Tamworth Borough Council

Statement of Accounts 2024/25

Building a Better Tamworth

Tamworth Borough Council

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STATEMENT OF ACCOUNTS
2024/25
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THE NARRATIVE REPORT

The aim of this Narrative Report is to provide a context to the accounts by presenting a clear and simple summary of the Authority’s financial position and performance for the year and its prospects for future years.

The statement of accounts presents the financial position and performance of the Authority for the year ended 31st March 2025. This narrative report describes the nature and purpose of each of the statements which follow and highlights the most significant matters which are contained within the accounts and the major influences affecting the Authority’s income, expenditure and cash flows.

THE FINANCIAL STATEMENTS

The Annual Statement of Accounts for the year ended 31st March 2025 has been prepared in accordance with the guidelines contained within the latest Code of Practice on Local Authority Accounting in the United Kingdom for 2024/25.

The Code is based on International Financial Reporting Standards (IFRS), and has been developed by the Chartered Institute of Public Finance and Accountancy (CIPFA)/Local Authority (Scotland) Accounts Advisory Committee (LASAAC) Code Board overseen by the Financial Reporting Advisory Board.

The Authority's accounts for 2024/25 are set out on pages 26 to 130 and consist of the following:

Core Financial Statements:

- **Comprehensive Income and Expenditure Account (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 net effect to the Council taxpayer is shown in the Movement in Reserves Statement.

  A surplus of £4.2m is reported for 2024/25 (£2.3m surplus in 2023/24). This is mainly explained by a reduction of £12.5m in the level of Long Term Debtors.

  It also included a £14.3m gain on Revaluation of Property, Plant and Equipment Assets, as well as a deficit on the provision of services of £10.9m.

- **Movement in Reserves Statement:** shows the movement in the year on the different reserves held by the Authority, analysed into ‘Usable Reserves’ (i.e. those that can be applied to fund expenditure or reduce local taxation) and other reserves.

  The Movement in Reserves Statement shows a net General Fund deficit of £0.7m for the year. This equates to a favourable variance of £0.4m (the planned transfer from balances at the start of the year in the original budget was £1.1m) and has resulted in General Fund Balances of £10.1m (£10.7m in

2023/24). Earmarked General Fund Reserves have reduced by £2.3m to £17.8m resulting in total General Fund Reserves of £27.9m (£30.9m in 2023/24) and reflect the risks and uncertainties facing the Authority over the medium term.

- **Balance Sheet:** shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Authority. The net assets of the Authority (assets less liabilities) are £298.5m (£294.3m in 2023/24) which are matched by the reserves held by the Authority.

  Key items are:

  Long Term Assets

  The Authority holds property, plant and equipment assets of £294.4m (£279.0m in 2023/24) – mainly due to Council dwellings of £255.1m (£246.2m in 2023/24).

  Working Capital

  Net working capital has reduced to £45.4m (£48.2m in 2023/24) mainly due to a reduction of £12.5m in the level of Long Term Debtors offset by an increase of £15.3m in the valuation of Property, Plant and Equipment as at 31st March 2025.

  Provisions, Usable Reserves and Balances

  The working balances as at 31st March 2025 are £58.7m (£60.4m in 2023/24) and comprise provisions, earmarked reserves, revenue balances and the unused element of capital receipts.

31st March 2024 £000	Provisions, Usable Reserves and Balances	31st March 2025 £000
2,426	Provisions	1,202
29,842	Earmarked Reserves	29,454
12,957	Revenue Balances	14,320
15,153	Unused Capital Receipts & Grants	13,760
60,378	Total Working Balances	58,736

  Working balances of £24.9m (£24.5m in 2023/24) relate to capital (including the Capital Reserve of £12.5m). Deferred capital expenditure of £26.3m from 2024/25 and previous years carried forward to 2025/26 will be financed in part from these balances (£30.1m in 2023/24).

Borrowing Facilities

The Authority borrows funds where necessary to meet both long term capital expenditure commitments and short-term cash flow demands. Funds are borrowed from the Government (Public Works Loan Board - PWLB) and from the commercial money market (banks, building societies and other lenders). The Authority's debt at 31st March 2025 was £63.1m (£63.1m in 2023/24) and was all borrowed from the PWLB.

Pensions

Following the application of IFRIC 14 – IAS 19 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction, the pension fund has a deficit in the year of £7.5m (£8.1m deficit in 2023/24) and is required to be shown on the Balance Sheet of the Authority.

The change in financial assumptions adopted together with other experience for period ending 31st March 2025 can be approximately broken down as follows:

Change in Financial Assumptions and Other Experience	31st March 2025 £'000
Pension increase Rate	-
Salary increase Rate	-
Discount rate	16,891
Changes in demographic assumptions	195
Other experience (obligations)	1,154
Other experience (Assets)	-
Return on assets	(1,995)
Changes in the effect of the asset ceiling	(15,499)
Total Gain	746

Pension Increase Rate – Market derived CPI inflation has remained the same in the period at 2.8% which has led to this assumption being unchanged.

The change in the CPI inflation assumption is a result of underlying changes in market implied RPI (after allowance for the inflation risk premium adjustment), coupled with any changes in the RPI-CPI gap from the previous year and the adjustment to CPI to reflect observed inflation since 30th September 2024. This has had no impact on the employer's obligations on the balance sheet.

Salary Increase Rate – the salary increase assumption has also remained the same in the period at 3.3%. This has had no impact on the employer's obligations or on the balance sheet.

Discount rate – The corporate bond yield (upon which the discount rate is derived) has risen over the period, which has led to a 1.0% increase in this assumption. This has served to reduce the Employer's obligations and led to a gain of around £16.9m on the balance sheet.

Changes in demographic assumptions (c.£0.195m gain on the balance sheet). The demographic assumptions have changed from the previous accounting period to reflect the latest available longevity improvements information available at the accounting date. This has served to reduce the Employer's obligations and led to a small gain on the balance sheet.

Other experience (c.£1.154m gain on the balance sheet). There are 3 possible elements that lead to the 'Other experience' item on the obligations side.

a) Pensions increase (PI) order – The actual PI order for April 2025 was 1.7%, which is lower than the pension increase rate assumption built into the obligations at the start of the accounting period. This increases pensions in payment, deferred pensions and CARE pots by less than expected, which has served to reduce the Employer's obligations and led to a gain of around £1.057m on the balance sheet.

   After allowing for the above Pensions Increase Order impact, the remainder of the 'Other experience' item is in relation to funding valuation remeasurement experience and any/or unfunded obligations experience (only in cases where the Employer has historically granted Compensatory Added Years benefits to LGPS):

b) 31st March 2022 funding valuation – there is no funding valuation experience impact in the 31st March 2025 results schedule as the impact was already accounted for in prior years.

c) Unfunded pensioners – Where the Council has experienced more (or less) unfunded pensioner deaths over the period than expected, this will give rise to a typically small experience gain (or loss) on the balance sheet.

Other experience (Assets) there is no experience in relation to this item in the 31st March 2025 results schedule.

Return on assets excluding amounts included in net interest (c.£1.995m loss on the balance sheet). Any excess return over and above the expected accounting return, i.e. the discount rate at the start of the accounting period) is recognised in the Other Comprehensive Income (OCI). The total investment return achieved by the Fund over the accounting period was 2.1%, compared to an expected accounting return of 4.8%, which leads to the loss on the balance sheet.

Following guidance from CIPFA issued in November 2023 with regard to the application of IFRIC 14 IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction, due to a significant number of Councils (including Tamworth) moving from a net defined benefit liability to a net defined benefit asset position in 2022/23, a calculation is undertaken to consider whether there is an asset ceiling that would limit the Council's ability to recognise the asset.

The IAS 19 asset ceiling is a specified estimate of the present value of the economic benefit which the employer organisation can realise, either through refunds or by gaining economic benefit through reductions in future contributions. Such an economic benefit may be available even if it is not realisable immediately at the end of the reporting period. However, it should be noted that local authority LGPS plans do not have all the features on which IAS 19 and IFRIC 14 provide guidance.

In particular
- No element of surplus fund assets belongs to pension fund members.
- Local authority employers cannot normally obtain refunds of surplus during the normal life of the plan.
- Local authority employers are not normally in a position to wind up a plan and thereby obtain refunds. In the event of the discontinuation of a local authority the pension fund assets and liabilities would be transferred to a successor authority.

The change in the net asset ceiling reflects the calculations undertaken by the actuary of the Staffordshire Pension Fund, incorporating an assessment of the economic benefit available as a contribution reduction and the minimum funding requirements from past service contributions, based on a number of assumptions with regard to discount rate, salary increase rate, and projected service costs.

It should be noted that there is no change to the underlying assets and obligations of the pension scheme as a result of the asset ceiling adjustment.

It should be noted that there has been no impact on the net cost to the taxpayer arising from this - contribution levels remain unchanged (an ongoing annual contribution plus a fixed lump sum element) arising from the formal valuation on 31st March 2022 (following the triennial review).

- **Cash Flow Statement:** shows the changes in cash and cash equivalents of the Authority during the reporting period. The statement shows how the Authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities.

- **Supplementary Statements:**
  - **Housing Revenue Account:** reflects the statutory requirement to maintain a separate account for Council Housing.

    The overall revenue financial position relating to Council Housing as given on page 120 shows an increase in HRA balances for the year of £2.1m (£0.5m decrease in 2023/24).

    This equates to an underspend of £1.0m when compared to the approved budget for the year. This has resulted in an increase in balances from £2.2m to £4.3m to be carried forward to 2025/26. Earmarked HRA Reserves have increased by £0.6m (£1.2m increase in 2024/5) to £8.0m resulting in total HRA Reserves of £12.3m (£9.6m in 2023/24).

  - **The Collection Fund:** shows the Council Tax income collected on behalf of Staffordshire County Council, the Office of the Police and Crime Commissioner (OPCC), the Staffordshire Commissioner Fire and Rescue Authority and this Authority's General Fund.

    The fund also includes Non Domestic Rates (NDR) income under the Business Rates Retention Scheme. The Collection Fund, subject to collection of outstanding arrears, achieved the following:

    - Council Tax – surplus of £0.5m (£0.7m in 2023/24, the Authority's share is 10%), of which £0.3m (£0.3m in 2023/24) will be distributed to preceptors during 2025/26;
    - NDR – deficit of £0.5m (£4.8m deficit in 2023/24) of which the Authority's share is 40%.

The deficit relating to the NDR collection fund includes a reduced provision of £3.0m, (£6.0m – 2023/24) with £1.2m being the Authority's share (£2.4m in 2023/24), for appeals outstanding on the 31st March 2025 of £6.1m (£16.2m in 2023/24).

This will mean that the deficit will be £0.2m (share for this Authority) for 2025/26 comparable to a deficit of £0.1m included within the 2025/26 budget. It should be noted that this will be funded in 2025/26 through additional section 31 Government grants received during 2024/25 (and transferred to reserve).

These accounting statements are supported by appropriate notes to the accounts and the General Accounting Policies. For 2024/25, the notes to support the primary statements include the relevant accounting policies as well as further detail regarding individual transactions.

CHANGES TO THE ACCOUNTS 2024/25

An updated Code of Practice on Local Authority Accounting, applicable for 2024/25 (the Code) was issued by CIPFA in May 2024. In England and Wales, the Code constitutes a 'proper accounting practice' under the terms of Section 21(2) of the Local Government Act 2003.

