expenditure and Funding Analysis takes the net expenditure that is chargeable to taxation and rents and reconciles it to the CIES. The objective of the Expenditure and Funding Analysis is to demonstrate to council tax and rent payers how the funding available to the Council (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 councils 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 portfolios. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the CIES.

£'000	2024/25			2023/24 <i>restated</i>		
	Net Expenditure Chargeable to the General Fund and HRA (Note 7a)	Adjustments Between Accounting & Funding Basis (Note 7b)	Net Expenditure on the CIES	Net Expenditure Chargeable to the General Fund and HRA (Note 7a)	Adjustments Between Accounting & Funding Basis (Note 7b)	Net Expenditure on the CIES
Business & Regeneration	1,338	925	2,263	544	1,293	1,837
Environment & Public Services	5,629	52	5,682	4,867	326	5,193
Housing	(856)	6,489	5,632	(748)	4,835	4,087
Housing Revenue Account	(2,621)	17,921	15,300	(3,115)	10,429	7,314
Leisure, Communities & Health	2,659	705	3,364	2,597	5,023	7,620
Planning & Enforcement	160	(478)	(318)	176	(20)	156
Resources & Customer Services	12,837	(729)	12,108	10,707	(1,921)	8,786
Net Cost of Services	19,146	24,885	44,031	15,029	19,964	34,993
Other Income & Expenditure	(24,668)	(29,642)	(54,310)	(16,975)	(15,098)	(32,073)
(Surplus) or Deficit	(5,522)	(4,757)	(10,279)	(1,946)	4,866	2,920
Opening General Fund & HRA Balances	(26,228)			(24,281)		
Less/ Plus Surplus or (Deficit) on General Fund and HRA Balance in Year	(5,522)			(1,946)		
Closing General Fund & HRA Balance in Year	(31,750)			(26,227)		



7a Reconciliation of Amounts Reported to Management and the Amounts Chargeable to General Fund and HRA Balances

2024/25					
	Amounts as Reported for Resources Management	Removal of Depreciation Reported at Portfolio Level	Removal of Earmarked Reserves not Chargeable to Balances	Transferred between Net Cost of Services and Other Income & Expenditure	Net Expenditure Chargeable to the General Fund and HRA
£'000					
Business & Regeneration	523	(766)	0	1,580	1,338
Environment & Public Services	5,680	(360)	0	309	5,629
Housing	(618)	(239)	0	0	(856)
Housing Revenue Account	(409)	0	0	(2,212)	(2,621)
Leisure, Communities & Health	3,459	(800)	0	0	2,659
Planning & Enforcement	160	0	0	0	160
Resources & Customer Services	13,416	(584)	0	4	12,837
Net Cost of Services	22,212	(2,748)	0	(318)	19,146
Other Income & Expenditure	(22,871)	2,748	(4,863)	318	(24,668)
(Surplus) or Deficit	(660)	0	(4,863)	0	(5,522)

2023/24 restated					
	Amounts as Reported for Resources Management	Removal of Depreciation Reported at Portfolio Level	Removal of Earmarked Reserves not Chargeable to Balances	Transferred between Net Cost of Services and Other Income & Expenditure	Net Expenditure Chargeable to the General Fund and HRA
£'000					
Business & Regeneration	(426)	(316)	0	1,286	544
Environment & Public Services	4,979	(402)	0	290	4,867
Housing	(558)	(190)	0	0	(748)
Housing Revenue Account	(41)	0	0	(3,074)	(3,115)
Leisure, Communities & Health	3,593	(996)	0	0	2,597
Planning & Enforcement	176	0	0	0	176
Resources & Customer Services	10,748	(197)	0	156	10,707
Net Cost of Services	18,472	(2,102)	0	(1,341)	15,029
Other Income & Expenditure	(18,854)	2,102	(1,564)	1,341	(16,975)
(Surplus) or Deficit	(382)	0	(1,564)	0	(1,946)

7b Adjustments Between Accounting and Funding Basis

2024/25				
	Adjustments for Capital Purposes	Net Changes for the Pension Adjustment	Other Adjustments	Adjustments Between Accounting & Funding Basis
£'000				
Business & Regeneration	1,231	(14)	(292)	925
Environment & Public Services	360	(67)	(241)	52
Housing	7,455	(4)	(962)	6,489
Housing Revenue Account	18,282	(134)	(226)	17,921
Leisure, Communities & Health	908	(4)	(199)	705
Planning & Enforcement	0	(11)	(467)	(478)
Resources & Customer Services	584	(361)	(951)	(729)
Net Cost of Services	28,820	(595)	(3,340)	24,885
Other Income & Expenditure	(25,497)	(1,615)	(2,530)	(29,642)
(Surplus) or Deficit	3,323	(2,210)	(5,870)	(4,757)

2023/24 restated				
	Adjustments for Capital Purposes	Net Changes for the Pension Adjustment	Other Adjustments	Adjustments Between Accounting & Funding Basis
£'000				
Business & Regeneration	1,312	(6)	(14)	1,293
Environment & Public Services	402	(49)	(27)	326
Housing	4,855	(3)	(18)	4,835
Housing Revenue Account	10,573	(83)	(61)	10,429
Leisure, Communities & Health	5,042	(6)	(13)	5,023
Planning & Enforcement	0	(15)	(6)	(20)
Resources & Customer Services	(1,672)	(234)	(15)	(1,921)
Net Cost of Services	20,512	(395)	(153)	19,964
Other Income & Expenditure	(12,681)	(1,053)	(1,364)	(15,098)
(Surplus) or Deficit	7,830	(1,448)	(1,517)	4,866

Adjustments for Capital Purposes – this column adds in depreciation and impairment and revaluation gains and losses in the service line and within other income and expenditure the adjustments are for:

- capital disposals with a transfer of the income on disposal of those assets
- statutory charge for capital financing (i.e. Minimum Revenue Provision)
- capital grants are adjusted for income not chargeable under generally accepted accounting practices.

Net Changes for Pension Adjustment – within services the adjustment represents the removal of the employer pension contributions and is replaced with current service costs and past service costs. Within Other Income and Expenditure, the adjustments are for the net interest on the defined liability.

Other Adjustments – These represent employee benefits adjustments within the services. The adjustments in Other Income and Expenditure are for the premiums and discounts chargeable in relation to debt repaid early and the difference between what is chargeable under statutory regulations for council tax and NNDR that was predicted to be received at the start of the year and the income recognised under generally accepted accounting practices. This latter adjustment is a timing difference as any difference will be brought forward in future Surpluses or Deficits on the Collection Fund.

7c Segmental Income

Income received on a segmental basis is analysed in the following table:

£'000	2024/25	2023/24 restated
Income from Services:		
Business & Regeneration	(1,643)	(1,886)
Environment & Public Services	(2,072)	(2,143)
Housing	(2,473)	(2,273)
Housing Revenue Account	(32,155)	(29,202)
Leisure, Communities & Health	(478)	(510)
Planning & Enforcement	(1,776)	(1,415)
Resources & Customer Services	(1,436)	(1,140)
Total	(42,033)	(38,568)

8. Expenditure and Income Analysed by Nature

The Council's expenditure and income analysed as follows:

<i>£'000</i>	2024/25	2023/24 <i>restated</i>
Employee benefit expenses	22,248	25,251
Housing Benefit payments	25,476	25,221
Other service expenses	35,487	27,954
Depreciation, amortisation, impairment & revaluations	41,978	26,250
Interest payments	801	891
Precepts and levies	13,485	12,487
Loss on Disposal of Assets	(489)	1,561
Total Expenditure	138,986	119,617
Fees, charges and other service income	(43,543)	(41,042)
Interest and investment income	(1,794)	(1,813)
Income from Council Tax and Non-Domestic Rates	(32,474)	(30,073)
Government Grants (Housing Benefit)	(24,131)	(23,731)
Other grants and contributions	(39,630)	(20,038)
Total Income	(141,572)	(116,697)
(Surplus)/ Deficit on the Provision of Services	(2,586)	2,920

9. Adjustments Between Accounting Basis and Funding Basis Under Regulations

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

2024/25	Usable Reserves					
	General Fund	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Total
£000s						
Amounts by which income and expenditure included in the CIES are different from revenue for the year calculated in accordance with statutory requirements:						
Pensions costs (transferred to/from Pensions Reserve)	1,711	499	-	-	-	2,210
Financial instruments (transferred to/from Financial Instruments Adjustments Account)	21	-	-	-	-	21
Council Tax and NDR (transferred to/from Collection Fund Adjustment Account)	(1,010)	-	-	-	-	(1,010)
Holiday Pay (transferred to/from Accumulated Absences Reserve)	(18)	41	-	-	-	23
Reversal of entries included in Surplus/Deficit on the Provision of Services relating to capital expenditure (these items are charged to the Capital Adjustment Account)	1,822	(29,507)	-	-	-	(27,685)
Reversal of entries included in Surplus/Deficit on the Provision of Services relating to the movement in fair value in investments classified as Fair Value through Profit & Loss	34	-	-	-	-	34
Total Adjustments to Revenue Resources	2,560	(28,966)	-	-	-	(26,407)
Transfer of non-current asset sale proceeds to the Capital Receipts Reserve	151	1,726	(1,877)	-	-	-
Transfer of capital grants to the Capital Grants Unapplied Reserve	8,247	-	-	-	(8,247)	-
Posting of HRA resources to the Major Repairs Reserve	-	11,477	-	(11,477)	-	-
Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account)	459	-	-	-	-	459
Capital expenditure financed from revenue (transfer to the Capital Adjustment Account)	1,025	389	-	-	-	1,414
Total Adjustments between Revenue and Capital Resources	9,881	13,592	(1,877)	(11,477)	(8,247)	1,873
Use of the Capital Receipts Reserve to finance capital expenditure	-	-	396	-	-	396
Use of the Major Repairs Reserve to finance capital expenditure	-	-	-	11,477	-	11,477
Application of capital grants to finance capital expenditure	-	-	-	-	6,794	6,794
Total Adjustments to Capital Resources	-	-	396	11,477	6,794	18,667
TOTAL ADJUSTMENTS	12,441	(15,375)	(1,481)	-	(1,453)	(5,867)



2023/24						
	General Fund	Housing Revenue Account	Usable Reserves		Capital Grants Unapplied	Total
			Capital Receipts Reserve	Major Repairs Reserve		
£000s						
Amounts by which income and expenditure included in the CIES are different from revenue for the year calculated in accordance with statutory requirements:						
Pensions costs (transferred to/from Pensions Reserve)	1,143	305	-	-	-	1,448
Financial instruments (transferred to/from Financial Instruments Adjustments Account)	21	-	-	-	-	21
Council Tax and NDR (transferred to/from Collection Fund Adjustment Account)	1,120	-	-	-	-	1,120
Holiday Pay (transferred to/from Accumulated Absences Reserve)	62	53	-	-	-	115
Reversal of entries included in Surplus/Deficit on the Provision of Services relating to capital expenditure (these items are charged to the Capital Adjustment Account)	(7,553)	(19,958)	-	-	-	(27,511)
Reversal of entries included in Surplus/Deficit on the Provision of Services relating to the movement in fair value in investments classified as Fair Value through Profit & Loss	(71)	-	-	-	-	(71)
Total Adjustments to Revenue Resources	(5,278)	(19,600)	-	-	-	(24,878)
Transfer of non-current asset sale proceeds to the Capital Receipts Reserve	203	1,073	(1,276)	-	-	-
Transfer of capital grants to the Capital Grants Unapplied Reserve	6,370	-	-	-	(6,370)	-
Payments to the Government housing receipts pool (funded by a transfer from the Capital Receipts Reserve)	-	-	-	-	-	-
Posting of HRA resources to the Major Repairs Reserve	-	9,836	-	(9,836)	-	-
Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account)	654	-	-	-	-	654
Capital expenditure financed from revenue (transfer to the Capital Adjustment Account)	750	1,127	-	-	-	1,877
Total Adjustments between Revenue and Capital Resources	7,976	12,036	(1,276)	(9,836)	(6,370)	2,531
Use of the Capital Receipts Reserve to finance capital expenditure	-	-	358	-	-	358
Use of the Major Repairs Reserve to finance capital expenditure	-	-	-	10,070	-	10,070
Application of capital grants to finance capital expenditure	-	-	-	-	9,447	9,447
Cash payments in relation to deferred capital receipts	-	-	-	-	-	-
Total Adjustments to Capital Resources	-	-	358	10,070	9,447	19,874
TOTAL ADJUSTMENTS	2,698	(7,564)	(918)	234	3,077	(2,473)



Below is a description of each of the reserves that the adjustments are made against:

General Fund Balance

The General Fund is the statutory fund into which all the receipts of an authority are required to be paid and out of which all liabilities of the authority are to be met, except to the extent that statutory rules might provide otherwise. These rules can also specify the financial year in which liabilities and payments should impact on the General Fund, which is not necessarily in accordance with proper accounting practice. The General Fund therefore summarises the resources that the Council is statutorily empowered to spend on its services or on capital investment at the end of the financial year, however, the balance is not available to be applied to fund HRA services.