Changes reflected in the 2024/25 updated Code do, on the whole, have to be incorporated into the Authority's accounts but do not necessarily impact on the Authority's accounting policies. This is because the changes are principally around additional or changed disclosure notes, points of clarification and additional guidance etc.

The Code is based on approved accounting standards issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee, except where these are inconsistent with specific statutory requirements. The Code also draws on approved accounting standards issued by the International Public Sector Accounting Standards Board and the UK Financial Reporting Council where these provide additional guidance. The Code has been prepared on the basis of accounting standards and interpretations in effect for accounting periods commencing on or before 1 January 2024.

The Code also incorporates a temporary relief for certain reporting on infrastructure assets, which means that local authorities are not required to report the gross book value and accumulated depreciation for infrastructure assets. Where a local authority choses to apply this temporary relief, the Code requires that additional information is provided to explain an authority's rationale for this decision. The Council has not made use of this relief in the 2024/25 Accounts.

The key accounting changes applicable to the Authority in the 2024/25 edition of the Code include:

a) A substantial and significant change in the full adoption of IFRS 16, including

   - Clarification on the treatment of right of use assets for leased Property, Plant and Equipment; and
   - Significant changes to the classification, recognition, measurement and disclosure of leases.

b) Amendments to suggest that narrative reporting might reflect on the risk that a Section 114 notice might be issued.

c) Confirmation of the transitional reporting requirements of the new standards introduced in the 2024/25 Code, while also having regard to requirements in relation to voluntary adoption of IFRS.

d) Confirmation of the new standards introduced to the 2024/25 Code.

Under the oversight of the Financial Reporting Advisory Board, the CIPFA/LASAAC Code Board is in a position to issue mid-year updates to the Code. This will only be done in exceptional circumstances.

FINANCIAL OUTLOOK

The Medium-Term Financial Planning process continues to be challenged by the ongoing uncertain economic conditions. The forecast is based on a 5 year period but does contain a number of uncertainties.

On 5th February 2025, the Minster for Housing, Communities and Local Government published a written ministerial statement on the 2025/26 local government finance settlement. This settlement was again for one year only, although the Government did commit to a multi-year settlement thereafter.

The long-awaited business rates reset and ‘Fairer Funding’ review is now expected in 2026/27, and there remains significant uncertainty around Local Government funding from this point onwards. The Business Rate Reset will see the national redistribution of business rates so that any retained growth (since 2013/14) will be consumed into the national pot for redistribution. It is expected that Tamworth BC will lose significant growth when this occurs, and the extent of any transitional protection or relief arrangements has not been confirmed.

There is a high risk that these reforms will have a significant effect on the Council’s funding level from 2026/27.

Members will face difficult decisions around prioritising services, when faced with significant reductions in funding.

There are also further uncertainties arising from continuing cost pressures and inflationary increases which have compounded price increases for supplies that are required for building or construction/maintenance works. The budget proposals included in the MTFS reflect the need to compensate for reduced income levels arising from the uncertain economic conditions and potential significant reductions in Government funding. This is matched against a desire to continue to address the Council’s priorities / issues identified by Members and at the same time to seek continuous improvement in service delivery.

A Financial Resilience Plan has been developed to ensure the long term financial sustainability of the Council. Even with implementing the maximum available increase in Council Tax, the Council faces significant financial challenges. Budgets are currently being balanced by the use of reserves and balances which is not sustainable over the longer term, and this was reflected in the recent LGA Corporate Peer Challenge report, which recommended that the Council develops a clear savings plan incorporating tangible, costed and deliverable savings with robust senior management and member oversight.

The Financial Resilience Plan includes a number of workstreams under Income maximisation; Financial Management; and Service Transformation /Organisational Review headings. Progress in a number of areas has already been made, for example identification of year on year underspends, and zero-based budgeting reviews, which have been reflected in the budgets for 2025/26.

Members will be required to make difficult decisions about funding services in the future. However, the savings and efficiencies prioritised in the Financial Resilience Plan will be essential to avoid the need for an application to the Government for exceptional financial support in future years.

The Council's constitution requires Cabinet publish initial proposals for the budget, having first canvassed the views of local stakeholders as appropriate - budget proposals were considered at the Joint Scrutiny Committee (Budget) meeting on 28th January 2025. In line with the constitution a Leaders Budget Workshop was held on 18th November 2024 to outline the issues affecting the MTFS arising from the base budget forecast. The MTFS budget has been set following extensive consultation with the people of Tamworth. This includes feedback and responses from the Annual Survey consultation exercise.

The overriding goal is to make sure our organisation remains fit for the future, while protecting services to the most vulnerable in our community. The 3 year Corporate Plan came to an end in March 2025 and a new Plan was approved by Council along with the budget report in February 2025.

Our new vision is 'Building a Better Tamworth' and our primary areas of focus are:

- Prosperity and Place
- Environment
- Community Wellbeing
- Council

The Council remains committed to promoting and stimulating economic growth and regeneration; meeting our housing needs; creating a vibrant town centre economy and protecting those most vulnerable in our communities. There is also a clear commitment to being a financially resilient council and maintaining balanced budgets in our financial strategies is a key priority.

There have been increasing demands for councils to assess their going concern status in recent years. This assessment has become more relevant with doubts being expressed about whether some local authorities will be able to deliver their full range of service commitments given the financial pressures they face and with some councils issuing warnings about their future financial viability.

It is important to be clear that the Code of Practice under which local authorities operate confirms that councils have no ability to cease being a going concern.

It would not therefore be appropriate for local authority financial statements to be prepared on anything other than a going concern basis. However, as part of putting these accounts together, the Council's financial monitoring and planning has continued to focus on providing assurance that its financial position remains secure. This includes considering the impact of cost of living pressures on council income, assessment of any bad debt provisions and impairments required against existing debts and continued analysis of the Council's cashflow requirements.

In the immediate future, the level of the Council's reserve balances is a good indicator of its financial health and ability to withstand any short-term shocks. In addition, the statutory environment in which local authorities operate means that, were an authority to encounter financial difficulties, the prospect would be that central government would implement alternative arrangements for the continuation of services or provide assistance to allow the recovery of any deficit over more than one year. In the light of this and in the opinion of the Interim Executive Director Finance, the Council remains in a sound financial position considering the statutory position held by local authorities and the relative strength of its sources of revenue. Notwithstanding this, the continued work to redefine a new local government funding mechanism provide significant uncertainty for the whole sector.

The 2025/26 budget of £8.6m delivers a small surplus of £148k. However, due to the uncertainty around the impact of the business rates reset from 2026/27, balances and reserves are required to balance the budget over the three year MTFS period to 2027/28. The use of reserves is currently projected to increase to unsustainable levels thereafter and it will be necessary to deliver savings through the Financial Resilience Plan to enable the Council to move towards a balanced budget in future years.

FINANCIAL PERFORMANCE

General Fund

The main components of the General Fund approved budget and how these compare with actual income and expenditure are set out below.

General Fund	Actual £000	Approved Budget £000	Variance £000
(Surplus) or Deficit for the Year	**673**	**1,135**	**(462)**

The net expenditure for the Authority was £0.7m, representing an underspend of £0.5m. Major differences between the budget and the outturn are as follows:-

Variance between Budget & Actual Outturn	£000	£000
Increased / Non-Budgeted Income*		
Higher levels of investment income due to the rise in interest rates during the year, including item 8 recharge and property fund dividends	(1,520)	
Additional Income received on Ankerside	(620)	(2,140)
Non-Budgeted Expenditure / Overspends		
Higher levels of interest payable to the HRA and reserves	736	736
Savings / Underspends		
NDR Levy Payments	(1,298)	(1,298)
Other Variances - Net (Underspends) / Overspends		2,240
Total (Favourable) / Unfavourable Variance		**(462)**

Council Housing

A summary of the Housing Revenue Account for 2024/25, compared with the approved budget (including decisions made by Members during the financial year) is shown below:-

Housing Revenue Account	**Actual**	**Approved Budget**	**Variance**
	£000	**£000**	**£000**
(Surplus) or Deficit for the Year	**(2,036)**	**(1,056)**	**(980)**

The net surplus was £2.0m, representing an underspend of £1.0m. Major differences between the budget and the outturn are as follows:-

Variance between Budget & Actual Outturn	**£000**	**£000**
Increased / Non-Budgeted Income		
Increased investment income on balances (item 8)	(835)	**(835)**
Non-Budgeted Expenditure / Overspends		
Housing Repairs - increase in Price Per Property and other uplifts	693	
Increased interest on debt due to rising interest rates	113	806
Savings / Underspends		
Housing Repairs - reduced planned maintenance	(589)	
Provision for bad debts	(108)	
Contingency Budget not required	(130)	(827)
Other Variances - Net (Underspends) / Overspends		(124)
Total (Favourable) / Unfavourable Variance		**(980)**

Capital Expenditure

During 2024/25 the Authority spent £15.9m on capital expenditure (£23.9m in 2023/24). A breakdown by category and sources of finance is shown as Note 33 to the Core Financial Statements on page 95.

The majority of expenditure is related to improvement, enhancement or ongoing construction works:

Capital Expenditure	£m	£m
General Fund Services		
Future High Street Fund Town Centre Regeneration	7,210	
Disabled Facilities Grants	485	
Other Capital Schemes	1,631	9,326
Housing Capital Programme		
Enhancements to Council Dwellings	3,913	
Improvements to the High Rise Flats	273	
Regeneration & Acquisition of Council Dwellings	1,064	
Other Capital Schemes	1,339	6,589
Total		**15,915**

A total of £26.3m spending originally planned for 2024/25, or earlier, has been deferred to 2025/26 (£30.1m in the previous year). Included within this deferred expenditure:

Deferred Capital Expenditure	£000	£000
General Fund Services		
Future High Street Fund Town Centre Regeneration	7,615	
Gungate Development	2,172	
Commercial Lease Bolebridge	362	
Amington Community Woodland	757	
Disabled Facilities Grant	1,865	
Other Capital Schemes	4,655	17,426
Housing Capital Programme		
Enhancements to Council Dwellings	7,390	
Regeneration & Acquisition of Council Dwellings	517	
Other	955	8,862
Total		**26,288**

During the year, the Authority disposed of land and property with capital receipts totalling £1.7m, primarily relating to the disposal of 21 Council Dwellings through Right to Buy sales.

NON-FINANCIAL PERFORMANCE

In February 2022 Council approved the Vision, Strategic priorities and the Council's Corporate Plan for the period 2022 to 2025, with the Vision '**Tamworth – celebrating our heritage, creating a better future'.** A number of priorities underpinned this vision

1) The Environment
2) The Economy
3) Infrastructure
4) Living in Tamworth
5) The Town Centre

During 2024/25, work began on developing a new refocused vision to reflect new priorities for the Council and the associated 5 year Corporate Plan for 2025 to 2030. This involved engaging as broadly as possible, holding surveys and drop-in sessions to help us to identify and prioritise outcomes, seeking feedback from specific groups and communities alongside workshops with staff and councillors to refine the priority outcomes for the borough.

Our new vision is **'Building a Better Tamworth.'**

The vision details four key areas of focus for the borough; including the key outcomes we are seeking to achieve and how we will work to achieve them.