Housing Revenue Account Balance

The Housing Revenue Account reflects the statutory obligation to maintain a revenue account for local authority council housing provision in accordance with Part VI of the Local Government and Housing Act 1989. It contains the balance of income and expenditure as defined by the 1989 Act that is available to fund future expenditure in connection with the Council's landlord function.

Major Repairs Reserve

The Council is required to maintain a Major Repairs Reserve, which controls an element of the capital resources limited to being used on capital expenditure on HRA assets or the financing of historic capital expenditure by the HRA. The balance shows the capital resources that have yet to be applied at the year-end.

Capital Receipts Reserve

The Capital Receipts Reserve holds the proceeds from the disposal of land or other assets, which are restricted by statute from being used other than to fund new capital expenditure or to be set aside to finance historic capital expenditure. The balance on the reserve shows the resources that have yet to be applied for these purposes at the year-end.

Capital Grants Unapplied

The Capital Grants Unapplied Reserve holds the grants and contributions received towards capital projects for which the Council has met the conditions that would otherwise require repayment of the monies, but which have yet to be applied to meet expenditure. The balance is restricted by grant terms as to the capital expenditure against which it can be applied and/or the financial year in which this can take place.



10. Earmarked Reserves

This note summarises the amounts set aside from the General Fund and HRA balances in earmarked reserves to provide financing for future expenditure plans.

£'000	2024/25	2023/24
General Fund Earmarked Reserves		
Risk Based Reserves	6,482	5,746
General Revenue Reserves	7,192	4,448
Capital Earmarked Reserves	3,339	2,418
Financial Planning Reserve	1,586	1,310
Collection Fund Timing	387	387
Total General Fund	18,986	14,309
Housing Revenue Account Earmarked Reserves		
Risk Based Reserves	350	350
General Revenue Reserves	1,373	1,187
Capital Earmarked Reserves	3,773	3,773
Total Housing Revenue Account	5,496	5,311

11. Other Operating Expenditure

£'000	2024/25	2023/24
Payments to the Government Housing Capital Receipts Pool	-	-
(Gains)/ losses on the disposal of non-current assets	(489)	1,561
Total	(489)	1,561

12. Financing and Investing Income and Expenditure

A breakdown of total income and expenditure in relation to investment properties, which includes gains or losses on revaluation, can be found in note 15 to the accounts.

£'000	2024/25	2023/24 Restated
Interest payable & similar charges	2,416	1,944
Net interest on the net defined benefit pension liability	(1,615)	(1,053)
Interest receivable and similar income	(1,794)	(1,813)
Income & expenditure in relation to investment properties and changes in their fair value	7,542	859
Total	6,549	(63)

13. Taxation and Non-Specific Grant Income

£000	2024/25	2023/24
Council Tax income	(10,650)	(10,190)
Non-Domestic Rates:		
Billing authority share of income	(17,214)	(16,189)
Tariff payment	10,937	11,046
Levy and Pooling	1,416	1,288
Section 31 Grants from Central Government	(3,764)	(3,539)
Non-ringfenced government grants:		
New Homes Bonus	(1,181)	(1,361)
Disabled Facilities Grant	(2,050)	(1,796)
Other	(838)	(337)
Ringfenced government grants:		
Towns Fund	-	(5,725)
Green Homes	(1,207)	(813)
Pathfinder Project - MHCLG	(17,966)	-
Homes England	(289)	(1,146)
Other Local Authorities	(1,128)	(791)
Local Authority Contributions for HEART	(3,919)	(3,149)
Salix	(1,722)	-
DEFRA	(986)	-
Sport England	(421)	-
Other Capital grants & contributions	(1,694)	(868)
Total	(52,677)	(33,572)

14. Property, Plant and Equipment

2024/25	Council Dwellings	Other Land & Buildings	Vehicles, Plant & Equipment	Infrastructure Assets	Community Assets	Surplus Assets	Assets Under Construction	Total Property, Plant & Equipment
'£000								
Cost or Valuation								
At 1 April 2024	283,920	69,965	14,070	2,313	195	1,655	31,772	403,889
Additions	20,782	3,556	1,362	12	59	-	25,579	51,351
Accumulated Depreciation and Impairment to Gross Carrying Amount	(10,614)	(4,390)	-	-	-	-	-	(15,005)
Revaluation increases / (decreases) recognised in the Revaluation Reserve	10,372	13,755	-	-	-	-	-	24,127
Revaluation increases / (decreases) recognised in the Surplus/Deficit on Provision of Services	(18,282)	(7,422)	-	-	-	(388)	-	(26,092)
Derecognition - disposals	(1,393)	-	(997)	-	-	-	-	(2,389)
Assets reclassified (to) / from Investment Properties	-	-	-	-	-	(540)	-	(540)
Other movements in Cost or Valuation	(23)	30,191	-	-	-	-	(36,523)	(6,355)
As at March 2025	284,762	105,655	14,435	2,325	254	726	20,828	428,985
Accumulated Depreciation & Impairment								
At 1 April 2024	-	(3,008)	(10,853)	(1,235)	(56)	-	-	(15,153)
Depreciation charge	(10,644)	(2,301)	(803)	(55)	-	(12)	-	(13,815)
Accumulated Depreciation written off to Gross Carrying Amount	10,614	4,198	-	-	-	-	-	14,812
Impairment written off to Gross Carrying Amount	-	192	-	-	-	-	-	192
Impairment losses recognised in the Revaluation Reserve	-	(1)	-	-	-	-	-	(1)
Impairment losses recognised in Surplus/Deficit on the Provision of Services	-	(17)	-	-	(59)	-	-	(77)
Derecognition - disposals	29	-	974	-	-	-	-	1,004
Assets reclassified (to) / from Investment Properties	-	-	-	-	-	12	-	12
Other movements in Depreciation and Impairment	-	-	-	-	-	-	-	-
At 31 March 2025	(0)	(938)	(10,681)	(1,291)	(116)	-	-	(13,026)
Net Book Value								
at 31 March 2024	283,920	66,957	3,217	1,077	139	1,655	31,772	388,736
at 31 March 2025	284,761	104,717	3,754	1,034	139	726	20,828	415,959



Comparative Movements in 2023/24:

2023/24	Council Dwellings	Other Land & Buildings	Vehicles, Plant & Equipment	Infrastructure Assets	Community Assets	Surplus Assets	Assets Under Construction	Total Property, Plant & Equipment
'£000								
Cost or Valuation								
At 1 April 2023	248,028	48,466	12,974	2,243	114	-	12,718	324,543
Additions	11,538	505	1,810	70	-	-	20,404	34,327
Accumulated Depreciation and Impairment to Gross Carrying Amount	(9,304)	(1,785)	-	-	-	(775)	-	(11,864)
Revaluation increases / (decreases) recognised in the Revaluation Reserve	44,930	29,167	-	-	81	(2,724)	-	71,454
Revaluation increases / (decreases) recognised in the Surplus/Deficit on Provision of Services	(10,559)	3,115	-	-	-	(2,699)	-	(10,143)
Derecognition - disposals	(714)	(2,549)	(715)	-	-	-	-	(3,978)
Assets reclassified (to) / from Investment Properties	-	(1,950)	-	-	-	1,500	-	(450)
Other movements in Cost or Valuation	-	(5,003)	-	-	-	6,353	(1,350)	-
As at March 2024	283,920	69,965	14,070	2,313	195	1,655	31,772	403,889
Accumulated Depreciation & Impairment								
At 1 April 2023	-	(4,522)	(10,793)	(1,180)	(56)	-	-	(16,551)
Depreciation charge	(9,314)	(1,477)	(762)	(55)	-	(1)	-	(11,609)
Accumulated Depreciation written off to Gross Carrying Amount	9,304	1,526	-	-	-	773	-	11,603
Impairment written off to Gross Carrying Amount	-	259	-	-	-	2	-	261
Impairment losses recognised in the Revaluation Reserve	-	(152)	-	-	-	-	-	(152)
Impairment losses recognised in Surplus/Deficit on the Provision of Services	-	-	-	-	-	-	-	-
Derecognition - disposals	10	428	702	-	-	-	-	1,141
Assets reclassified (to) / from Investment Properties	-	154	-	-	-	-	-	154
Other movements in Depreciation and Impairment	-	775	-	-	-	(775)	-	-
At 31 March 2024	(0)	(3,008)	(10,853)	(1,235)	(56)	-	-	(15,153)
Net Book Value								
at 31 March 2023	248,028	43,944	2,181	1,063	57	0	12,718	307,992
at 31 March 2024	283,920	66,957	3,217	1,077	139	1,655	31,772	388,736



Depreciation

The following useful lives, as determined by the valuer, have been used in the calculation of depreciation on a straight-line basis:

Council Dwellings:	20 to 60 years
Other Land and Buildings:	10 to 50 years
Vehicles, Plant Furniture and Equipment:	5 to 10 years
Infrastructure:	25 to 50 years

Revaluations

The Council has a rolling programme of valuations that ensures that all Property, Plant and Equipment measured at current value is revalued at least every 5 years.

All of the council housing stock has been revalued as at 31st March 2025 by an external valuer (Bruton Knowles).

Various other assets within Land and Buildings have been revalued by Bruton Knowles, an external valuer. These include HRA garages and shops, car parks, caravan sites, allotments, Civic Hall, some leisure facilities, Council Depot, the Town Hall and Eaton House (previously Council House).

Valuations of assets were carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors (RICS). All valuations have been undertaken by a RICS qualified valuer.

The effective date of all revaluations was 31st March 2025.

The significant assumptions applied in estimating the fair values are:

- The current value of dwellings, land and buildings are determined either by reference to observable prices in an active market or by other valuation techniques (e.g. capitalisation of income streams).
- Vehicles, plant and equipment are capitalised at cost in the year of purchase and then held at historic cost in subsequent years due to the short life nature of the asset.