Our primary areas of focus are:

- **Prosperity and Place**
- **Environment**
- **Community Wellbeing**
- **Council**

Tamworth Corporate Plan

Prosperity & Place - We want growth in the local economy by creating jobs and a Tamworth we are all proud of, ensuring financial stability for all. We will:

1. Work with businesses to help them grow and create jobs
2. Identify and address skills shortages
3. Make the town centre more vibrant and accessible
4. Regenerate and create spaces for people to use and enjoy
5. Promote tourism and nightlife by using our culture and heritage sites

Environment - We want to achieve net-zero carbon emissions, protect the environment and enhance local biodiversity. We will:

6. Keep Tamworth's local areas clean
7. Tackle fly tipping, littering and environmental offenses
8. Cut down on using carbon in our operations
9. Collaborate with partners to protect the environment
10. Provide eco-friendly housing options

Community Wellbeing - We want residents to lead safe, healthy and happy lives in communities that are cohesive, where diversity is celebrated. We will:

11. Work with our partners to support children and vulnerable individuals' wellbeing
12. Ensure our active health and wellbeing offer supports residents physical and mental health
13. Improve our offer to provide suitable homes and make good quality, eco-friendly and affordable housing available
14. Work with our partners to reduce homelessness and rough sleeping
15. Work with our partners to reduce crime and help our residents feel safe

Council - We're focused on being a caring, accessible and effective council that is financially resilient. We will:

16. Be visible, accessible, approachable and accountable to the community
17. Learn and work with communities to provide broader social benefits
18. Maintain balanced budgets in our financial strategies

Further details on the Authority's Key Performance Indicators for 2024/25 (and previous years) together with our vision and priorities for Tamworth, our values along with our performance are set out in **our Corporate Plan** which sets out our plans and priorities for the coming year, and is available from the Authority's website:

http://www.tamworth.gov.uk/performance

HIGH LEVEL CORPORATE PLAN PROJECTS/PROGRAMMES

An update on the 2022 to 2025 Corporate Plan actions is shown below.

Code	Project	Projects Highlights (Overall Project Comments)	Status	Due Date	Managed By
CP2022-25_PD_34	Asset Management Strategy	Cabinet approved Asset Management Strategy for implementation in November 2024. The next phase of the project for 205/26 will be the production of detailed Asset Management Plans for each asset.		31-Oct-2024	Paul Weston
CP2022-25_TCP_04	Future High Street Fund	At the end of Q4 the Tec2 project is at completion and ready for occupation. The Flex is moving forwards with steels in place. St Edithas Square has commenced and has a 5 month programme which is on track. Enabling works at Market Street have completed and design/costs are being prepared for approval. A planning application will be submitted to the LPA soon.		31-Jan-2026	Anna Miller
CP2022-25_PD_43	Financial Stability Plan to resolve long term Medium Term Financial Strategy position	Budget and MTFS 2025/26 on track in line with timetable		31-Mar-2025	Joanne Goodfellow
CP2022-25_TCP_05	Gungate	Land assembly on Gungate North is progressing well to acquire SCC land/properties. Removal of the covenant on their youth centre property is finalised, allowing SCC to dispose of the Tamyouth Centre. Plans to split bingo hall from ATIK nightclub have been developed and negotiations with new nightclub owners are taking place.		31-Dec-2025	Anna Miller
CP2022-25_PD_27	Housing Revenue Account (HRA) Business Plan (2025-2055)	Cabinet Report agreed 6/3/25 - project deliverables to be mapped into 2025/2026 work plans		31-Mar-2025	Tina Mustafa

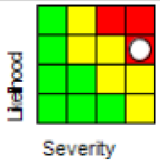
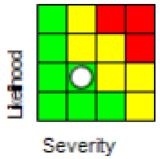
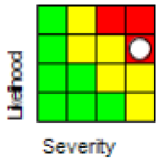
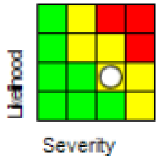
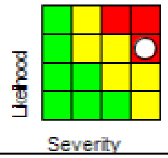
CP2022-25_PD_48	Strategic Review of Leaseholder Service Charges	The external consultants, Campbell Tickell have produced a draft report for consideration by the Leasehold Working Group; this will be presented to Corporate Scrutiny in August for their consideration and comments before a final report making recommendations on how to proceed with Leasehold Service Charges is considered by Cabinet. The report contains a number of observations and elements to consider, included in this will be updated communications, a report on specific roofing conditions and options relating to payments. Leaseholders have been written to update on the progress of the work and they will receive further updates once the various committees have had an opportunity to consider the recommendations.		31-Mar-2025	Paul Weston
CP2022-25_PD_08	Local Government Boundary Review	February 2025 Project paused - advised by Local Government Boundary Commission due to devolution and local government reorganisation		31-Mar-2025	Zoe Wolicki
CP2022-25_TCP_07	Net Zero			31-Mar-2025	Anna Miller
CP2022-25_PD_46	Response to Ankerside and organisational preparedness			31-Mar-2025	Paul Weston
CP2022-25_PD_47	Social Housing Regulatory Programme	Programme Lead/Project team hosting highlight meetings' 22/23rd May and 12/13June to review all improvement planning actions ahead of Board & Cabinet update in June 2025 and RSH visit 27/6/29. TSM measures captured by MEL with increase in satisfaction - on track to be submitted by 30/6/25. NB Housing Ombudsman adjusted self-assessment on HO Code to Sept also on track		31-Dec-2025	Tina Mustafa

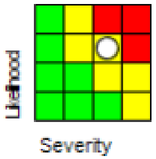
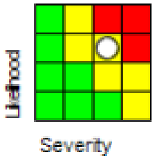
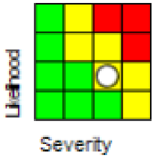
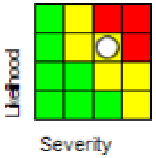
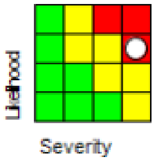
Key to Symbols

RAG Status	Overall Project Status
	Action / Key Workstream / Project on track and in control
	Action / Key Workstream / Project not on track but is in control
	Action / Key Workstream / Project Completed
	Action / Key Workstream / Project not on track and not in control

CORPORATE RISK REGISTER

The Authority's Corporate risks for 2024/25 are outlined below.

Sub risk	Parent risk	Risk Matrix	Date reviewed	Severity	Likelihood	Rating	Status	Assigned to
CR2024/25_1.1 To ensure that the Council is financially sustainable as an organisation	Finance/Financial stability		17-Mar-2025	4	3	12		Joanne Goodfellow
CR2024/25_2.1 To ensure the Council is fully compliant in all legislative requirements	Governance		28-Apr-2025	2	2	4		Anica Goodwin
CR2024/25_3.1 Failure to understand Borough issues that may lead to community cohesion challenges and community resilience issues affecting Tamworth 'the place'	Promoting community resilience and cohesive communities		17-Mar-2025	4	3	12		Rob Barnes; Hannah Peate; Joanne Sands
CR2024/25_4.1 Failure to deliver a new Local Plan by 2031 and failure to deliver affordable housing.	Inability to meet social housing targets, deliver affordable housing and meet the requirements of the social housing regulations.		12-May-2025	3	2	6		Rob Barnes; Anna Miller; Paul Weston
CR2024/25_4.2 Failure to meet the Regulator Social housing consumer standards	Inability to meet social housing targets, deliver affordable housing and meet the requirements of the social housing regulations.		11-Apr-2025	4	4	16		Tina Mustafa

Sub risk	Parent risk	Risk Matrix	Date reviewed	Severity	Likelihood	Rating	Status	Assigned to
CR2024/25_5.1 Failure to provide services or maintain the continued wellbeing and operations within the Borough and be resilient to the unprecedented changes of the future. Lack of resources, capacity and right skills in place to deliver corporate objectives	Organisational Resilience		04-Apr-2025	3	3	9		Rob Barnes; Anica Goodwin
CR2024/25_6.1 Failure to meet climate change ambitions/ meet net zero targets and plan for major weather impacts	Failure to meet climate change/meet net zero targets and plan for major weather impacts		12-May-2025	3	3	9		Rob Barnes
CR2024/25_7.1 Effective data management	Information and Data Management		09-Apr-2025	3	2	6		Anica Goodwin
CR2024/25_8.1 Lack of economic growth, sustainability and prosperity in the Borough at the levels required	Inability to deliver economic growth, sustainability and prosperity in the Borough		12-May-2025	3	3	9		Rob Barnes; Anna Miller
CR2024/25_9.1 To ensure the council is resilient against Cyber security threats	Cyber Security		04-Apr-2025	4	3	12		Anica Goodwin

Risk Status	
	Alert
	High Risk
	Warning
	OK

Further information about the Statement of Accounts is available from the Interim Executive Director Finance, Tamworth Borough Council, Marmion House, Lichfield Street, Tamworth, Staffs. B79 7BZ.

Email: joanne-goodfellow@tamworth.gov.uk Telephone: 01827 709241

This is part of the Authority's policy of providing full information about the Authority's affairs. In addition, 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 Authority’s website at www.tamworth.gov.uk

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

The Authority's Responsibilities

The Authority 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 Authority, that officer is the Executive Director Finance;

- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets; and

- Approve the Statement of Accounts.

The Executive Director Finances' Responsibilities

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

In preparing this Statement of Accounts, the Executive Director Finance has:

- selected suitable accounting policies and then applied them consistently;

- made judgements and estimates that were reasonable and prudent;

- complied with the Local Authority Code.

The Executive Director Finance has also:

- kept proper accounting records which were up to date; and

- taken reasonable steps for the prevention and detection of fraud and other irregularities.

This Statement of Accounts gives a true and fair view of the financial position of Tamworth Borough Council and its expenditure and income for the year ended 31st March 2025.

Jo Goodfellow

Interim Executive Director of Finance Dated: 27th June 2025

Comprehensive Income and Expenditure Statement (CIES)

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

A breakdown of the individual services contained within the CIES headings are detailed within the Appendix to the CIES on page154.

A detailed breakdown of the movement on the HRA is shown within the HRA Statements on page 121.

2023/24			Comprehensive Income & Expenditure Statement	Notes	2024/25		
Gross Expenditure £000	**Gross Income £000**	**Net Expenditure £000**			**Gross Expenditure £000**	**Gross Income £000**	**Net Expenditure £000**
2,682	(639)	2,043	Chief Executive		509	(121)	388
13,173	(2,275)	10,898	Assistant Director Growth and Regeneration		4,297	(2,817)	1,480
781	(230)	551	Executive Director Organisation (GF)		127	(33)	94
3,419	(993)	2,426	Assistant Director People (GF)		3,643	(956)	2,687
-	-	-	Assistant Director Policy & Performance (GF)*		827	(252)	575
6,002	(2,347)	3,655	Assistant Director Env, Culture & Wellbeing (GF)		8,886	(2,692)	6,194
135	(30)	105	Executive Director Finance		185	(35)	150
13,926	(16,221)	(2,295)	Assistant Director Finance		14,156	(13,083)	1,073
-	-	-	Executive Director Communities (GF)		-	-	-
1,569	(479)	1,090	Assistant Director Assets (GF)		2,710	(1,764)	946
1,631	(674)	957	Assistant Director Neighbourhoods (GF)		1,917	(769)	1,148
1,396	(418)	978	Assistant Director Partnerships		2,264	(809)	1,455
143	(115)	28	Executive Director Communities (HRA)		147	(118)	29
13,213	(21,317)	(8,104)	HRA Summary		13,247	(24,021)	(10,774)
253	-	253	Assistant Director People (HRA)		266	-	266
355	-	355	Assistant Director Operations and Leisure (HRA)		408	-	408
1,320	(381)	939	Assistant Director Assets (HRA)		1,553	(383)	1,170
5,367	(1,328)	4,039	Assistant Director Neighbourhoods (HRA)		5,909	(1,357)	4,552
4,854	(166)	4,688	Housing Repairs		6,366	(136)	6,230
70,219	**(47,613)**	**22,606**	**Cost of Services**	7	**67,417**	**(49,346)**	**18,071**

2023/24					2024/25		
Gross Expenditure £000	**Gross Income £000**	**Net Expenditure £000**	**Comprehensive Income & Expenditure Statement**	**Notes**	**Gross Expenditure £000**	**Gross Income £000**	**Net Expenditure £000**
		(296)	Other Operating Expenditure	11			(223)
		283	Financing and Investment Income and Expenditure (FIIE)	12			10,856
		(20,088)	Taxation and Non Specific Grant Income	13			(17,823)
		2,505	**(Surplus) or Deficit on Provision of Services**	7			**10,881**
		(7,646)	(Surplus) or Deficit on Revaluation of Property, Plant and Equipment Assets	23a			(14,293)
		2,836	Re-measurement of the Net Defined Benefit Liability	23c			(746)
		(4,810)	**Other Comprehensive Income and Expenditure**				**(15,039)**
		(2,305)	**Total Comprehensive Income and Expenditure**				**(4,158)**

* New post created in 2024/5

Movement in Reserves Statement

This statement shows the movement in the year on the different reserves held by the Authority, analysed into 'Usable Reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other reserves. The (Surplus) or Deficit on the Provision of Services line shows the true economic cost of providing the Authority's services, more details of which are shown in the Comprehensive Income and Expenditure Statement. These are different from the statutory amounts required to be charged to the General Fund Balance and the Housing Revenue Account for Council Tax setting and dwellings rent setting purposes. The Net (Increase) / Decrease before Transfers to Earmarked Reserves line shows the statutory General Fund Balance and Housing Revenue Account Balance before any discretionary transfers to or from Earmarked Reserves undertaken by the Authority.

The reserve movements for 2023/24 and 2024/25 are shown on the following pages.

Movement in Reserves Statement 2023/24

	General Fund Balance £000	Earmarked Reserves £000	Total General Fund Balances £000	Housing Revenue Account £000	Earmarked HRA Reserves £000	Total HRA Balances £000	Capital Receipts Reserve £000	Major Repairs Reserve Note HRA 3 £000	Capital Grants Unapplied £000	Total Usable Reserves £000	Unusable Reserves £000	Total Authority Reserves £000
Balance as at 1st April 2023	**9,616**	**15,560**	**25,176**	**2,761**	**8,540**	**11,301**	**14,312**	**2,059**	**975**	**53,823**	**238,187**	**292,010**
Movement in Reserves during 2023/24												
Surplus or (Deficit) on the Provision of Services	1,512	-	**1,512**	(4,017)	-	**(4,017)**	-	-	-	**(2,505)**	-	**(2,505)**
Other Comprehensive Income and Expenditure	-	-	**-**	-	-	**-**	-	-	-	**-**	4,810	**4,810**
Total Comprehensive Income and Expenditure	**1,512**	**-**	**1,512**	**(4,017)**	**-**	**(4,017)**	**-**	**-**	**-**	**(2,505)**	**4,810**	**2,305**
Adjustments between Accounting Basis and Funding Basis Under Regulations (Note 9)	4,183	-	**4,183**	2,325	-	**2,325**	(380)	260	246	**6,634**	(6,634)	**-**
Net (Increase) / Decrease before transfers to Earmarked Reserves	**5,695**	**-**	**5,695**	**(1,692)**	**-**	**(1,692)**	**(380)**	**260**	**246**	**4,129**	**(1,824)**	**2,305**
Transfers to / (from) Earmarked Reserves (Note 10)	(4,574)	4,574	**-**	1,151	(1,151)	**-**	-	-	-	**-**	-	**-**
Increase / (Decrease) in 2023/24	**1,121**	**4,574**	**5,695**	**(541)**	**(1,151)**	**(1,692)**	**(380)**	**260**	**246**	**4,129**	**(1,824)**	**2,305**
Balance as at 31st March 2024	**10,737**	**20,134**	**30,871**	**2,220**	**7,389**	**9,609**	**13,932**	**2,319**	**1,221**	**57,952**	**236,363**	**294,315**

Movement in Reserves Statement 2024/25

	General Fund Balance	Earmarked Reserves	Total General Fund Balances	Housing Revenue Account	Earmarked HRA Reserves	Total HRA Balances	Capital Receipts Reserve	Major Repairs Reserve Note HRA 3	Capital Grants Unapplied	Total Usable Reserves	Unusable Reserves	Total Authority Reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Balance as at 1st April 2024	**10,737**	**20,134**	**30,871**	**2,220**	**7,389**	**9,609**	**13,932**	**2,319**	**1,221**	**57,952**	**236,363**	**294,315**
Movement in Reserves during 2024/25												
Surplus or (Deficit) on the Provision of Services	(7,032)	-	**(7,032)**	(3,849)	-	**(3,849)**	-	-	-	**(10,881)**	-	**(10,881)**
Other Comprehensive Income and Expenditure	-	-	**-**	-	-	**-**	-	-	-	**-**	15,039	**15,039**
Total Comprehensive Income and Expenditure	**(7,032)**	**-**	**(7,032)**	**(3,849)**	**-**	**(3,849)**	**-**	**-**	**-**	**(10,881)**	**15,039**	**4,158**
Adjustments between Accounting Basis and Funding Basis Under Regulations (Note 9)	4,065	-	**4,065**	6,515	-	**6,515**	(1,459)	1,276	66	**10,463**	(10,463)	**-**
Net (Increase) / Decrease before transfers to Earmarked Reserves	**(2,967)**	**-**	**(2,967)**	**2,666**	**-**	**2,666**	**(1,459)**	**1,276**	**66**	**(418)**	**4,576**	**4,158**
Transfers to / (from) Earmarked Reserves (Note 10)	2,294	(2,294)	**-**	(630)	630	**-**	-	-	-	**-**	-	**-**
Increase / (Decrease) in 2024/25	**(673)**	**(2,294)**	**(2,967)**	**2,036**	**630**	**2,666**	**(1,459)**	**1,276**	**66**	**(418)**	**4,576**	**4,158**
Balance as at 31st March 2025	**10,064**	**17,840**	**27,904**	**4,256**	**8,019**	**12,275**	**12,473**	**3,595**	**1,287**	**57,534**	**240,939**	**298,473**

Balance Sheet

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Authority. The Net Assets of the Authority (assets less liabilities) are matched by the Reserves held by the Authority. Reserves are reported in two categories. The first category of reserves are Usable Reserves, i.e. those reserves that the authority may use to provide services, subject to the need to maintain a prudent level of 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 Authority 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'.

31st March 2024 £000	Balance Sheet	Notes	31st March 2025 £000
279,128	Property, Plant & Equipment	14	294,414
4,156	Heritage Assets	15	4,325
20,154	Investment Property	16	18,996
263	Intangible Assets		125
-	Right of Use Vehicles, Plant and Equipment	34	3,758
-	Assets Held for Sale	20	-
10,143	Long Term Investments	17	10,406
12,721	Long Term Debtors	17	183
-	Other Long Term Assets	23c/37	-
326,565	**Long Term Assets**		**332,207**
50,252	Short Term Investments	17	46,021
22	Inventories		20
2,721	Short Term Debtors	18	2,752
10,158	Cash & Cash Equivalents	19	9,749
63,153	**Current Assets**		**58,542**
(2,438)	Cash & Cash Equivalents	19	(1)
(313)	Short Term Borrowing	17	(309)
(11,485)	Short Term Creditors	21	(10,982)
-	Short Term Finance Liability	34	(651)
(678)	Provisions	22	(372)
(14,914)	**Current Liabilities**		**(12,315)**
(373)	Long Term Creditors	17	(825)
(1,748)	Provisions	22	(830)
(63,060)	Long Term Borrowing	17	(63,060)
(8,116)	Other Long Term Liabilities	23c/37	(7,487)
-	Long Term Finance Liability	34	(2,977)
(6,920)	Capital Grants Receipts in Advance	31	(3,807)
(272)	Revenue Grants Receipts in Advance		(975)
(80,489)	**Long Term Liabilities**		**(79,961)**
294,315	**Net Assets**		**298,473**
57,952	Usable Reserves		57,534
236,363	Unusable Reserves	23	240,939
294,315	**Total Reserves**		**298,473**

Jo Goodfellow
Interim Executive Director of Finance

Dated: 27th June 2025

Cash Flow Statement

The Cash Flow Statement shows the changes in Cash and Cash Equivalents of the Authority during the reporting period. The statement shows how the Authority generates and uses Cash and Cash Equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Authority are funded by way of taxation and grant income or from the recipients of services provided by the Authority. Investing Activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Authority's future service delivery. Cash flows arising from Financing Activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Authority.

2023/24 £000	Cashflow Statement	Notes	2024/25 £000
2,505	Net (Surplus) or Deficit on the Provision of Services		10,881
(16,626)	Adjustments to Net (Surplus) or Deficit on the Provision of Services for non-cash movements		(14,221)
12,268	Adjustments for items included in the Net (Surplus) or Deficit on the Provision of Services that are Investing and Financing Activities		8,281
(1,853)	Net cash flows from Operating Activities (Surplus)/Deficit	24	4,941
(5,655)	Investing Activities	25	(5,741)
1,307	Financing Activities	26	(1,228)
(6,201)	Net (increase) or decrease in Cash and Cash Equivalents		(2,028)
1,519	Cash and Cash Equivalents at the beginning of the reporting period		7,720
7,720	**Cash and & Cash Equivalents at 31st March 2025**	19	**9,748**

Notes to the Core Financial Statements – Summary

NOTES TO THE ACCOUNTS

1. Accounting Policies

BASIS FOR PREPARATION

The notes relating to specific financial statement lines include the corresponding accounting policy. As a result, there is not an overall principal accounting policies note. However, the general accounting policies where there are not any accompanying notes are detailed within this note.

i. GENERAL PRINCIPLES

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

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.

ii. 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, other than prepayments which are accounted for on a cash basis. In particular:

a) Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract;

b) Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as Inventories on the Balance Sheet;

c) 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;

d) 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;

e) 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 in financing and investment income and expenditure for the income that might not be collected.

The Authority's policy is to review all accruals over £1k together with payments and receipts over £5k made in February, March and April to ensure that they are recorded in the appropriate period. Any accruals below this amount are not considered to be material.

iii. PRIOR PERIOD ADJUSTMENTS, CHANGES IN ACCOUNTING POLICIES AND 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 the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Authority's financial position or financial performance.

Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

iv. 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 fixed assets during the year:

a) depreciation attributable to the assets used by the relevant service;
b) 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; and
c) amortisation of intangible fixed assets attributable to the service.

The Authority is not required to raise Council Tax to fund depreciation, revaluation and impairment losses or amortisations. However, it is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirement, equal to an amount calculated on a prudent basis determined by the Authority in accordance with statutory guidance.