The effective date of valuations for assets held by the Council is analysed in the following table:

	Council Dwellings	Other Land & Buildings	Vehicles, Plant & Equipment	Total
£000				
Carried at historical cost	0	425	14,435	14,860
Current value for Dwellings and OLB:				
2024/25	284,762	96,378	0	381,140
2023/24	0	8,173	0	8,173
2022/23	0	34	0	34
Total Cost or Valuation	284,762	105,010	14,435	404,206



15. Investment Properties

Fair Value Hierarchy

Details of the Council's investment properties and information about the fair value hierarchy as at 31st March 2025 are as follows:

£000	Other significant observable inputs (Level 2)	
	2024/25	2023/24
Fair value of Investment Properties:		
Office accommodation	1,239	1,238
Retail units	14,996	15,510
Industrial	2,943	3,014
Residential	440	440
Utilised by NABCEL	7,416	7,667
Other	2,165	1,628
Balance at 31 March	29,199	29,496

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

There have been no transfers between any of the fair value hierarchy levels during the year.

The fair value for the investment properties at Level 2 is based on the market approach using current market conditions and inputs such as sales, rentals and yields in respect of comparable properties in the same or similar locations at or around the valuation date.

In estimating the fair value of the investment properties, the highest and best use of the properties is their current use. There has been no change in the valuation techniques used during the year for investment properties.

The fair value of the Council's investment property is measured annually at each reporting date. All valuations are carried out internally, in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors (RICS).

Amounts reflected in the CIES

The following items of income and expense have been accounted for in the Financing & Investing Income & Expenditure line in the CIES:

£000	2024/25	2023/24
Rental income from investment property	(1,700)	(1,429)
Other income	(63)	(118)
Operating expenses arising from investment property	1,811	2,740
Net (gain) / loss	47	1,193

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

Movement in the Fair Value of Investment Property

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

£000	2024/25	2023/24
Balance at 1 April	29,496	33,031
Additions:		
Purchases	0	0
Subsequent expenditure	748	222
Disposals	0	(0)
Net gains / (losses) from fair value adjustment reflected in Comprehensive Income & Expenditure	(1,574)	(4,053)
Transfers:		
(to) / from Property, Plant & Equipment	529	296
Balance at 31 March	29,198	29,496

16. Financial Instruments

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

Financial Assets & Liabilities

£000	Non-Current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Investments				
Amortised Cost	1,871	1,837	11,208	19,073
Fair Value through Profit and Loss	0	0	0	0
Total Investments	1,871	1,837	11,208	19,073
Debtors				
Loans and receivables at amortised cost	5,760	5,805	13,100	11,939
Debtors that are not financial instruments	0	0	734	559
Total Debtors	5,760	5,805	13,834	12,498
Cash & Cash Equivalents (CCE)	0	0	7,508	5,038
Total Financial Assets	7,631	7,642	32,550	36,608
Borrowings				
Loans at amortised cost	(50,705)	(62,699)	(12,501)	(10,371)
Creditors				
Creditors carried at contract amounts	0	0	(22,183)	(14,113)
Creditors that are not financial instruments	(643)	0	(1,854)	(5,615)
Total Creditors	(643)	0	(24,037)	(19,728)
Total Financial Liabilities	(51,348)	(62,699)	(36,538)	(30,099)

Gains and Losses

The gains and losses recognised in the CIES in relation to financial instruments are made up as follows:

£000	(Surplus) or Deficit on the Provision of Services 2024/25	(Surplus) or Deficit on the Provision of Services 2023/24
Net (Gains)/Losses on:		
Financial assets measured as fair value through profit of loss	(34)	71
Total Net (Gains)/Losses	(34)	71
Interest Revenue:		
Financial assets measured at amortised cost	(1,761)	(1,885)
Other financial assets measured at fair value	(34)	71
Dividend income	0	0
Total Interest Revenue	(1,794)	(1,813)
Interest Expense	2,416	1,944

Fair Value of Financial Assets

Some of the Council's financial assets are measured at fair value on a recurring basis and are described in the following table, including the valuation techniques used to measure them:

£000	As at 31 March 25	As at 31 March 24
Available for Sale:		
Property Fund		
Level 1 - Unadjusted quoted prices in active markets for identical shares	1,794	1,760
	1,794	1,760

Except for the financial assets carried at fair value (described above), all other financial assets and liabilities, represented by amortised cost and long-term debtors are carried on the balance sheet at amortised cost. Their 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 (Level 2) using the following assumptions:

- For loans from the Public Works Loans Board (PWLB) payable, new borrowing rates from the PWLB have been applied to provide the fair value under PWLB debt redemption procedures;
- For non-PWLB loans payable, PWLB prevailing market rates have been applied to provide the fair value under PWLB debt redemption procedures;
- Where an instrument has a maturity of less than 12 months or is a trade or other receivable the carrying amount is assumed to approximate to fair value;



- The fair value of trade and other receivables is taken to be the invoiced or billed amount.

The fair values calculated for financial liabilities carried at amortised cost are as follows:

£'000	31 March 25		31 March 24	
	Carrying amount	Fair Value	Carrying amount	Fair Value
PWLB debt	(60,705)	(58,774)	(70,705)	(68,554)
Non-PWLB debt	(2,000)	(1,550)	(2,000)	(1,701)
Short-term creditors	(22,183)	(22,183)	(14,113)	(14,113)
Total Financial Instrument Liabilities	(84,888)	(82,507)	(86,819)	(84,368)

The fair value of the liabilities is lower than the carrying amount because the Council's portfolio of loans includes a number of fixed rate loans where the interest rate payable is lower than the rates available for similar loans in the market at balance sheet date. This shows a notional future gain (based on economic conditions at 31st March 2025) arising from a commitment to pay interest to lenders at below current market rates. An alternative method of calculating fair value is to apply early repayment rates instead of new borrowing rates from the PWLB.

If this method of calculating fair value had been applied the fair value of liabilities would increase from £82.507m to £84.774m.

The fair values calculated for financial assets carried at amortised cost are as follows:

£000	31 March 25		31 March 24	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Cash & cash equivalents	7,508	7,508	5,038	5,038
Short-term investments	11,208	11,208	19,073	19,073
Long-term investments	77	77	77	77
Short-term debtors	13,100	13,100	11,939	11,939
Long-term debtors	5,760	5,760	5,805	5,805
Total assets	37,653	37,653	41,875	41,874

The fair value of all short term assets is equal to the carrying amount as the majority of the assets are held short term and therefore the carrying amount is deemed to be the fair value of the asset.

17. Nature and Extent of Risks Arising from Financial Instruments

The Council's activities expose it to a variety of financial risks. The key risks are:

- **Credit risk** – the possibility that other parties might fail to pay amounts due to the Council;
- **Liquidity risk** – the possibility that the Council might not have funds available to meet its commitments to make payments;

- Re-financing risk – the possibility that the Council might be requiring to renew a financial instrument on maturity at disadvantageous interest rates or terms;
- Market risk – the possibility that financial loss might arise for the Council as a result of changes in such measures as interest rates movements and foreign exchange rates.

Overall Procedures for Managing Risk

The Council's overall risk management procedures focus on the unpredictability of financial markets and are structured to implement suitable controls to minimise these risks. The procedures for risk management are set out through a legal framework based on the Local Government Act 2003 and associated regulations. These require the Council to comply with the CIPFA Prudential Code, the CIPFA Code of Practice on Treasury Management in the Public Services and investment guidance issued through the Act. Overall, these procedures require the Council to manage risk in the following ways:

- by formally adopting the requirements of the CIPFA Treasury Management Code of Practice;
- by the adoption of a Treasury Policy Statement and treasury management clauses within its financial regulations/standing orders/constitution;
- by approving annually in advance prudential and treasury indicators for the following three years limiting:
 - The Council's overall borrowing;
 - Its maximum and minimum exposures to fixed and variable rates;
 - Its maximum and minimum exposures to the maturity structure of its debt;
 - Its maximum annual exposures to investments maturing beyond a year.
 - by approving an investment strategy for the forthcoming year setting out its criteria for both investing and selecting investment counterparties in compliance with Government guidance;

These are required to be reported and approved at or before the Council's annual Council Tax setting budget or before the start of the year to which they relate. These items are reported with the annual treasury management strategy which outlines the detailed approach to managing risk in relation to the Council's financial instrument exposure. Actual performance is also reported after each year, as is a mid-year update. Quarterly performance reports are also submitted to the Audit and Standards Committee.

The annual treasury management strategy which incorporates the prudential indicators was approved by Council in February 2024 and is available on the Council website.

The key issues within the strategy were:

- The Authorised Limit for 2024/25 was £194.00m. This is the maximum limit of external borrowings or other long term liabilities.



- The Operational Boundary was set at £180.50m. The Operational Boundary is the expected level of debt and other long term liabilities during the year.
- The maximum amounts invested at any one time in any institution or financial group was set at £10m for part nationalised banks and higher rated banks or building societies with a £10m limit set for other institutions, subject to meeting creditworthiness criteria.
- The maximum exposures to the maturity structure of debt were set and are detailed within this note.

These policies are implemented by a central treasury team. The Council maintains written principles for overall risk management, as well as written policies (Treasury Management Practices) covering specific areas, such as interest rate risk, credit risk, and the investment of surplus cash.

Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Council's customers.

This risk is minimised through the Annual Investment Strategy, which requires that deposits are not made with financial institutions unless they meet identified minimum credit criteria, in accordance with the Fitch, Moody's and Standard & Poors Credit Ratings Services. The Annual Investment Strategy also considers maximum amounts and time limits in respect of each financial institution. Deposits are not made with banks and financial institutions unless they meet the minimum requirements of the investment criteria outlined above. Additional selection criteria are also applied after these initial criteria is applied. Details of the Investment Strategy can be found on the Council's website.

This Council uses the creditworthiness service provided by Link Treasury Services. This service uses a sophisticated modelling approach with credit ratings from all three rating agencies – Fitch, Moodys and Standard and Poors, forming the core element. However, it does not rely solely on the current credit ratings of counterparties but also uses the following as overlays:

- credit watches and credit outlooks from credit rating agencies.
- Credit Default Swap price spreads against a benchmark to give early warning of likely changes in credit ratings.
- sovereign ratings to select counterparties from only the most creditworthy countries.

The Council's maximum exposure to credit risk in relation to its investments and cash held in banks, building societies and managed funds of £36.0m cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each institution. Recent experience has shown that it is rare for such entities to be unable to meet their commitments. A risk of irrecoverability applies to all of the Council's deposits, but there was no evidence at 31st March 2025 that this was likely to crystallise.

Amounts Arising from Expected Credit Losses

Credit Risk Exposure

The Council has assessed its short and long term investments and concluded that the expected credit loss is not material therefore no allowances have been made.

A summary of the credit quality of the Council's investments as at 31st March 2025 is shown below, along with the potential maximum exposure to credit risk, based on experience of default and collectability:

	Amount at 31 March 25 £000 A	Historical experience of default % B	Historical experience adjusted for market conditions at 31 March 25 % C	Estimated maximum exposure to default and uncollectability at 31 March 25 £000 (A x C)	Estimated maximum exposure at 31 March 24 £000
Investments:					
A Rated	0	0.34%	0.34%	-	13
Property Fund	2,000	N/A	0.05%	1	0
Cash & Cash Equivalents:					
AAA Rated	6,000	0.02%	0.02%	1	3
A Rated	0	0.34%	0.34%	-	2
Customers	13,832	10.43%	10.43%	1,443	1,304
				1,445	1,321

No breaches of the Council's counterparty criteria occurred during the reporting period and the Council does not expect any losses from non-performance by any of its counterparties in relation to deposits.