Depreciation, revaluation and impairment losses and amortisations are therefore replaced in the General Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

v. COUNCIL TAX AND NON-DOMESTIC RATES (ENGLAND)

Billing authorities 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 (ie 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 NDR

The council tax and NDR income included in the Comprehensive Income and Expenditure Statement (CIES) 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 CIES 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 Authority's share of the end of year balances in respect of Council Tax and NDR relating to arrears, impairment allowances for doubtful debts, overpayments and prepayments and 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 and Expenditure line in the CIES. The impairment loss is measured as the difference between the carrying amount and the revised future cash flows.

vi. INTANGIBLE ASSETS

Expenditure on non monetary assets that do not have physical substance but are controlled by the Authority as a result of past events (e.g. software licences) is capitalised when it is expected that future economic benefits or service potential will flow from the Intangible Asset to the Authority.

Internally generated assets are capitalised where it is demonstrable that the project is technically feasible and is intended to be completed (with adequate resources being available) and the authority will be able to generate future economic benefits or deliver service potential by being able to sell or use the asset. Expenditure is capitalised where it can be measured reliably as attributable to the asset and is restricted to that incurred during the development phase (research expenditure cannot be capitalised).

Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of the assets held by the authority can be determined by reference to an active market. In practice, no intangible asset held by the authority meets this criterion, and they are therefore carried at amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service line in the Comprehensive Income and Expenditure Statement. An asset is tested for impairment whenever there is an indication that the asset might be impaired – any losses recognised are posted to the relevant service line in the Comprehensive Income and Expenditure Statement. Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted 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 £10k) the Capital Receipts Reserve.

vii. 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.

viii. FAIR VALUE MEASUREMENT

The Authority measures some of its non-financial assets such as Surplus Assets and Investment Properties and some of its financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

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 authority measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

When measuring the fair value of a non-financial asset, the authority 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 authority 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.

The Authority uses internal and external valuers to provide a valuation of its assets and liabilities in line with the highest and best use definition within the accounting standard. The highest and best use of the asset or liability being valued is considered from the perspective of a market participant.

Inputs to the valuation techniques in respect of the Authority's fair value measurement of its assets and liabilities are categorised within the fair value hierarchy as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the authority 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.

ix. INTERESTS IN COMPANIES AND OTHER ENTITIES

The authority has no material interests in companies and other entities that have the nature of subsidiaries, associates and joint ventures and require it to prepare group accounts. In the authority's own single-entity accounts, the interests in companies and other entities are recorded as financial assets at cost, less any provision for losses.

2. Accounting Standards That Have Been Issued but Have Not Yet Been Adopted

The Code of Practice on Local Authority Accounting in the UK (the Code) 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 of Practice of Local Authority Accounting in the United Kingdom and will be adopted in 2025/26:

IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets. These include setting out three revaluation processes for operational property, plant and equipment, requiring indexation for tangible non-investment assets and a requirement to value intangible assets using the historical cost approach. These have the same effect as requiring a change in accounting policy due to an amendment to standards, which would normally be disclosed under IAS 8 following a change in accounting policy.

3. Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in the notes to the accounts, the Authority 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:

- The Authority has a Joint Waste Management arrangement with Lichfield District Council (LDC) as the host Authority responsible for management of the arrangement including the refuse fleet. Each Council is responsible for showing its share of income and expenditure and assets and liabilities within its Financial Statements.

  At the end of March 2025 Lichfield District Council procured a new waste fleet using a contract hire arrangement that has been evaluated under IAS 17 as a finance lease. The net book value of the assets and the value of the finance lease obligation as at 31st March 2025 was £2.64m. The assets of the operation in respect of vehicles, equipment, land and buildings have been assessed as being under the control of both Lichfield District Council and Tamworth Borough Council based on the ratio of properties in each area. The current ratio is 58.43% Lichfield and 41.57% Tamworth based on the number of properties in each area and assets are shown on both Authorities' Balance Sheets based on this split. The Joint Waste Service also shares joint income and expenditure based on the same ratio.

4. Assumptions Made About the Future & Other Major Sources of Estimation Uncertainty

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

The items in the Authority's Balance Sheet at 31st March 2025 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Pensions	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Authority with expert advice about the assumptions to be applied.	Adjustment to the level of liability on the Balance Sheet. During the year the overall liability reduced from £8.1m to £7.5m (following an increase in the deficit from £6.8m to £8.1m in 2023/24) – see Note 37 on page 102. Variations in the key assumptions will have the following impact on the net liability: A 0.1% decrease in the real discount rate will increase the net pension liability by £1.6m (2%); A 0.1% increase in the assumed level of salary increases will increase the net pension liability by £0.08m (0%); and A 0.1% increase in the assumed level of pension increases will increase the net pension liability by £1.5m (2%).
Business Rates Retention	The Local Government Finance Act 2012 introduced a Business Rates Retention Scheme that enabled local authorities to retain a proportion of the Business Rates generated in their area. The arrangements for the Business Rates came into effect on 1st April 2013. Billing authorities acting as agents on behalf of the major preceptors, Central Government and themselves and are required to make provisions for refunding ratepayers who have successfully appealed against the rateable	The Authority has included a provision of £2.3m (the overall provision in the Business Rates Collection Fund is £3.0m and the Authority's share of the Local Business Rates Retention scheme is 40%) for appeals outstanding on the 31st March 2025 of £6.1m. With effect from the 2017 Rating List, there is a fresh approach to appeals known as "Check, Challenge & Appeal" (CCA) which means that before an appeal is made the Rateable Value may be amended upon negotiation

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
	value of their properties on the rating List. Staffordshire was successful in the application to become a 75% Business Rate Retention Pilot for 2019/20. The Staffordshire and Stoke on Trent Business Rates Pilot consisted of Staffordshire County Council (SCC); Stoke on Trent City Council (SoTCC), all 8 District /Borough Councils and the Staffordshire Commissioner for Police, Fire and Rescue and Crime (SPFCC) – for both the Police and Fire and Rescue Services (FARS). The pilot allowed 75% of Business Rates to be retained locally with 40% retained by the Districts, 34% by the County (74% for SoTCC as a Unitary Authority) and 1% for the FARS. Previously, the Council was a Member of the GBSLEP business rates pool. Half of the rates revenue was retained locally with Billing authorities acting as agents on behalf of the major preceptors (SCC 9% / SFARS 1%), Central Government (50%) and themselves (40%). The government announced that business rate pilot pools established for 2019/20 would not be allowed to continue and the pilot business rate pool ceased on 31st March 2020. The bid for a new business rate retention pool reverting back to the 50% retention scheme consisting of SoTCC, SCC, SFARS and the 8 District Councils was successful for 2020/21 and has continued since then and into 2024/25.	between the Valuation Office and the ratepayer (or their agents). This process will inevitably lead to a delay in appeals being made. It is difficult to estimate the likelihood of businesses both submitting and being successful with an appeal in the future and the Authority has therefore made provision in the accounts based on professional advice from independent valuers. The pool currently has large growth, however, there is uncertainty for the level of future income, which cannot be quantified at present, due to the planned reform of Local Government funding and the potential for a large rise in appeals arising from the closure of the 2017 list at the end of March 2023 and the new 2023 list from April 2023.

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Property, Plant and Equipment, Council Dwellings and Investment Properties	Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the Authority will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets. Asset valuations are based on market prices and are periodically reviewed to ensure that the Council does not materially misstate its non-current assets. The Council's external valuers provided valuations as at 31st March 2025 following a review of all (100%) of its operational portfolio. There are uncertainties with regard to comparable properties when using the beacon approach to the valuation of Housing stock., where there may be a lack of similar properties having recently been sold on the open market. The expertise of external valuers is relied upon. The estimated remaining useful life of all operational assets is reviewed annually based on the advice from the Council external valuers.	If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets falls. It is estimated that the annual depreciation charge for Council dwellings would increase by c.£ 76k for every year that useful lives had to be reduced. A reduction in the estimated valuations would result in reductions to the Revaluation Reserve and / or a loss recorded as appropriate in the Comprehensive Income and Expenditure Statement. An increase in estimated valuations would result in increases to the Revaluation Reserve and / or reversals of previous negative revaluations to the Comprehensive Income and Expenditure Statement and / or gains being recorded as appropriate in the Comprehensive Income and Expenditure Statement. Depreciation charges for operational buildings will change in direct relation to changes in estimated current value. The net book value of non-current assets subject to potential revaluation is £280.0m (£255.1m Council Dwellings and £24.9m Other Land and Buildings). A 1% movement in their valuation would equate to £28.0m. With regard to investment properties, a 1% movement in their valuation would equate to £1.9m.

This list does not include assets and liabilities that are carried at fair value based on a recently observed market price.

5. Material Items of Income and Expense

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 Authority's financial performance. This note identifies material items of income and expense. For the purposes of this note the Authority considers material items to be those greater than £1.2m.

The Authority previously leased out property at the Ankerside Shopping Centre, including the car park, on a finance lease which had a remaining term of 65 years, which was recognised under non-current trade debtors (£12.5m as at 31st March 2024). On 29th November 2024 the lease was terminated and the shopping centre and car park came back under the Council's full control. The finance lease has therefore been derecognised and the asset is included on the balance sheet under Property Plant and Equipment. For further details see Note 34 Leases.

6. Events after the Reporting Period

Events after the Balance Sheet reporting period are those events, both favourable and unfavourable, that occur between the Balance Sheet date (31st March 2025) and the date when the Statement of Accounts is authorised for issue (27th June 2025). Two types of events can be identified:

a) 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. There have been no such events;

b) 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 such 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.

The Statement of Accounts was authorised for issue by the Interim Executive Director Finance on 27th June 2025. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31st March 2025, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

7. Expenditure and Funding Analysis and Adjustment Detail

This statement shows how annual expenditure is used and funded from resources (government grants, rents, council tax and business rates) by local authorities in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the council's directorates. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

2023/24			Expenditure Funding Analysis	2024/25		
Net Expenditure Chargeable to the General Fund and HRA Balances	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement		Net Expenditure Chargeable to the General Fund and HRA Balances	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
£000	£000	£000		£000	£000	£000
			Cost of Services			
1,983	60	2,043	Chief Executive	374	14	388
1,121	9,777	10,898	Assistant Director Growth and Regeneration	1,302	178	1,480
561	(10)	551	Executive Director Organisation (GF)	94	-	94
2,210	216	2,426	Assistant Director People (GF)	2,475	212	2,687
-	-	-	Assistant Director Policy & Performance (GF)*	575	-	575
3,638	17	3,655	Assistant Director Env, Culture & Wellbeing (GF)	5,677	517	6,194
103	2	105	Executive Director Finance	153	(3)	150
(2,133)	(162)	(2,295)	Assistant Director Finance	1,522	(449)	1,073
-	-	-	Executive Director Communities (GF)	-	-	-
460	630	1,090	Assistant Director Assets (GF)	588	358	946
957	-	957	Assistant Director Neighbourhoods (GF)	1,146	2	1,148
785	193	978	Assistant Director Partnerships	967	488	1,455
26	2	28	Executive Director Communities (HRA)	31	(2)	29
(16,890)	8,786	(8,104)	HRA Summary	(19,603)	8,829	(10,774)
263	(10)	253	Assistant Director People (HRA)	273	(7)	266
363	(8)	355	Assistant Director Operations and Leisure (HRA)	369	39	408
967	(28)	939	Assistant Director Assets (HRA)	1,199	(29)	1,170
4,136	(97)	4,039	Assistant Director Neighbourhoods (HRA)	4,620	(68)	4,552
4,688	-	4,688	Housing Repairs	6,230	-	6,230
3,238	**19,368**	**22,606**	**Net Cost of Services**	**7,992**	**10,079**	**18,071**

2023/24 Net Expenditure Chargeable to the General Fund and HRA Balances £000	2023/24 Adjustments between the Funding and Accounting Basis £000	2023/24 Net Expenditure in the Comprehensive Income and Expenditure Statement £000	**Expenditure Funding Analysis**	2024/25 Net Expenditure Chargeable to the General Fund and HRA Balances £000	2024/25 Adjustments between the Funding and Accounting Basis £000	2024/25 Net Expenditure in the Comprehensive Income and Expenditure Statement £000
(7,238)	(12,863)	(20,101)	Other Comprehensive Income and Expenditure	(7,691)	501	(7,190)
(4,000)	**6,505**	**2,505**	**(Surplus) / Deficit on Provision of Services**	**301**	**10,580**	**10,881**
(36,480)			**General Fund and HRA balances B/fwd**	(40,480)		
(4,000)			**(Surplus) / Deficit on Provision of Services**	301		
(40,480)			**Closing General Fund and HRA Balances**	(40,179)		

*New post created in 2024/25

7a) Adjustments for Capital Purposes

Adjustments for capital purposes – this column adds in depreciation and impairment and revaluation gains and losses in the services line, and for:

- **Other operating expenditure** – adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets.