The Council does not generally allow credit for its customers, such that £8.42m of the £13.83m balance is past its due date for repayment. The past due amount can be analysed by age as follows:

£'000	2024/25	2023/24
Less than three months	2,366	1,386
Three to six months	3,335	334
Six months to one year	1,192	402
More than one year	1,526	791
	8,419	2,913

Liquidity Risk

The Council manages its liquidity position through the risk management procedures above (the setting and approval of prudential indicators and the approval of the treasury and investment strategy reports), as well as through a comprehensive cash flow management system, as required by the CIPFA Code of Practice. This seeks to ensure that cash is available when needed.



The Council has ready access to borrowings from the money markets to cover any day-to-day cash flow need, and the PWLB and money markets for access to longer term funds. The Council is also required to provide a balanced budget through the Local Government Finance Act 1992, which ensures sufficient monies are raised to cover annual expenditure. There is therefore no significant risk that it will be unable to raise finance to meet its commitments under financial instruments.

Refinancing and Maturity Risk

The Council maintains a significant debt and investment portfolio. Whilst the cash flow procedures above are considered against the refinancing risk procedures, longer-term risk to the Council relates to managing the exposure to replacing financial instruments as they mature. This risk relates to both the maturing of longer-term financial liabilities and longer-term financial assets.

The approved treasury indicator limits for the maturity structure of debt and the limits placed on investments placed for greater than one year in duration are the key parameters used to address this risk. The Council approved treasury and investment strategies address the main risks and the central treasury team address the operational risks within the approved parameters. This includes:

- monitoring the maturity profile of financial liabilities and amending the profile through either new borrowing or the rescheduling of the existing debt; and
- monitoring the maturity profile of investments to ensure sufficient liquidity is available for the Council's day to day cash flow needs, and the spread of longer term investments provide stability of maturities and returns in relation to the longer term cash flow needs.

The maturity analysis of external borrowing and the borrowing rates are as follows:

	31 March 25		31 March 24	
	Average Rate %	Amount £000	Average Rate %	Amount £000
PWLB	4.61%	60,705	3.50%	70,705
Other Lenders	4.10%	2,000	4.10%	2,000
	4.49%	62,705	3.52%	72,705
Less than one year	3.24%	12,000	2.76%	10,000
Maturing in 1-2 years	2.99%	10,000	3.24%	12,000
Maturing in 2-5 years	3.65%	24,205	3.22%	26,705
Maturing in 5-10 years	4.28%	8,500	4.29%	16,000
Maturing in 10-15 years	4.46%	4,000	4.46%	4,000
Maturing in over 15 years	4.24%	4,000	4.24%	4,000
	4.49%	62,705	3.52%	72,705

The maturity analysis of the external borrowing and the approved maximum levels as approved in the Treasury Management Strategy are shown below:

	31 March 25		31 March 24	
	Maximum Exposure Allowable	Maximum Exposure at year end	Maximum Exposure Allowable	Maximum Exposure at year end
less than one year	30%	19%	30%	14%
Maturing in under 2 years	35%	35%	35%	30%
Maturing in under 5 years	50%	74%	50%	67%
Maturing in under 10 years	75%	87%	75%	89%
All Loans	100%	100%	100%	100%

Market Risk

Interest rate risk – the Council is exposed to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Council, depending on how variable and fixed interest rates move across differing financial instrument periods. For instance, a rise in variable and fixed interest rates would have the following effects:

- Borrowings at variable rates – the interest expense charges to the Comprehensive Income and Expenditure Statement will rise;
- Borrowings at fixed rates – the fair value of the borrowing will fall (no impact on the revenue balances)
- Investments at variable rates – the interest income credited to the Comprehensive Income and Expenditure Statement will rise; and
- Investments at fixed rates – the fair value of the assets will fall (no impact on revenue balances)

Borrowings are not carried at fair value on the Balance Sheet, 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 General Fund Balance, subject to influences from Government grants (i.e. HRA).

The Council has a number of strategies for managing interest rate risk. The Annual Treasury Management Strategy draws together the Council's prudential and treasury indicators and its expected treasury operations, including an expectation of interest rate movements. From this Strategy a treasury indicator is set which provides maximum limits for fixed and variable interest rate exposure. The central treasury team will monitor market and forecast interest rates within the year to adjust exposures appropriately. For instance, during periods of falling interest rates, and where economic circumstances make it favourable, fixed rate investments may be taken for longer periods to secure better long-term returns, similarly the drawing of longer-term fixed rates borrowing would be postponed.

If all 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	-
Increase in interest receivable on variable rate investments	(150)
Net Impact on (Surplus) or Deficit on the Provision of Services	(150)
Decrease in fair value of fixed rate borrowings	3,960

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

Price risk – The Council, excluding the pension fund, does not invest in equity shares or marketable bonds.

However, it does have holdings in a property fund managed by CCLA. Whilst these holdings are generally illiquid, the Council is exposed to losses arising from movements in the value of the shares. However, the Ministry for Housing, Communities and Local Government (MHCLG) has introduced a statutory over-ride to protect the General Fund balance from any fluctuations in fair value movements in quoted investment funds. In the Council's case this relates to its investments in the CCLA Property Fund. This over-ride expires on 31st March 2029 for existing investments, and any new pooled investments are not covered by the override.

18. Cash and Cash Equivalents

The balance of Cash and Cash Equivalents comprises the following elements:

£000	2024/25	2023/24
Bank current accounts	7,508	7
Short-term deposits	-	5,030
Total Cash and Cash Equivalents	7,508	5,038

19. Debtors

£000	2024/25	2023/24
Amounts due within one year (net of impairment):		
Central Government bodies:		
Ministry for Housing, Communities & Local Government	40	40
Department for Works & Pensions	1,560	692
HM Revenue & Customs	1,004	1,657
Other Government Departments	177	310
Other Local Authorities	3,428	5,554
Housing Tenants	1,810	1,262
Council Tax Arrears	417	394
Non Domestic Rates Arrears	413	337
Other	4,216	2,806
Payments in Advance	770	(555)
Total	13,834	12,498

Debtor balances are shown net of any allowance held for bad or doubtful debts. For 2024/25 the total impairment allowance across all debt types was £6.08m (£5.97m for 2023/24).

Local Taxation

The amounts included in the above table for local taxation (council tax and non-domestic rates) are net of impairment allowances. The past due but not impaired amounts for Nuneaton and Bedworth Borough Council's proportion of local taxation can be analysed by age as follows:

£000	2024/25	2023/24
Council Tax:		
Less than 1 year	389	366
1 - 2 years	198	188
2 - 5 years	291	295
more than 5 years	226	214
	1,104	1,063
Non-Domestic Rates:		
Less than 1 year	373	268
1 - 2 years	118	119
2 - 5 years	225	206
more than 5 years	322	248
	1,038	841

20. Creditors

£'000	2024/25	2023/24
Department for Levelling Up, Housing and Communities	(1,911)	(394)
HM Revenue and Customs	(761)	(426)
Other Government Departments	(1,533)	(2,637)
Other Local Authorities	(541)	(131)
Other entities and individuals	(19,913)	(16,140)
Total	(24,659)	(19,728)

21. Provisions

£000	Business Rate Appeals	Total
Balance at 1 April 24	1,178	1,178
Provisions made in year	244	244
Amounts used in year	(287)	(287)
Balance at end of 31 March 25	1,134	1,134

Business Rate Appeals: Localisation of Business Rates came into effect from 1st April 2013 and means that local authorities retain a proportion of the business rates they collect in their area. The Council retains 40% of income, Warwickshire County Council 10% and Central Government 50%. This also means that local authorities share the risk from fluctuations in business rates, and the most significant source of volatility is appeals against rateable value. The Valuation Office is responsible for revaluing properties, the most recent

being in 2017 which came into effect at 1st April 2017. Businesses can appeal this valuation and if successful the refund will be backdated to the last rating list. The Valuation Office has prioritised settlement of appeals claims and the total outstanding has reduced in the last few years. An estimate has been made of the total value of outstanding appeals and included in the Collection Fund to be apportioned across the three bodies. The 40% proportion for the Council is reflected in this note.

22. Contingent Assets and Liabilities

A contingent liability is a possible obligation arising depending on whether an uncertain future event occurs or is a present obligation but payment is not probable or cannot be reliably measured.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council.

The Council has no contingent assets or liabilities at 31st March 2025.

23. Usable Reserves

Usable reserves are those that can be applied to fund expenditure or reduce local taxation. Movements in the Council's Usable Reserves are detailed in the Movement in Reserves Statement.

24. Unusable Reserves

The following table shows the value of unusable reserve balances that have arisen as a result of accounting adjustments. These reserves are not available to spend.

£'000	2024/25	2023/24
Revaluation Reserve	(228,799)	(213,312)
Financial Instruments Revaluation Reserve	206	240
Capital Adjustment Account	(99,588)	(98,092)
Financial Instruments Adjustment Account	55	76
Pensions Reserve	(62,272)	(33,360)
Deferred Capital Receipts Reserve	(413)	(413)
Collection Fund Adjustment Account	(1,340)	(2,350)
Accumulated Absences Account	80	103
Total Unusable Reserves	(392,071)	(347,108)

Revaluation Reserve

The reserve contains mainly the gains and losses arising on the periodic revaluation of current assets.

£000	2024/25	2023/24
Balance at 1 April	(213,311)	(147,920)
Revaluation of assets and impairment losses not charged to the Surplus/Deficit on the Provision of Services	(24,126)	(71,302)
Surplus or deficit on the revaluation of non-current assets not posted to the Surplus/Deficit on the Provision of Services	(24,126)	(71,302)
Difference between fair value depreciation and historical cost depreciation	7,799	5,509
Accumulated gains on assets sold or scrapped	840	402
Amount written off to the Capital Adjustment Account	8,638	5,911
Balance at 31 March	(228,799)	(213,311)

Capital Adjustment Account

The account represents the amounts set aside from revenue resources or capital receipts to finance expenditure on non-current assets or for the repayment of loans as well as other capital financing as required by the Code of Practice.

£000	2024/25	2023/24
Balance at 1 April	(98,092)	(97,286)
Reversals of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:		
Charges for depreciation and impairment of non-current assets	14,655	6,100
Revaluation losses on Property, Plant and Equipment	26,168	10,143
Amortisation of intangible assets	426	446
Revenue expenditure funded from capital under statute	7,451	6,361
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	548	2,435
	49,248	25,485
Adjusting amounts written out of the Revaluation Reserve	(8,638)	-
Net written out amount of the cost of non-current assets consumed in the year	40,610	25,485
Capital financing applied in the year:		
Use of the Capital Receipts Reserve to finance new capital expenditure	(396)	(358)
Use of the Major Repairs Reserve to finance new capital expenditure	(11,477)	(10,070)
Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	(23,139)	(7,919)
Application of grants to capital financing from the Capital Grants Unapplied Account	(6,794)	(9,446)
Statutory provision to the financing of capital investment charged against the General Fund and HRA balances	(459)	(654)
Capital expenditure charged against the General Fund and HRA balances	(1,414)	(1,897)
	(43,679)	(30,343)
Movements in the market value of Investment Properties debited or credited to the Comprehensive Income and Expenditure Statement	1,574	4,053
Balance at 31 March	(99,586)	(98,092)

Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Council accounts for post-employment benefits in the CIES as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Council makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible.

£000	2024/25	2023/24
Balance at 1 April	(33,360)	(21,960)
Remeasurement of the net defined benefit pension liability	(26,702)	(9,952)
Reversal of items relating to retirement benefits debited or credited to the Surplus/Deficit on the Provision of Services	1,788	2,506
Employer's contributions and direct payments to pensioners payable in year	(3,998)	(3,954)
Balance at 31 March	(62,272)	(33,360)

Collection Fund Adjustment Account

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

£'000	2023/24	2023/24
Balance at 1 April	(2,350)	(1,230)
Amount by which council tax and non-domestic rates income credited to the Comprehensive Income and Expenditure Statement is different from that calculated for the year in accordance with statutory requirements	3,084	(1,120)
Balance at 31 March	734	(2,350)

Accumulated Absences Account

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

£'000	2024/25	2023/24
Balance at 1 April	103	218
Settlement or cancellation of accrual made at the end of the preceding year	(103)	(218)
Amounts accrued at the end of the current year	80	103
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(23)	(115)
Balance at 31 March	80	103

25. Members' Allowances

The Council paid the following amounts to Members of the Council during the year:

£000	2024/25	2023/24
Basic Allowance	199	175
Special Responsibility	65	62
Other Allowances / Expenses	15	13
Total	279	250

The Mayor and Deputy Mayor also received total allowances of £6,000 per annum (£6,000 in 2023/24).

26. Officers' Remuneration

The remuneration paid to the Council's chief officers is as follows:

Post title	Financial Year	Notes	Salaries, fees & Allowances	Expenses & Benefits in Kind	Pension Contribution	Redundancy	Total
(Previously Strategic Director - Finance & Governance)	2023/24		94,101	-	19,324		113,424
Strategic Director – Corporate Resources	2024/25	3	107,927	-	22,233		130,160
Chief Executive	2023/24		119,715	41	24,609		144,365
	2024/25		123,879	26	24,750		148,655
Strategic Director - Housing & Community Safety	2023/24		88,692	-	18,189		106,881
	2024/25		90,911	-	18,644		109,555
(Previously Director - Economy & Transformation)	2023/24		101,049	38	20,757		121,844
Strategic Director – Place & Economy	2024/25		93,809	-	19,315		113,124
Director - Planning & Regulation	2023/24	1	22,378	-	4,328	31,731	58,437
	2024/25	2	-	-	-	-	-
Strategic Director - Public Services	2023/24		88,481	-	18,189		106,671
	2024/25		90,725	16	18,644		109,384
Total	2022/23		514,416	79	105,398		651,621
Total	2024/25		507,251	42	103,585		610,878

Note 1: Postholder took redundancy in June 2023

Note 2: Post dissolved. New structure with 4 Strategic directors implemented from April 2023

Note 3: Job title changed following the appointment of the new Chief Executive in June 2024.



The Council's other employees (i.e. those not included in the analysis above) receiving more than £50,000 remuneration for the year (excluding employer's pension contributions) were paid the following amounts:

	2024/25	2023/24
	Total	Total
Remuneration Band	Number of Employees	Number of Employees
£50,000 - £54,999	5	5
£55,000 - £59,999	1	3
£60,000 - £64,999	4	3
£65,000 - £69,999	3	3
£70,000 - £74,999	3	
	16	14

27. Termination Benefits

Exit Packages

The table below details the number and cost of exit packages for 2024/25 and the comparative financial year:

	Number of Compulsory Redundancies		Number of Voluntary Redundancies		Total number of Exit Packages		Total Cost of Exit Packages	
	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25
Band Cost								
Band £0 - £20k	10	0	0	6	10	6	£41,466	£56,649
Band £20K - £40K	0	1	1	2	1	3	£23,963	£73,740
Band £40K - £60K	0	0	0	0	0	0	£0	£0
Band £60K - £80K	1	0	0	0	1	0	£72,643	£0
Band £80K - £100K	0	0	0	0	0	0	£0	£0
Band £100K - £150K	0	0	0	0	0	0	£0	£0
Band £150K - £200K	0	0	1	1	1	1	£191,880	£169,662
Total	11	1	2	9	13	10	£329,952	£300,051

28. External Audit Costs

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

£'000	2024/25	2023/24 restated
Fees Payable with regard to the external audit services carried out by the appointed auditor for the year*	240	204
Fees Payable for the certification of grants and returns for the year**	43	43
Total	283	196

A provision of £240k was made for 2024/25 audit costs.



29. Grant Income

The Council credited the following grants, contributions and donations to the CIES in 2024/25 and the prior financial year:

£000	2024/25	2023/24
Homes England	(289)	(1,146)
Other Local Authorities	(7,097)	(5,736)
Ministry for Housing, Communities & Local Government	(20,354)	(8,237)
Developers & other contributions	(5,662)	(868)
Credited to Taxation and Non-Specific Grant Income	(33,401)	(15,986)
Benefits Administration Grant	(334)	(349)
Homelessness Support	(1,440)	(811)
Housing Benefit Subsidy	(23,713)	(23,675)
Elections Funding	(311)	(37)
Discretionary Housing Payment Grant	(160)	(167)
NNDR Cost of Collection Allowance	(128)	(128)
COVID19 Government Grants (to cover payments to Businesses / Individuals)	-	-
UK Shared Prosperity Fund	(1,401)	(565)
Arts Council England	(131)	(655)
New Burdens	(143)	(55)
Other grants and contributions	(1,899)	(1,389)
Credited to Services	(29,659)	(27,830)

The Council has received a number of grants, contributions and donations that have yet to be recognised as income as they have conditions attached to them that will require the monies to be returned to the giver. The balances at the year-end are as follows:

£000	2024/25	2023/24
Developers Contributions	(10,696)	(7,874)
Other Contributions	(85)	(78)
Other Local Authorities	(5,132)	(4,850)
Green Homes	0	(58)
Total Capital Grants Received in Advance	(15,913)	(12,860)

30. Leases

Council as Lessee

Right-of-use Assets

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

	Land and Buildings £'000	Vehicles, Plant and Equipment £'000	Total £'000
Balance at 1st April 2024	645	-	645
Additions	-	-	-
Revaluations	-	-	-
Depreciation and amortisations	(1)	-	(1)
Disposals	-	-	-
Balance at 31st March 2025	644	-	644

Transactions under leases

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

	2024/25 £'000	2023/24 £'000
Comprehensive income and expenditure statement		
Interest Expense on lease liabilities	37	37
Expense relating to short-term leases	-	-
Expense relating to exempt leases of low-value items	16	14
Variable lease payments not included in measurements of lease liabilities	-	-
Income from sub-letting right-of-use assets	-	(0)
Gains or losses arising from sale and leaseback transactions	-	-
Cash flow Statement		
Total Cash outflow for leases	-	-

Maturity analysis of Lease Liabilities

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

	31st March 2025 £'000	31st March 2024 £'000
Less than one year	53	53
One to 5 years	189	242
More than 5 years	2,104	2,141
Total undiscounted liabilities	2,346	2,436

Council as Lessor

Transactions under leases

The authority made the following gains and losses as a lessor during the year:

	2024/25 £'000	2023/24 £'000
Finance Leases		
Selling Gain or Loss	-	-
Finance Income on the net investment in the lease	-	-
Income related to variable lease payments not included in the measurement of the net investment of the lease	-	-
Operating Leases		
Total Lease Income	1,571	1,021
Share of lease income relating to variable lease payments that do not depend on an index or a rate	460	-

Maturity analysis of lease receivables

	Finance Leases		Operating Leases	
	2024/25 £'000	2023/24 £'000	2024/25 £'000	2023/24 £'000
Less than one year	-	-	890	963
One to two years	-	-	766	887
Two to three years	-	-	678	763
Three to Four years	-	-	648	681
Four to Five years	-	-	613	650
More than five years	-	-	61,821	62,433
Total undiscounted lease receivables	-	-	65,415	66,376

31. Related Parties

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

Central Government

Central Government has effective control over the general operations of the Council – it is responsible for providing the statutory framework within which the Council operates, provides funding in the form of grants and prescribes the terms of many of the transactions that the Council has with other parties (e.g. Council Tax bills, Housing Benefits). Grants received from Government departments are set out in the narrative report and Notes 13 and 29.

Warwickshire County Council and Warwickshire Police and Crime Commissioner

These authorities issue precepts on the Council and these are shown in the Collection Fund Statement. Warwickshire County Council is the administering authority for the Pension Fund and details of the employer's contributions paid by this Council are shown in Note 38.

£55,997 has been received from the Warwickshire Police and Crime Commissioner which has been used to finance various Warwickshire County Council community safety initiatives within Nuneaton and Bedworth in 2024/25 (2023/24: £41,800).

Council Members and Officers

Based on existing key data sources, no material related party transactions have been identified amongst either the members or chief officers. These sources are:

- The Register of Members' Interests (as maintained in accordance with the Local Authorities (Members' Interest) Regulations 1992 (Statutory Instrument 1992/618)), and;
- Disclosure of direct or indirect pecuniary interests made in accordance with section 94 of the Local Government Act 1972.

In addition to their normal involvement on various Council Committees, most members also act as the Council's representative on a wide range of Outside and Voluntary Bodies – some such representation follows from their Committee membership(s). The Council provided financial assistance to certain voluntary and outside bodies during 2024/25 which included the following contributions:

Community Group	2024/25		2023/24	
	£	Members	£	Members
Bulkington Village Centre	2,750	2	2,750	1
Hartshill & Nuneaton Recreation Ground	17,659	-	11,113	3
Nuneaton & Bedworth Sports Forum	0	-	0	1
Nuneaton & Bedworth Citizens' Advice Bureau	95,070	-	95,070	-
Stockingford Community Centre	0	-	0	-
Warwickshire Community & Voluntary Action	42,770	-	42,770	-
Nuneaton & Harriers Community Association Ltd	17,878	-	17,878	-
Khair In The Community	0	-	0	-
Warwickshire Young Carers	0	-	0	-

Nuneaton and Bedworth Community Enterprises Ltd (NABCEL)

The Council created a wholly owned subsidiary in 2013 - Nuneaton & Bedworth Community Enterprises Ltd (NABCEL) with the purpose of operating commercially and generating an income stream to support the General Fund in future years. The Council paid NABCEL a £10k start-up grant in 2014/15.

In accordance with Section 479A of the Companies Act 2006 the subsidiary company Nuneaton and Bedworth Community Enterprises Limited (Company No. 08670984) is exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts by virtue of guarantee provided by Nuneaton and Bedworth Borough Council.



Due to turnover in NABCEL during 2024/25 not being material in the context of the Council's accounts, group accounts have not been prepared. Note 33 provides additional information.

As at 31st March 2025, Nuneaton and Bedworth Borough Council held a debtor on its balance sheet of £275,481 (2023/24: £334,274) in respect of amounts owed by NABCEL and a creditor of £308,504 as monies owed to NABCEL (2023/24: £287,949).

Grayson Place Limited

The Council created another wholly owned subsidiary in 2024/25 – Grayson Place Ltd with the purpose of operating the Hotel built as part of the regeneration project Grayson Place.

Due to turnover in Grayson Place Ltd during 2024/25 not being material in the context of the Council's accounts, group accounts have not been prepared.

As at 31st March 2025, Nuneaton and Bedworth Borough Council held a creditor on its balance sheet of £14,247 in respect of amounts owed to Grayson Place Ltd.

Sherbourne Recycling Limited

Sherbourne Recycling Ltd (SRL) is a private company limited by shares, incorporated on 25 February 2021. Eight local authorities including NBBC each hold shares in the company with the purpose of constructing and operating a new materials recycling facility (MRF). The Councils have agreed to work together in a partnering relationship to jointly procure are Coventry City Council, North Warwickshire Borough Council, Nuneaton and Bedworth Borough Council, Rugby Borough Council, Stratford-on-Avon District Council, Solihull Metropolitan Borough Council, Walsall Council and Warwick District Council.