- **Financing and investment income and expenditure** – the statutory charges for capital financing i.e. Minimum Revenue Provision and other revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices.

- **Taxation and non-specific grant income and expenditure** – capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivable in the year to those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non Specific Grant Income and Expenditure line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied in the year.

7b) Net Change for the Pensions Adjustments

Net change for the removal of pension contributions and the addition of IAS 19 *Employee Benefits* pension related expenditure and income:

- **For services** this represents the removal of the employer pension contributions made by the Authority as allowed by statute and the replacement with current service costs and past service costs.

- **Financing and investment income and expenditure –**- the net interest on the defined benefit liability is charged to the CIES.

7c) Other Differences

Other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute:

- **Financing and investment income and expenditure** the other differences column recognises adjustments to the General Fund for the timing differences for premiums and discounts.

- **Taxation and non-specific grant income and expenditure** represents the difference between what is chargeable under statutory regulations for council tax and NDR that was projected to be received at the start of the year and the income recognised under generally accepted accounting practices in the Code. This is a timing difference as any difference will be brought forward in future Surpluses or Deficits on the Collection Fund.

8. Expenditure and Income Analysed by Nature

2023/24 £000	Expenditure and Income Analysed by Nature	2024/25 £000
	Expenditure	
15,670	Employee Benefits Expenses	17,317
36,877	Other Services Expense	41,693
-	Support Service Recharges	-
18,852	Depreciation, Amortisation and Impairment	14,218
(371)	Retirement Benefits	(483)
8,596	REFCUS	495
79,624	**Total Expenditure**	**73,240**
	Income	
(296)	Gain on Disposal of Assets	(223)
(38,331)	Fees, Charges and Other Service Income	(38,590)
(5,542)	Interest and Investment Income	7,787
(6,175)	Income from Council Tax, NNDR and District Rates Income*	(8,459)
(26,775)	Government Grants and Contributions	(22,874)
(77,119)	**Total Income**	**(62,359)**
2,505	**(Surplus) / Deficit on Provision of Services**	**10,881**

* Net of NDR Tariff payment of £11.1m (£10.7m 2023/24).

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 Authority in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Authority to meet future capital and revenue expenditure.

Adjustments between Accounting Basis and Funding Basis Under Regulations	Usable Reserves					
	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Unusable Reserves
	£000	£000	£000	£000	£000	£000
2024/25						
Adjustments primarily involving the Capital Adjustment Account:						
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:						
Charges for depreciation and impairment of Non-Current Assets;	(1,161)	(8,825)	-	-	-	9,986
Revaluation losses on Property, Plant and Equipment;	(143)	(4,036)	-	-	-	4,179
Movements in the market value of Investment Properties;	(164)	-	-	-	-	164
Movement in Fair Value of Capital Property Fund Investments	262	-	-	-	-	(262)
Amortisation of Intangible Assets;	(134)	(17)	-	-	-	151
Capital Grants and Contributions Applied;	6,569	-	-	-	-	(6,569)
Revenue Expenditure Funded from Capital Under Statute (REFCUS);	(495)	-	-	-	-	495
Amounts on Non Current Assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement.	(18)	(1,472)	-	-	-	1,490
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:						
Statutory provision for the financing of capital investment - Minimum Revenue Provision;	597	-	-	-	-	(597)
Capital expenditure charged against the General Fund and HRA balances.	1,051	2,175	-	-	-	(3,226)
Adjustments primarily involving the Capital Grants Unapplied Account:						
Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement	66	-	-	-	(66)	-
Adjustments primarily involving the Capital Receipts Reserve:						
Transfer of cash sale proceeds credited as part of the gain/ loss on disposal to the Comprehensive Income and Expenditure Statement;	49	1,691	(1,740)	-	-	-
Use of the Capital Receipts Reserve to finance new capital expenditure;	-	-	3,172	-	-	(3,172)

Adjustments between Accounting Basis and Funding Basis Under Regulations	Usable Reserves					
	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Unusable Reserves
	£000	£000	£000	£000	£000	£000
Contribution from the Capital Receipts Reserve towards administrative costs of Non-Current Asset disposals;	-	(27)	27	-	-	-
Transfer from Deferred Capital Receipts Reserve upon receipt of cash.	(12,544)	-	-	-	-	12,544
Adjustments primarily involving the Major Repairs Reserve:						
Reversal of Major Repairs Allowance credited to the HRA;	-	3,905	-	(3,905)	-	-
Use of the Major Repairs Reserve to finance new capital expenditure.	-	-	-	2,629	-	(2,629)
Adjustments primarily involving the Pensions Reserve:						
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income & Expenditure Statement (see Note 37);	(1,999)	(650)	-	-	-	2,649
Employer's pensions contribution and direct payments to pensioners payable in the year.	2,384	748	-	-	-	(3,132)
Adjustment primarily involving the Collection Fund Adjustment Account:						
Amount by which Council Tax and Non Domestic Rating Income credited to the Comprehensive Income and Expenditure Statement is different from Council Tax and Non Domestic Rating Income calculated for the year in accordance with statutory requirements.	1,697	-	-	-	-	(1,697)
Adjustment primarily involving the Accumulated Absences Account:						
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.	(82)	(7)	-	-	-	89
Total Adjustments 2024/25	**(4,065)**	**(6,515)**	**1,459**	**(1,276)**	**(66)**	**10,463**

Adjustments between Accounting Basis and Funding Basis Under Regulations	Usable Reserves					
	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Unusable Reserves
	£000	£000	£000	£000	£000	£000
2023/24						
Adjustments primarily involving the Capital Adjustment Account:						
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:						
Charges for depreciation and impairment of Non-Current Assets;	(870)	(12,189)	-	-	-	13,059
Revaluation losses on Property, Plant and Equipment;	(1,540)	(633)	-	-	-	2,173
Movements in the market value of Investment Properties;	(2,722)	-	-	-	-	2,722
Movement in Fair Value of Capital Property Fund Investments	(699)	-	-	-	-	699
Amortisation of Intangible Assets;	(163)	(36)	-	-	-	199
Capital Grants and Contributions Applied;	10,572	-	-	-	-	(10,572)
Revenue Expenditure Funded from Capital Under Statute (REFCUS);	(8,596)	-	-	-	-	8,596
Amounts on Non Current Assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement.	(90)	(1,310)	-	-	-	1,400
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:						
Statutory provision for the financing of capital investment - Minimum Revenue Provision;	214	-	-	-	-	(214)
Capital expenditure charged against the General Fund and HRA balances.	318	6,065	-	-	-	(6,383)
Adjustments primarily involving the Capital Grants Unapplied Account:						
Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement	246	-	-	-	(246)	-
Adjustments primarily involving the Capital Receipts Reserve:						
Transfer of cash sale proceeds credited as part of the gain/ loss on disposal to the Comprehensive Income and Expenditure Statement;	28	1,692	(1,720)	-	-	-
Use of the Capital Receipts Reserve to finance new capital expenditure;	-	-	2,076	-	-	(2,076)

Adjustments between Accounting Basis and Funding Basis Under Regulations	Usable Reserves					
	General Fund Balance	**Housing Revenue Account**	**Capital Receipts Reserve**	**Major Repairs Reserve**	**Capital Grants Unapplied**	**Unusable Reserves**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Contribution from the Capital Receipts Reserve towards administrative costs of Non-Current Asset disposals;	-	(24)	24	-	-	-
Transfer from Deferred Capital Receipts Reserve upon receipt of cash.	(13)	-	-	-	-	13
Adjustments primarily involving the Major Repairs Reserve:						
Reversal of Major Repairs Allowance credited to the HRA;	-	4,049	-	(4,049)	-	-
Use of the Major Repairs Reserve to finance new capital expenditure.	-	-	-	3,789	-	(3,789)
Adjustments primarily involving the Pensions Reserve:						
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income & Expenditure Statement (see Note 37);	(1,897)	(631)	-	-	-	2,528
Employer's pensions contribution and direct payments to pensioners payable in the year.	2,196	703	-	-	-	(2,899)
Adjustment primarily involving the Collection Fund Adjustment Account:						
Amount by which Council Tax and Non Domestic Rating Income credited to the Comprehensive Income and Expenditure Statement is different from Council Tax and Non Domestic Rating Income calculated for the year in accordance with statutory requirements.	(1,138)	-	-	-	-	1,138
Adjustment primarily involving the Accumulated Absences Account:						
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.	(29)	(11)	-	-	-	40
Total Adjustments 2023/24	**(4,183)**	**(2,325)**	**380**	**(260)**	**(246)**	**6,634**

10. Transfers to / (from) Earmarked Reserves

The Authority sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by transferring amounts out of the General Fund or Housing Revenue Account balance.

When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the (Surplus) or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then transferred back into the General Fund or Housing Revenue Account balance 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 Authority – these reserves are explained in the relevant policies.

This note sets out the amounts set aside from the General Fund and HRA Balances in Earmarked Reserves to provide financing for future expenditure plans and the amounts posted back from Earmarked Reserves to meet General Fund and HRA Expenditure in 2024/25.

Transfers to / (from) Earmarked Reserves	**Balance as at 1st April 2023 £000**	**Transfers Out 2023/24 £000**	**Transfers In 2023/24 £000**	**Balance as at 31st March 2024 £000**	**Transfers Out 2024/25 £000**	**Transfers In 2024/25 £000**	**Balance as at 31st March 2025 £000**
General Fund:							
Future Capital Expenditure	**1,489**	(196)	1,721	**3,014**	(1,021)	32	**2,025**
Temporary Reserves	**1,898**	(1,335)	977	**1,540**	(870)	790	**1,460**
Retained Funds	**5,726**	(572)	5,150	**10,304**	(2,550)	1,356	**9,110**
Repairs & Renewals	**-**	-	-	**-**	-	-	**-**
Commuted Sums	**4,631**	(1,724)	532	**3,439**	(740)	359	**3,058**
Other Reserves	**1,816**	(718)	739	**1,837**	(758)	1,108	**2,187**
Total	**15,560**	**(4,545)**	**9,119**	**20,134**	**(5,939)**	**3,645**	**17,840**
HRA:							
Future Capital Expenditure	**6,909**	(6,065)	4,319	**5,163**	(2,157)	3,734	**6,740**
Temporary Reserves	**648**	(94)	741	**1,295**	(726)	185	**754**
Retained Funds	**921**	(225)	235	**931**	(709)	303	**525**
Other Reserves	**62**	(62)	-	**-**	-	-	**-**
Total	**8,540**	**(6,446)**	**5,295**	**7,389**	**(3,592)**	**4,222**	**8,019**

Future Capital Expenditure: The Authority maintains a Capital Reserve under the provisions of the Local Government (Miscellaneous Provisions) Act 1976. It is Authority policy to make advances from this fund to various services.