The company will finance and construct the facility, to be based in Coventry, which will cost upwards of £30 million. NBBC has made an equity investment of £76,500 for its 7.65% share in the company, entering into a number of legal agreements including, but not limited to, the shareholder and loan facility agreement.

Each Council has committed to a long-term waste supply agreement to collect and recycle domestic waste from residents. Once operational, it has the capacity to process their domestic and commercial recycling and is expected to save the eight Councils around £1.4 million a year.

Over 24 months SRL will draw down on loan facilities with each of the shareholder Councils. The loan facility with NBBC is for £4,383,166.85, to be drawn upon based on payment milestones during the construction and for the operation of the company.

All interest accrued during this phase will be capitalised and added to the principal at the end of the construction phase. Once operational the principal and interest will be repaid over the next 25 years in line with the loan facility agreement. The facility opened in October 2023 and is now operational.

HEART

Nuneaton and Bedworth Borough Council is the lead authority in managing the delivery of advice and assistance for disabled adaptations and home improvements to keep homes safe, secure and warm. This arrangement covers all of Warwickshire and is funded by contributions from each district to cover grant expenditure. Capital contributions received from each authority can be seen in the table below:



£	2024/25	2023/24
Rugby Borough Council	782,325	779,822
North Warwickshire Borough Council	985,920	863,983
Warwick District Council	1,240,126	1,000,427
Stratford on Avon District Council	1,192,997	1,049,824

A total of £5.1m of unspent contributions from the above authorities is held within Capital Grants Receipts in Advance as at 31st March 2025 to be utilised in future years (£4.8m as at 31st March 2024).

Healthy Living Network

The Council processes the payroll for the Healthy Living Network and in 2024/25 processed transactions totalling £253,694 (2023/24: £232,734) which is then repaid by the organisation.

Pride in Camp Hill Limited

Due to the nature of the tri-partite agreement referred to in Note 32, Pride in Camp Hill Limited (PinCH) is considered to be a related party of the Borough Council. In 2024/25 the Council did not make a contribution towards the running costs of the company. At 31 March 2025 there was a Balance Sheet debtor of £174,444 in respect of amounts owed to the Council (2023/24: £76,398).

The Council guarantees a one third part of up to £100,000 deficit at the end of the project. Nuneaton and Bedworth Borough Council are the accountable body for Phase 3 of this regeneration project. The total expenditure for the financial year is located in Note 32.

32. Camp Hill

Camp Hill is a large regeneration project in the north of the Borough, with the aim of creating over 1,200 new properties (25% affordable) and various other community initiatives.

The Project is split into 3 main phases, with Phase 1 and 2 being managed by Pride in Camp Hill Ltd. For Phase 3, NBBC is the accountable body and all transactions relating to this phase will be recognised in our accounts. Phase 3 is a tripartite agreement between NBBC, Advantage West Midlands (AWM) and Warwickshire County Council (WCC). AWM have contributed £4.9m to the scheme and Homes and Communities Agency (HCA - formerly English Partnerships) £3.1m. Nuneaton and Bedworth Borough Council's contribution is the land.

Following a tender exercise, Barratt were named as the preferred developer in 2007 and a Development Agreement was signed with them in October 2009. Acquisition and demolition of properties in Phase 3 began in 2006/07 and during 2024/25 £151k of capital expenditure was incurred by the Council.

33. Nuneaton and Bedworth Community Enterprises LTD (NABCEL)

NABCEL is a wholly owned subsidiary of the Council created in 2013, providing a range of services.

- NABCEL Homes: Providing a range of quality homes and flats for rent within Nuneaton and Bedworth;
- NABCEL Property Management: Managing short term accommodation on behalf of the Council;
- NABCEL Gas Services: Undertaking repairs, servicing and installation of boilers.

Group accounts have not been prepared as for 2024/25 it is deemed that the revenue amounts across service areas within the Net Cost of Services of the CIES are not material to require group accounts to be prepared. However, as the business continues to expand, it is considered prudent to include supplementary details within a note to the accounts.

For the year 2024/25 the turnover of NABCEL totalled £5.606m of which £5.106m was generated from agreements with Nuneaton and Bedworth Borough Council (£4.209m in 2023/24). After costs and allowable expenses of £5.563m, NABCEL generated a profit after taxation of £43k (£47k loss in 2023/24). Income was generated through the following service areas:

£'000	2024/25	2023/24
Rental	(853)	(762)
Management Fees	(948)	(427)
Gas Services	(1,235)	(1,749)
Electrical Services	(1,561)	(935)
Cleaning Services	(977)	(881)
Architect Services	0	0
Other	(31)	(31)
Total	(5,606)	(4,785)

34. Trading Operations

The Council has established a number of trading units where the service manager is required to operate in a commercial environment and balance their budget by generating income from other parts of the Council, other organisations or the general public. Additional information is now included from that previously published to allow analysis of performance before capital charges (i.e. depreciation, revaluation and impairment of assets). Details of those units are as follows:

			2024/25 (Surplus)/ Deficit Before Capital Charges	Capital Charges	(Surplus)/ Deficit After Capital Charges	2023/24 (Surplus)/ Deficit Before Capital Charges	(Surplus)/ Deficit After Capital Charges
£'000	Costs	Income					
Markets	390	(229)	161	38	199	221	258
Trade Waste	-	(62)	(62)	-	(62)	1	1
Car Parks	1,071	(1,252)	(181)	577	396	(67)	(100)
Mobile Home Sites	6	(176)	(170)	104	(66)	(232)	(148)
Commercial properties	780	(1,094)	(314)	1,804	1,490	(390)	2,412
Industrial properties	25	(206)	(181)	63	(118)	(101)	(83)
NABCEL	10	(459)	(449)	-	(449)	(442)	(442)
Green Waste	512	(1,074)	(562)	-	(562)	(406)	(406)
Total	2,794	(4,552)	(1,758)	2,586	828	(1,416)	1,492



35. Acquired and Discontinued Operations

There were no acquired or discontinued operations during 2024/25.

36. Capital Expenditure and Financing

The total amount of capital expenditure incurred in the year is shown in the table below, together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Council, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Council that has yet to be financed. The CFR is analysed in the second part of this note.

£'000	2024/25	2023/24
Opening Capital Financing Requirement	108,991	98,143
Capital Investment		
Property, Plant and Equipment	44,350	34,327
Adjustment for IFRS 16	645	-
Investment Properties	748	222
Intangible Assets	179	282
Revenue Expenditure Funded from Capital under Statute	7,451	6,361
Sources of Finance		
Capital receipts	(396)	(358)
Government grants and other contributions	(29,932)	(17,365)
Major Repairs Reserve	(11,477)	(8,724)
Sums set aside from revenue - direct revenue contributions	(1,414)	(3,243)
Sums set aside from revenue - Minimum Revenue Provision	(459)	(654)
Closing Capital Financing Requirement	118,686	108,991
Explanation of movements in year:		
Adjustment for IFRS 16	645	-
Increase in underlying need to borrow:		
Unsupported by government financial assistance	9,509	11,502
Sums set aside from revenue:		
Minimum / Voluntary Revenue Provision	(459)	(654)
Increase/(decrease) in Capital Financing Requirement	9,695	10,848

37. Impairment Losses

During 2024/25 there were no impairment losses recognised and charged to the CIES across portfolios.

38. Defined Benefit Pension Scheme

Participation in Pension Schemes

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

The Council participates in the Local Government Pension Scheme, administered by Warwickshire County Council – this is a funded defined benefit final salary scheme, meaning that the Council and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets.

Discretionary post-retirement benefits on early retirement are an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. There are no plan assets built up to meet these pension liabilities, and cash has to be generated to meet actual pension payments as they eventually fall due.

The principal risks to the Council of the scheme are the longevity assumptions, statutory changes to the scheme, structural changes to the scheme (i.e. large-scale withdrawals from the scheme), changes to inflation, bond yields and the performance of the equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge to the General Fund and the Housing Revenue Account the amounts required by statute as described in the accounting policies note.

Transactions Relating to Post-Employment Benefits

We recognise the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge we are required to make against council tax is based on the cash payable in the year, and therefore the true cost of post-employment/retirement benefits is reversed out via the Movement in Reserves Statement. The following transactions have been made in the CIES and the Movement in Reserves Statement during the year:

£'000	2024/25		2023/24	
	Local Government Pension Scheme	Discretionary Benefit Arrangements	Local Government Pension Scheme	Discretionary Benefit Arrangements
Included in Net Cost of Services:				
Current Service Costs	3,218	-	3,273	-
Past Service Costs	185	-	286	-
Financing and Investment Income and Expenditure:				
Net Interest Income	(1,500)	(115)	(977)	(76)
Net Charge to the Provision of Services	1,903	(115)	2,582	(76)
Other Comprehensive Income & Expenditure:				
Return on Plan Assets (excluding the amount included in net interest expense)	925	-	(6,787)	-
Changes in Financial Assumptions	(23,656)	(1,809)	(6,996)	(543)
Changes in Demographic Assumptions	(307)	-	(1,113)	-
Other	(1,855)	-	5,487	-
Total	(24,893)	(1,809)	(9,409)	(543)
Movement in Reserves Statement:				
Reversal of items relating to retirement benefits debited or credited to the CIES	(1,903)	115	(2,582)	76
Actual amount charged against the General Fund Balance for pensions in the year:				
Employers' contributions payable to the scheme	3,714		3,669	
Retirement benefits payable to pensioners		284		285

Pensions Assets and Liabilities Recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the Council's obligation in respect of its defined benefit plans is as follows:

£'000	2024/25		2023/24	
	Local Government Pension Scheme	Discretionary Benefit Arrangements	Local Government Pension Scheme	Discretionary Benefit Arrangements
Present value of the defined benefit obligation	150,828	2,383	173,418	2,778
Fair value of plan assets	(215,483)		(209,556)	-
Net (Asset)/Liability arising from the defined benefit obligation	(64,655)	2,383	(36,138)	2,778

Reconciliation of Present Value of Scheme Liabilities

£'000	2024/25		2023/24	
	Local Government Pension Scheme	Discretionary Benefit Arrangements	Local Government Pension Scheme	Discretionary Benefit Arrangements
Balance at 1 April	173,177	2,733	172,345	2,969
Current service cost	3,273	-	3,273	-
Interest cost	7,778	585	7,636	593
Contributions from scheme participants	1,058	-	977	-
Remeasurement (gains) and losses:				
- changes in financial assumptions	(23,656)	(1,809)	(6,996)	(543)
- changes in demographic assumptions	(307)	-	(1,113)	-
- other	(1,855)	-	5,487	-
Benefits paid	(7,345)	(553)	(8,433)	(285)
Balance at 31 March	152,122	957	173,177	2,733

Reconciliation of the Movements in the Fair Value of Scheme Assets

£'000	2024/25	2023/24
Balance at 1 April	209,556	197,274
Interest Income	9,978	9,282
Remeasurement gain / (loss):		
Return on assets excluding amounts included in the net interest expense	(925)	6,787
Contributions from employer	3,714	3,669
Contributions in respect of unfunded benefits	284	285
Contributions from employees	1,058	977
Other	-	-
Benefits paid	(8,182)	(8,718)
Balance at 31 March	215,483	209,556

Local Government Pension Scheme Assets Analysis

£'000	Year ended 31 March 2025				Year ended 31 March 2024			
	Quoted prices in active markets	Quoted prices not in active markets	Total	Percentage of total assets	Quoted prices in active markets	Quoted prices not in active markets	Total	Percentage of total assets
Equity Securities								
Other	0	0	0	0%	0	0	0	0%
Debt Securities								
Corporate Bonds (investment grade)	23,207	0	23,207	11%	0	0	0	0%
Corporate Bonds (non-investment grade)	0	0	0	0%	23,693	0	23,693	11%
UK Government	0	0	0	0%	0	0	0	0%
Other	0	11,418	11,418	5%	0	8,120	8,120	4%
Private Equity								
All	0	14,867	14,867	7%	0	14,869	14,869	7%
Real Estate								
UK Property	16,489	0	16,489	8%	15,249	0	15,249	7%
Overseas Property	1,909	0	1,909	1%	2,100	0	2,100	1%
Investment Funds and Unit Trusts								
Equities	120,120	0	120,120	56%	118,651	0	118,651	57%
Bonds	0	0	0	0%	0	0	0	0%
Infrastructure	0	23,805	23,805	11%	0	19,113	19,113	9%
Cash and Cash Equivalents								
All	3,668	0	3,668	2%	7,762	0	7,762	4%
Total	165,393	50,090	215,483	100%	167,455	42,101	209,556	100%



Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions including mortality rates and salary levels. For 2024/25 both the Local Government Scheme and Discretionary Benefits liabilities have been estimated by Hymans Robertson LLP, an independent firm of actuaries, estimates for the fund being based on the latest full valuation of the scheme as at 31st March 2023.

The principal assumptions used by the actuary were:

£'000	2024/25		2023/24	
	Local Government Pension Scheme	Discretionary Benefit Arrangements	Local Government Pension Scheme	Discretionary Benefit Arrangements
Mortality assumptions:				
Longevity at 65 for current pensioners:				
Men	20.4 years	20.4 years	20.5 years	20.5 years
Women	23.4 years	23.4 years	23.4 years	23.4 years
Longevity at 65 for future pensioners:				
Men	21.1 years	-	21.2 years	-
Women	25.1 years	-	25.2 years	-
Rate of increase in salaries	3.80%	-	3.80%	-
Rate of increase in pensions	2.80%	2.80%	2.80%	2.80%
Rate for discounting scheme liabilities	4.80%	4.80%	4.80%	4.80%

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions outlined in the table above. The sensitivity analyses have been determined based upon 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 other assumptions remain constant. The sensitivity analysis can be seen in note 4.

Impact on the Council's Cash Flows

The objectives of the scheme are to keep employer contributions at as constant a rate as possible with contribution rates set by the fund's actuary. Funding levels are monitored on an annual basis.

39. Prior Period Adjustment

Following Annual Council held on the 15th May 2024, the Portfolio's changed under the decision of the Labour administration following the local election results in early May 2024. This change has required the restatement of the Comprehensive Income and Expenditure Statement (CIES) and Expenditure and Funding Analysis (EFA).

The change outlined in note 1 accounting policies under 'Overheads and Support Services' has also had an impact on the figures within these statements / notes as well as note 12 Financing and Investing Income and Expenditure.

Following the completion of the External Audit for the 2023/24 Statement of Accounts, the 2023/24 audit costs have been restated within note 28 External Audit Costs for the fee presented to Audit and Standards Committee 25th February 2025.

Housing Revenue Account

The Housing Revenue Account (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 regulations; 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 HRA Statement.

Income and Expenditure Statement

£000	2024/25	2023/24
Repairs and Maintenance	7,133	5,869
Supervision and Management	10,046	9,794
Depreciation and Impairment of Non-current Assets	29,758	20,409
Debt Management Costs	136	136
Movement in the Allowance for Bad Debts	224	261
Total Expenditure	47,297	36,469
Dwelling Rents	(28,866)	(26,086)
Non-dwelling Rents	(724)	(727)
Charges for Services and Facilities	(2,595)	(2,580)
Total Income	(32,185)	(29,393)
HRA Share of Corporate and Democratic Core	150	178
HRA share of other amounts included in the whole authority Cost of Services but not allocated to specific services	38	60
Total Net Cost / (Income) for HRA Services	15,300	7,314
HRA Share of the operating income and expenditure included in the Comprehensive Income and Expenditure Statement:		
(Gain) or Loss on sale of HRA non-current assets	(355)	(359)
Interest payable and similar charges	1,988	1,552
Interest and Investment income	(164)	376
Pensions interest cost and expected return on pensions assets	(365)	(222)
Capital Grants and contributions receivable	(1,620)	(1,146)
(Surplus) / Deficit for HRA Services	14,783	7,515

Movement on the HRA Statement

<i>£000</i>	2024/25	2023/24
Balance on the HRA at the end of the previous year	(7,852)	(7,784)
(Surplus) or deficit for the year on the HRA Income and Expenditure Statement	14,780	7,515
Adjustments between accounting basis and funding basis under statute	(15,356)	(7,583)
(Increase) or decrease on the HRA	(576)	(68)
Balance on the HRA at the end of the current year	(8,428)	(7,852)

An analysis of the adjustments between accounting basis and funding basis under statute

<i>£000</i>	2024/25	2023/24
Difference Between any other item of income and expenditure determined in accordance with the code and determined in accordance with HRA requirements	41	53
Gain or Loss on sale of HRA non-current assets	355	359
HRA share of contributions to or from the Pensions Reserve	499	305
Capital Expenditure funded by the HRA	389	1,127
Transfer to the Major Repairs Reserve	11,477	9,836
Other transfers to/ (from) the Capital Adjustment Account	(28,117)	(19,263)
Total adjustments between accounting basis and funding basis under statute	(15,356)	(7,583)

Notes to the Housing Revenue Account

1) Housing Stock

The Council was responsible for the management of approximately 5,619 dwellings during the year. The changes in stock levels during the year were:

	Houses and Bungalows	Flats and Maisonettes	Total
Housing Stock as at 1 April 24	3,278	2,341	5,619
Acquisitions	2	1	3
New Build	22	4	26
Sales	(19)	(5)	(24)
Demolitions			-
Reclassified	1		1
Housing Stock as at 31 March 25	3,284	2,341	5,625

2) HRA Fixed Assets Movements

The vacant possession value of Council Dwellings at 31st March 2025 was estimated to be £711.9m. The difference between this and the Balance Sheet value of £284.8m represents the economic cost to the Council of providing council housing at below open market rents.

	Council Dwellings	Other Land & Buildings	Plant/ Vehicles & Equipment	Infrastructure Assets	TOTAL
<i>£'000</i>					
Cost or Valuation					
As at 1 April 2024	283,920	12,097	1,786	134	297,937
Additions	20,782	504	0	0	21,286
Revaluations	(7,910)	(523)	0	0	-8,433
Derecognition - Disposals	(1,393)	0	(235)	0	(1,628)
Other movement in cost or valuation	(23)	23	0	0	0
As at 31 March 2025	295,376	12,102	1,550	134	309,162
Accumulated Depreciation & Impairment					
As at 1 April 2024	0	0	(498)	(43)	(541)
Depreciation Charge	(10,644)	(305)	(281)	(5)	(11,235)
Revaluations	0	0	0	0	-
Other impairment losses	0	(0)	0	0	-
Derecognition - Disposals	29	0	231	0	260
As at 31 March 2025	(10,614)	(306)	(548)	(48)	(11,516)
Net Book Value					
at 31 March 24	283,920	12,097	1,288	91	297,397
at 31 March 25	284,762	11,796	1,002	86	297,646

3) Capital Expenditure

The Housing Revenue Account capital expenditure and its financing was:

£000	2024/25	2023/24
Dwellings	14,169	11,661
Land & Buildings	600	678
Vehicles	-	1,428
Assets Under Construction	1,810	1,364
Intangible Assets	-	2,208
Total Capital Expenditure	16,579	17,338
Borrowing not attracting Government Support	2,425	4,291
Usable Capital Receipts	246	159
Revenue Contributions	389	2,493
External Grants & Contributions	2,044	1,672
Major Repairs Reserve	11,477	8,724
Total Funding	16,579	17,338

4) Major Repairs Reserve

Contributions to and the use of the Major Repairs Reserve are detailed below:

£000	2024/25	2023/24
Balance at 1 April	(1,830)	(2,064)
Transfer from the HRA equal to depreciation	(11,477)	(9,633)
Additional voluntary contribution transferred from the HRA	-	(203)
Amounts applied to finance capital expenditure	11,477	10,070
Balance at 31 March	(1,830)	(1,830)

5) Gross Rent of Dwellings

Amounts reported in the Income and Expenditure statement is net rent income due after making allowances for vacant properties. Gross rent is calculated as the rent due on all dwelling stock for the year and losses from voids and vacancies amounted to 3.07% of the gross rent income (2023/24: 1.64%). Average rent for the year was £98.90 a week compared to £89.24 in 2023/24.

6) Rent Arrears

£000	2024/25	2023/24
Gross arrears	4,093	3,411
Bad debt provisions	(2,283)	(2,150)
Gross arrears as percentage of gross rent income	14.2%	13.1%

7) Capital Receipts

£000	2024/25	2023/24
Sale of dwellings under right to buy	(1,754)	(1,073)
Amounts Pooled to Central Government	28	-
Net Capital Receipts	(1,726)	(1,073)



8) Pensions Reserve Contribution

£000	2024/25	2023/24
Difference between current service cost of pensions and past service cost in accordance with IAS 19 and actual employers' contributions	864	527
Net interest on Pensions Liability	(365)	(222)
Total Pension Reserve Contribution	499	305

Collection Fund

Income and Expenditure Statement

£000	2024/25		2023/24	
	Business Rates	Council Tax	Business Rates	Council Tax
INCOME				
Income from Council Tax	0	(93,405)	0	(87,513)
Income collectable from Business Rates	(42,943)	0	(36,641)	0
Transitional payments due	(748)	0	(2,897)	0
Contributions towards previous year estimated deficit:				
- Nuneaton and Bedworth Borough Council	0	(46)	0	0
- Warwickshire County Council	0	(299)	0	0
- Warwickshire Police and Crime Commissioner	0	(50)	0	0
Total Income	(43,692)	(93,801)	(39,538)	(87,513)
EXPENDITURE				
Apportionment of previous year estimated surplus:				
- Nuneaton and Bedworth Borough Council	1,352	0	159	83
- Warwickshire County Council	338	0	40	533
- Central Government	1,690	0	199	0
Precepts, demands and shares:				
- Nuneaton and Bedworth Borough Council	17,002	10,566	14,980	10,039
- Warwickshire Police and Crime Commissioner	0	11,613	0	10,854
- Warwickshire County Council	4,251	69,597	3,745	64,861
- Central Government	21,253	0	18,725	0
Charges to the collection fund:				
- Increase in bad debt provision	605	903	98	455
- Increase/(Decrease) in provision for appeals	(77)	0	(1,134)	0
- Cost of collection allowance	128	0	129	0
Total Expenditure	46,542	92,679	36,940	86,913
(Surplus)/Deficit for the year	2,850	(1,122)	(2,598)	(600)
Fund Balance Brought Forward	(5,972)	334	(3,374)	934
Fund Balance at 31 March: (Surplus)/Deficit	(3,122)	(789)	(5,972)	334
Analysis of Fund Balance (Surplus)/Deficit				
- Nuneaton and Bedworth Borough Council	(1,249)	(91)	(2,389)	39
- Warwickshire Police and Crime Commissioner	0	(100)	0	42
- Warwickshire County Council	(312)	(597)	(597)	252
- Central Government	(1,561)	0	(2,986)	0
	(3,122)	(789)	(5,972)	334

National Non-Domestic Rates (NNDR)

The total non-domestic rateable value at 31st March 2025 was £104,700,042 (£99,443,455 as at 31st March 2024) and the national non-domestic rate multiplier for the year was 54.6p (2023/24: 51.2p). The small business rate relief can be applied in qualifying circumstances and provided a reduced multiplier of 49.9p for 2024/25 (2023/24: 49.9p).