Temporary Reserves: These have been established by the transfer of funds from revenue in order to finance specific identified schemes or potential needs.

Retained Funds: These have been established in order to finance recurring irregular expenditure for a specific purpose.

Commuted Sums: These are monies deposited by contractors to finance future maintenance expenditure incurred as a result of the various developments.

Other Reserves: The largest of these is the Building Repairs Fund that is held for the maintenance of Municipal buildings, including commercial properties.

11. Other Operating Expenditure

2023/24 £000	Other Operating Expenditure	2024/25 £000
(296)	(Gains) / losses on the disposal of Non Current Assets	(223)
(296)	**Total**	**(223)**

12. Financing & Investment Income & Expenditure

2023/24 £000	Financing and Investment Income and Expenditure	2024/25 £000
3,418	Interest payable and similar charges	3,559
282	Pension interest costs and expected return on pensions assets	383
(4,705)	Interest receivable and similar income	(4,757)
(838)	Finance Lease Income	12,544
1,427	(Income) and expenditure in relation to investment properties and changes in their fair value	(611)
699	Investment impairment	(262)
283	**Total**	**10,856**

13. Taxation & Non Specific Grant Income

2023/24 £000	Taxation and Non Specific Grant Incomes	2024/25 £000
(4,619)	Council Tax income	(4,763)
(12,243)	Non Domestic Rates	(14,833)
10,687	Non Domestic Rates - Tariff	11,137
294	Non Domestic Rates - Levy to Pool	1,350
(3,389)	Non ringfenced government grants	(4,079)
(10,818)	Capital grants and contributions	(6,635)
(20,088)	**Total**	**(17,823)**

A detailed breakdown of the grants and contributions credited to the Comprehensive Income and Expenditure Statement in 2024/25 is shown in Note 31 on page 88.

14. Property, Plant & 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.

a) Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, subject to a de minimus level of £10k, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Authority and the cost of the item can be measured reliably. 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.

b) Measurement

Assets are initially measured at cost, comprising:

i. the purchase price;
ii. 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; and
iii. the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

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

The cost of assets acquired other than by purchase is deemed to be its current value, unless the acquisition does not have commercial substance (i.e. it will not lead to a variation in the cash flows of the Authority). 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 Authority.

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

i. Infrastructure, Community Assets and Assets Under Construction – depreciated historical cost;
ii. Dwellings – current value, determined using the basis of existing use value for social housing (EUV-SH); and
iii. all other assets – current value, determined as the amount that would be paid for the asset in its existing use (Existing Use Value – EUV).

Where there is no market-based evidence of current value because of the specialised nature of an asset, Depreciated Replacement Cost (DRC) is used as an estimate of current value. Where non property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for current value. In the case of the Assembly Rooms and Cemeteries valuations, there is no active market and so DRC is used.

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 – including an annual desktop review of all Council Dwellings. A review of the valuation of all significant assets is undertaken annually.

Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of a loss previously charged to a service.

Where decreases in value are identified, they are accounted for by:

i. where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down firstly against that balance (up to the amount of the accumulated gains);
ii. 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 lines 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.

c) 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 the Authority has incurred capital expenditure on Council dwellings this is included within the Gross Book Value (GBV) and where it is not considered to add value it is included as impairment. These impairments are subject to write out annually.

The Authority has an ongoing programme of regeneration including disposal and redevelopment of garage sites. Where the decision had been made to dispose of a garage site, the value of the buildings element has been impaired to zero leaving only a residual land value.

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

i. where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down firstly against that balance (up to the amount of the accumulated gains);

ii. 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 lines in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service lines 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.

d) 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).

Deprecation is calculated on the following bases:

i. **Council Housing Stock:** on a straight line basis to an appropriate residual value over the expected useful life of the asset of 50 years.

ii. **Other Buildings:** on a straight line basis to a nil residual value over the expected useful life of the asset being a range of 5 years to 70 years.

Historical properties: on a straight line basis to a nil residual value over the expected useful life of the asset being over 100 years

iii. **Vehicles, Plant and Equipment:** on a straight line basis to a nil residual value over the expected useful life of the asset, being between 1 and 30 years.

iv. **Infrastructure:** on a straight line basis to a nil residual value over the expected useful life of the asset of 30 years.

v. **Community Assets:** on a straight line basis to a nil residual value over the expected useful life of the asset of 100 years.

vi. **Heritage Assets:** the Authority considers that the Heritage Assets held will have indeterminate lives and a high residual value; hence the Authority does not consider it appropriate to charge depreciation for the assets.

vii. **Computer Hardware:** is depreciated over a period of 3 years on a straight line basis to a nil residual value.

viii. **Investment Properties and Surplus Assets:** no depreciation has been applied to either the land or building value of Investment Properties or Surplus Assets.

ix. **Intangible Fixed Assets:** computer software licences are amortised to revenue over a period of 3 years.

x. **Furniture and equipment** – minor purchases by the Authority are charged to revenue in the year of acquisition and are not capitalised in the accounts.

xi. **De minimus items** of expenditure on computer equipment and software are capitalised under the concept of 'Grouped Assets' where the value of such items is material. A charge is made for these assets (depreciation for equipment and amortisation for software), calculated using the straight line method over a period of three years.

Where an item of Property, Plant and Equipment has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately – as detailed within the Component Accounting Policy for Property, Plant and Equipment.

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.

e) 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 current value less costs to sell. Where there is a subsequent decrease to current value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in current 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.

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 (ie 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 £10k are categorised as capital receipts. A proportion of capital receipts relating to housing disposals is payable to the government. The balance of receipts remains within the Capital Receipts Reserve, and can then only be used for new capital investment or set aside to reduce the authority's underlying need to borrow (the capital financing requirement) (England and Wales). Receipts are appropriated to the Reserve from the General Fund Balance in the Movement in Reserves Statement.

The written-off value of disposals is not a charge against council tax, as the cost of noncurrent assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

f) Component Accounting Policy for Property, Plant and Equipment

i. De Minimus Level

The de minimus threshold for the Authority is a current net book value of £250k. Individual assets with a value less than £250k will be disregarded for componentisation. This level will be reviewed annually.

ii. Policy for Componentisation

The code requires that each part of an asset should be separately identified and depreciated where the cost is significant in relation to the overall cost of the asset.

To be separately identified as a component, an element of an asset must meet the following criteria:

- have a cost of at least 20% of the cost of the overall asset and
- have a materially different useful life (at least 20% different) and/or
- have a different depreciation method that materially affects the amount charged

The componentisation policy will be applied to new capital spend and new assets with a total cost of over £250k will be considered under the componentisation policy as follows:

- when an asset is enhanced, the cost of the replacement component is compared with the cost of the total asset and the result is measured against the agreed de minimus threshold;
- When an asset is acquired: the cost of any component parts are compared with the overall cost of the new asset and the results assessed against the agreed de minimus threshold;

iii. Impairment

We will continue to complete a desktop Impairment review on an annual basis.

Movement in 2024/25	**Council Dwellings £000**	**Other Land and Buildings £000**	**Vehicles, Plant, Furniture and Equipment £000**	**Infrastructure Assets £000**	**Community Assets £000**	**Assets Under Construction £000**	**Total Property, Plant and Equipment £000**
Cost or Valuation							
At 1st April 2024	**246,210**	**20,796**	**4,621**	**378**	**1,159**	**13,706**	**286,870**
Additions	4,962	734	517	-	-	9,068	**15,281**
Accumulated Depreciation and Impairment written off to Gross Carrying Amount;	(8,660)	(729)	-	-	-	-	**(9,389)**
Revaluation increases / (decreases) recognised in the Revaluation Reserve;	11,147	3,146	-	-	-	-	**14,293**
Revaluation increases / (decreases) recognised in the (Surplus) or Deficit on the Provision of Services;	(3,551)	(628)	-	-	-	-	**(4,179)**
Derecognition - Disposals;	(1,353)	(134)	(117)	-	-	-	**(1,604)**
Assets reclassified (to) / from Investment Properties;	-	1,000	-	-	-	-	**1,000**
Other movements in cost or valuation.	6,366	757	-	-	55	(7,178)	**-**
At 31st March 2025	**255,121**	**24,942**	**5,021**	**378**	**1,214**	**15,596**	**302,272**
Accumulated Depreciation & Impairment							
At 1st April 2024	**-**	**-**	**(3,023)**	**(302)**	**(6)**	**(4,411)**	**(7,742)**
Depreciation Charge;	(3,711)	(731)	(202)	(13)	-	-	**(4,657)**
Accumulated Depreciation and Impairment written off to Gross Carrying Amount;	8,660	729	-	-	-	-	**9,389**
Impairment losses / (reversals) recognised in the (Surplus) or Deficit on the Provision of Services;	(4,962)	-	-	-	-	-	**(4,962)**
Derecognition - disposals.	13	2	99	-	-	-	**114**
At 31st March 2025	**-**	**-**	**(3,126)**	**(315)**	**(6)**	**(4,411)**	**(7,858)**
Net Book Value							
at 31st March 2024	246,210	20,796	1,598	76	1,153	9,295	279,128
at 31st March 2025	**255,121**	**24,942**	**1,895**	**63**	**1,208**	**11,185**	**294,414**
Nature of Holdings at year end							
Owned	255,121	24,942	1,895	63	1,208	11,185	**294,414**

Movement in 2023/24	Council Dwellings £000	Other Land and Buildings £000	Vehicles, Plant, Furniture and Equipment £000	Infrastructure Assets £000	Community Assets £000	Assets Under Construction £000	Total Property, Plant and Equipment £000
Cost or Valuation							
At 1st April 2023	**242,977**	**23,030**	**4,486**	**378**	**1,159**	**9,503**	**281,533**
Additions	8,301	1,330	256	-	-	4,193	**14,080**
Accumulated Depreciation and Impairment written off to Gross Carrying Amount;	(11,801)	(970)	-	-	-	-	**(12,771)**
Revaluation increases / (decreases) recognised in the Revaluation Reserve;	7,733	(87)	-	-	-	-	**7,646**
Revaluation increases / (decreases) recognised in the (Surplus) or Deficit on the Provision of Services;	133	(2,306)	-	-	-	-	**(2,173)**
Derecognition - Disposals;	(1,133)	(291)	(121)	-	-	-	**(1,545)**
Assets reclassified (to) / from Investment Properties;	-	100	-	-	-	-	**100**
Other movements in cost or valuation.	-	(10)	-	-	-	10	**-**
At 31st March 2024	**246,210**	**20,796**	**4,621**	**378**	**1,159**	**13,706**	**286,870**
Accumulated Depreciation & Impairment							
At 1st April 2023	**-**	**-**	**(2,893)**	**(290)**	**(5)**	**(4,411)**	**(7,599)**
Depreciation Charge;	(3,634)	(985)	(251)	(12)	(1)	-	**(4,883)**
Accumulated Depreciation and Impairment written off to Gross Carrying Amount;	11,801	970	-	-	-	-	**12,771**
Impairment losses / (reversals) recognised in the (Surplus) or Deficit on the Provision of Services;	(8,176)	-	-	-	-	-	**(8,176)**
Derecognition - disposals.	9	15	121	-	-	-	**145**
At 31st March 2024	**-**	**-**	**(3,023)**	**(302)**	**(6)**	**(4,411)**	**(7,742)**
Net Book Value							
at 31st March 2023	242,977	23,030	1,593	88	1,154	5,092	273,934
at 31st March 2024	**246,210**	**20,796**	**1,598**	**76**	**1,153**	**9,295**	**279,128**
Nature of Holdings at year end							
Owned	246,210	20,796	1,598	76	1,153	9,295	**279,128**

a) Capital Commitments

At 31st March 2025, the Authority has entered into a number of contracts for the construction or enhancement of Property, Plant and Equipment in 2024/25 and future years. The major commitments for schemes valued in excess of £1m are:

2023/24 £000	Capital Contract	2024/25 £000
9,081	Housing Repairs & Investment	13,467
2,295	Improvements to High Rise Blocks	2,262
72	Regeneration & Affordable Housing - development at Wilnecote	168
119	Caledonian Depot New Build	170
930	Retention of Garage Sites	-
712	Future High Street Funds	2,783
13,209	**Total**	**18,850**

b) Revaluations

The Authority carries out a rolling programme that ensures that all Property, Plant and Equipment required to be measured at current value is revalued at least every five years– including a desktop review of all Council Dwellings.