From 1st April 2013 the collection and re-distribution of NNDR has changed. Previously, billing authorities collected NNDR on behalf of central government and made a payment for the amounts due to be collected to the national pool, which was then redistributed in the form of grant to each authority based on a spending needs assessment. The NNDR reforms which commenced in April 2013 removed the national pool and replaced the single payment to central government and grant reallocation by an apportionment methodology. The result of these changes means that amounts due to be collected, adjusted for appeals, costs and allowance for bad debts are redistributed to central government, the billing authority and the county council on a 50% / 40% / 10% basis. These transfers are shown within the precepts, demands and shares section of the collection fund statement.

The introduction of these reforms did not change the amounts due to be paid by businesses.

CALCULATION OF COUNCIL TAX BASE

The Council Tax Base calculation starts with the number of chargeable dwellings in each of the valuation bands. Adjustments are made to take account of any exempt dwellings, disabled reductions, discounts and anticipated new dwellings. Additionally, each of the valuation band is converted to an equivalent number of Band D dwellings. Finally, allowances are made for estimated collection rates and contributions in lieu of Council Tax.

In order to collect the total precept requirements of £91.7m (2023/24: £85.7m) a Band D Council Tax of £2,289.49 was determined (2023/24: £2,102.15).

In April 2013 the national council tax benefit system was replaced with a local council tax support scheme. The effect of these changes is reflected in a change in the council tax base calculation as support is now provided in the form of a discount instead of a benefit, resulting in lower council tax bills issued for those in receipt of support.

The effect of these changes can be seen in the following table detailing the calculation of the council tax base:

Valuation Band	Number of chargeable properties		Adjusted property base (Band D equivalent)	
	2024/25	2023/24	2024/25	2023/24
A - Disabled Relief Reduction (5/9)	54	51	20.8	19.0
A - (6/9)	20,379	20,344	9,416.0	9,426.8
B - (7/9)	13,355	13,206	8,483.8	8,418.2
C - (8/9)	13,923	13,535	10,775.0	10,496.4
D - (9/9)	7,588	7,392	7,017.3	6,821.3
E - (11/9)	3,024	2,910	3,501.3	3,365.2
F - (13/9)	826	799	1,143.1	1,108.7
G - (15/9)	182	181	288.6	284.1
H - (18/9)	9	8	14.5	13.0
Totals	59,340	58,426	40,660.4	39,952.7
Number of Band D equiv. of contributions in lieu:			25.5	31.9
Council Tax Base			40,685.9	39,984.6



Glossary of Terms

Agency

Where one Authority (the main Authority) pays another Authority (the agent) to carry out work for them.

Approved Budget

The budget which has been approved by full Council, adjusted to reflect in-year virements (i.e. transfers between budgets).

Authorised limit

This represents the maximum amount of debt at any one time during the year, under the new Prudential borrowing regime that was introduced from April 2004.

Band D Equivalent

The weighted number of domestic properties subject to Council Tax in a Local Authority's area. It is expressed as a proportion to Band D which is the middle property band (e.g. 1 Band H = 2 Band D; 1 1/2 Band A = 1 Band D).

Billing Authority

The Local Authority, which collects the Council Tax. In Warwickshire, the District or Borough Council is the billing Authority.

Budget

A statement of spending plans. The Council's financial year starts on 1st April and ends on 31st March.

Business Rates (Non-Domestic Rates – NDR)

Businesses pay business rates instead of Council Tax. Each year, the Government sets the rate in the pound and business rates are collected by the billing Authority. From April 2013 business rates are collected by the billing authority and distributed on a prescribed basis – 50% Central Government; 40% Billing Authority (Nuneaton and Bedworth Borough Council) and 10% County Council (Warwickshire County Council).

The amount charged is based on multiplying the rateable value of each business property by the national rate in the pound.

Capital Adjustment Account

Resources set aside to meet past capital expenditure.

Capital programme

Planned future spending on capital projects including land purchases, buildings, vehicles and equipment.

Capital receipt

Income from selling assets that have a long-term value. Capital receipts can be used to finance new capital expenditure within rules set by central government, but they cannot be used to finance day-to-day spending.

Capital spending



Spending on assets that have a lasting value, for example, land, buildings and large items of equipment such as vehicles.

Capital spending charged to revenue

Paying for capital spending direct from the Council's revenue monies.

Capping

A power under which the Government may limit the maximum level of Local Authority spending or increases in that level year on year, which it considers excessive. It is a tool to restrain increases in Council Tax.

Cash Flow Statement

Summarises cash paid to and received from other organisations and individuals for capital and revenue purposes.

CIPFA

Chartered Institute of Public Finance and Accountancy. One of the major accountancy institutes which specialises in the public sector.

Collection Fund

A fund managed by the billing Authority (the Council) to receive Business Rates income and to make payments to the County Council, Central Government and the Council based upon the proportionate share. The fund also collects Council Tax and pays the precept demands to the County Council, Police and Crime Commissioner and the Council.

Council Tax

A tax charged on domestic householders based on their property band. There are eight bands of property values. The amount paid will depend on which band a property is in. Reductions are given for empty properties or if an individual lives alone. In Warwickshire, the District or Borough Council issues Council Tax bills and collects the Council Tax.

Council Tax Base

An assessment by each billing Authority of the number of converted to Band D equivalents (the average band), after properties, allowing for non-collection and new properties, on which a tax can be charged.

Council Tax surpluses/losses

The District Councils' tax bases are calculated using estimated collection rates. Actual collection rates in a given year may give rise to a surplus/deficit to be taken into account when setting tax levels for the following year. Amounts in respect of Council Tax are shared between the District Council concerned, the County Council and the Police and Crime Commissioner pro-rata to the share of the aggregate of the precepts and demands on the collection fund. These surpluses and losses are applied to reduce or increase the spending of the Authority.

Creditors

Individuals or organisations that the Council owes in respect of work performed, goods or services, and which have not been paid for by the end of the financial year.

Current assets



Short-term assets that constantly change in value such as stock, debtors and bank balances.

Current liabilities

Monies that are due to be paid in less than one year such as bank overdrafts and sums owed to suppliers.

Current service cost

The current service cost is the increase in the value of the pension scheme's future pension liabilities arising from employees' ongoing membership of the pension scheme.

Current spending

The yearly running costs of Local Authorities, not including specific grants and the cost of purchasing assets.

Curtailment costs

Curtailment costs are the amounts of money that are paid to a new pension scheme when a defined group of staff transfer from one pension scheme to another. The costs represent the value of the pension rights accrued by the transferring staff.

Debtors

Individuals or organisations who owe amounts to the Council which have not been paid by the end of the financial year.

Depreciation

The drop in the value of assets such as buildings and vehicles which reflects wear and tear, age and the asset becoming out of date.

Earmarked reserves

Money set aside for a specific purpose.

Financial year

The Council's financial year commences on 1st April and ends on 31st March.

General reserves

Money set aside to be used in the future to meet unforeseen eventualities.

Government grants

Payment by the Government towards the cost of Local Authority services. These are either for particular purposes or services (specific grants) or to fund local services generally (revenue support grant).

Gross spending

The overall cost of funding service delivery before allowing for government grants or other income received.

International Financial Reporting Standards (IFRS)

Accounting standards which offer guidance as to how the Council should treat certain income and expenditure items within the Statement of Accounts.

Inventories



Goods purchased that have not yet been utilised.

Leasing

A method of renting the use of vehicles, machinery and equipment. The items do not belong to the Council but are the property of the leasing company to whom rental sums are paid.

Levy

A charge against the Authority based upon a proportion of excess business rates collectable compared to the government's determined level of rates collectable.

Liabilities

Funds that will have to be paid to individuals or organisations in the future.

Loss

The amount remaining when expenses are in excess of income received.

Minimum revenue provision (MRP)

The statutory minimum amount that the Council must set aside each year to repay loans.

Net book value

The value of an asset after depreciation and impairment charges.

Net interest on the net defined benefit pension liability

The change during the period in the net defined benefit liability that arises from the passage of time. This includes an allowance for interest on the current service cost.

Net spending

The cost of providing a service after allowing for specific grants and other income amounts from fees and charges (i.e. not including Council Tax and Central Government funding).

Operating leases

A specific type of lease under which ownership of the goods and any profits or losses remain with the company (the lessor) leasing the goods to the Council.

Overheads

Spending on items not directly related to the supply of services, for example, office cleaning costs.

Past service costs

The past service cost is the additional liability that arises when the Council grants additional retirement benefits which did not exist previously.

Petty Cash

Insignificant sums of cash retained to pay sundry expenses.

Precept

The amount each non-billing Authority, (County Council, Police and Crime Commissioner) asks a billing Authority (the Council) to collect every year in order to meet their spending requirement.

Property, Plant and Equipment

A capital item that is intended to be used for several years such as a building or a vehicle.

Provisions

Funds set aside to meet specific service liabilities, and to meet spending.

Prudential Code

A statutory code of practice that sets out the framework for Local Authority capital finance that ensures:

- Capital expenditure plans are affordable;
- All external borrowing and other long-term liabilities are within prudent and sustainable levels; and
- Treasury management decisions are taken in accordance with professional good practice.

Prudential System

A system introduced from April 2004 which allows Local Authorities to determine how much long-term borrowing can be afforded to fund capital expenditure. This system replaced the previous complex regulatory framework of capital controls with a system based on self-regulation by Local Authorities. The system is enshrined in the Prudential Code.

Rateable Value (RV)

A value placed on all non-domestic properties (businesses) on which rates have to be paid, broadly based upon the market rent that the property might earn, after deducting repairs and insurance costs. The rateable value is determined by the Valuation Office Agency.

Reimbursements

Payments received for work undertaken on behalf of other public organisations, for example, Central Government.

Reserves and funds

Savings accumulated from retained surpluses.

Revaluation Reserve

Store of gains on the revaluation of property plant and equipment assets.

Revenue spending

Spending on the day-to-day running of Council services - mainly wages, running expenses of buildings and equipment, and debt charges. These costs are met from income arising from Council Tax, government grants, fees and charges.

Revenue Support Grant

The government grant to support Local Authority services.

Specific grants

Payments from Central Government to cover Local Authority spending on a particular service or project. Specific grants are usually a fixed percentage of the costs of a service or project.

Surplus



The remaining amount having deducted expense sums from income receipts.

Tariff

A payment to Central Government calculated as the difference between the Business Rates Baseline (the government's assumed level of collectable business rates) and the Spending Needs Baseline (the government's assumed level of spending required by the Authority).

Tax Base

The tax base is an assessment by each billing Authority of the likely yield of a Council Tax of £1, accounting for the number of properties upon which a tax can be levied. The Tax base counts properties as Band D equivalents. For setting Council Tax, the tax base is based upon the District or Borough Council's number of Band D equivalent properties within each Local Authority area, allowing for the non-collection of Council Tax and new properties.

PWLB

The Public Works Loans Board is a government agency, which provides long-term loans to Local Authorities at favourable interest rates only slightly higher than those at which Central Government can borrow.

Virement

The transfer of budget from one spending head to another. Limits on the amounts transferred are specified within the Council's Financial Regulations.