All assets have been revalued as at 31st March 2025.The valuations have been carried out by Jones Lang Lasalle. Valuations of land and buildings were carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors. Valuations of vehicles, plant, furniture and equipment are carried at historical cost as a proxy for current value.

The following statement shows the progress of the Authority's rolling programme for revaluation of Non Current Assets:

Valuations (Cost or Valuation)	Council Dwellings £000	Other Land and Buildings £000	Vehicles, Plant, Furniture and Equipment £000	Infrastructure Assets £000	Community Assets £000	Assets Under Construction £000	Intangible Assets £000	Total Property, Plant& Equipment £000
Valued at Historical Cost	-	-	5,021	378	1,214	15,596	746	22,955
Valued at Current Value in:								
2024/25	255,121	24,942	-	-	-	-	-	280,063
Total	**255,121**	**24,942**	**5,021**	**378**	**1,214**	**15,596**	**746**	**303,018**

15. Heritage Assets

Heritage Assets are assets that are held by the Authority because of their cultural, environmental or historical value. Tangible Heritage Assets include historical buildings, paintings, sculptures / statues, archives and other works of art.

The Authority's Museum, Art and Civic Heritage Assets are held in various sites. The Museum Collection has four main collections, General Collection, Art, Furniture and Archaeological Collection and Ephemera.

The collections are used for education, learning, research, enjoyment and are preserved for the use of future generations.

Valuation of Heritage Assets

The Code requires that Heritage Assets are measured at valuation in the 2024/25 financial statements (including the 2023/24 comparative information). The Authority will recognise in the Balance Sheet each asset shown in the table which has an identified value.

Heritage Assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Authority's accounting policies on Property, Plant and Equipment. However, some of the measurement rules are relaxed in relation to Heritage Assets as detailed below.

The accounting policies in relation to Heritage Assets that are deemed to include elements of intangible Heritage Assets are also presented below.

- **General Collection:** Tamworth Castle has held collections and maintained a museum since it was purchased for the Borough in 1897. The collections are crucial for maximising access to and understanding of Tamworth's heritage. These items are reported in the Balance Sheet at insurance valuation which is based on Market values. Acquisitions, although rare, are initially recognised at cost.

- **Art Collection:** The collection consists principally of views of Tamworth by local artists although some are nationally recognised. The mediums covered include oil, watercolour, lithographs, mezzotints and prints. These too are reported in the Balance Sheet at insurance valuation based on Market values.

- **Archaeological Collection and Ephemera:** The archaeological collection consists mainly of finds from various excavations local to Tamworth, usually as a result of building development around Tamworth Castle site but also in the town and further afield. These are not recognised on the Balance Sheet as cost or valuation information is not reliable for items of this type due to the diverse nature, and lack of comparable market values for the assets held.

- **Civic Collection and Statues:** The Authority's Civic Collection and Statues were valued in April 2012 by external valuers. These assets are deemed to have an indeterminate life with high residual values; hence the Authority does not consider it appropriate to charge depreciation.

Tamworth Castle: The castle dates from c.1070 but has been updated and modernised during the interim period. The current value is based on historic cost but there are regular works to maintain the property.

Movement in 2024/25	**Art Collection £000**	**Civic Regalia £000**	**Museum Exhibits £000**	**Statues £000**	**Castle £000**	**Total Heritage Assets £000**
Cost or Valuation						
At 1st April 2024	**97**	**174**	**624**	**254**	**3,007**	**4,156**
Additions	-	-	-	-	169	**169**
At 31st March 2025	**97**	**174**	**624**	**254**	**3,176**	**4,325**

Movement in 2023/24	**Art Collection £000**	**Civic Regalia £000**	**Museum Exhibits £000**	**Statues £000**	**Castle £000**	**Total Heritage Assets £000**
Cost or Valuation						
At 1st April 2023	**97**	**174**	**624**	**254**	**2,528**	**3,677**
Additions	-	-	-	-	479	**479**
At 31st March 2024	**97**	**174**	**624**	**254**	**3,007**	**4,156**

16. Investment Properties

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.

Investment Properties are measured initially at cost and subsequently at fair value, being the price that would be received to sell such an asset in an orderly transaction between market participants at the measurement date. As a non-financial asset, investment properties are measured at highest and best use. 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 and Investment Income and 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 and Investment Income line 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 £10k) the Capital Receipts Reserve.

The following items of income and expense have been accounted for in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement:

2023/24 **£000**	**Investment Properties**	**2024/25** **£000**
(2,782)	Rental income from Investment Property	(2,365)
1,487	Direct operating expenses arising from Investment Property	1,590
(1,295)	**Net (Gain) / Loss**	**(775)**

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

The following table summarises the movement in the fair value of Investment Properties over the year:

2023/24 £000	Fair Value of Investment Properties	2024/25 £000
22,410	**Balance at 1st April 2024**	**20,154**
	Additions:	
566	Subsequent expenditure	6
	Transfers:	
(100)	to / from Property, Plant and Equipment	(1,000)
	Valuations:	
(2,722)	Changes in market valuation	(164)
20,154	**Balance at 31st March 2025**	**18,996**

Fair Value Hierarchy - All the Authority's investment properties have been value assessed as Level 2 on the fair value hierarchy for valuation purposes (see Note 1 for an explanation of the fair value levels).

Valuation Techniques Used to Determine Level 2 Fair Values for Investment Property - The fair value of investment property has been measured using an income approach, by means of discounted cashflow method, where the expected cash flows from the properties are discounted (using a market – derived discount rate) to establish the present value of the net income stream. The approach has been developed using the Authority's own data requiring it to factor in assumptions such as the duration and timing of cash inflows and outflows, rent growth, occupancy levels, bad debt levels, maintenance costs, etc.

There has been no change in the valuation techniques used during the year for investment properties.

Highest and Best Use - In estimating the fair value of the Authority's investment properties, the highest and best use is their current use.

Valuation Process for Investment Properties - The Authority's investment property has been valued as at 31st March 2025 by Jones Lang Lasalle, in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors.

17. Financial Instruments

Financial Liabilities

Financial liabilities are recognised on the Balance Sheet when the Authority becomes a party to the contractual provisions of a financial instrument and 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 Authority 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.

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 authority'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

Financial assets measured at amortised cost are recognised on the Balance Sheet when the Authority 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 and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the financial assets held by the Authority, 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 a financial asset are credited or debited to the Financing and Investment Income and Expenditure line in the CIES.

Expected Credit Loss Model

The Authority recognises expected credit losses on 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 authority.

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 and Loss (FVPL)

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

Fair value of an asset is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. 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 authority can access at the measurement date;
- Level 2 inputs – inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly;
- Level 3 inputs – unobservable inputs for the asset.

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

a) Categories of Financial Instruments

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

Financial Assets	Non-Current		Current			
	Investments		Investments		Debtors	
	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025
	£000	£000	£000	£000	£000	£000
Amortised Cost						
Principal	-	-	49,000	45,000	-	-
Investment Interest Accrual	-	-	1,252	1,021	-	-
Cash & Cash Equivalents (CCE)	-	-	-	-	7,669	9,295
CCE Accrued Interest	-	-	-	-	45	40
Total Investments	**-**	**-**	**50,252**	**46,021**	**7,714**	**9,335**
Trade Debtors	12,721	183	-	-	5,242	4,065
Total Amortised Cost	**12,721**	**183**	**50,252**	**46,021**	**12,956**	**13,400**
Fair Value Through Profit and Loss (Investment in Property Funds)	10,143	10,406	-	-	-	-
Total Financial Assets	**22,864**	**10,589**	**50,252**	**46,021**	**12,956**	**13,400**

The current trade debtors outstanding includes contractual debtors but excludes non-contractual debtors for council tax, business rates and Government departments.

Financial Liabilities	Non-Current		Current	
	Borrowings		Creditors	
	31st March 2024	31st March 2025	31st March 2024	31st March 2025
	£000	£000	£000	£000
Amortised Cost				
Principal	63,060	63,060	-	-
Interest Payable Accrual	-	-	313	309
Total Borrowings	**63,060**	**63,060**	**313**	**309**
Bank Overdraft	-	-	2,438	(1)
Trade Creditors	-	-	5,145	-
Total Financial Liabilities at Amortised Cost	**63,060**	**63,060**	**7,896**	**308**

b) Gains and Losses

The gains and losses recognised in the Comprehensive Income and Expenditure Statement and Movement in Reserves Statements in relation to financial instruments are made up as follows.

Financial Instruments	Surplus or Deficit on the Provision of Services	Surplus or Deficit on the Provision of Services
	2023/24 £000	2024/25 £000
Net gains/losses on:		
Financial Assets Measured at Fair Value Through Profit or Loss	699	(262)
Total net gains/losses	**699**	**(262)**
Interest revenue:		
Financial Assets Measured at Amortised Cost	(4,705)	(4,757)
Total interest revenue	**(4,705)**	**(4,757)**
Interest expense		
Fee expense:		
Financial Assets or Financial Liabilities that are not at Fair Value Through Profit or Loss	3,418	3,514
Total fee expense	**3,418**	**3,514**

c) Fair Value of Financial Assets

Some of the authority'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.

Financial Assets Measured at Fair Value				
Recurring Fair Value Measurements	**Input level in fair value hierarchy**	**Valuation technique used to measure fair value**	**31st March 2024** **£000**	**31st March 2025** **£000**
Fair Value Through Profit and Loss				
Other Financial Instruments Classified as Fair Value Through Profit and Loss	Level 1	Unadjusted quoted prices in active markets for identical shares (Investments in Property Funds)	10,143	10,406
Total			**10,143**	**10,406**

Investments made in property funds are as follows:-

Schroders UK Real Estate Fund - £1.8m, with a gross return/yield of 3.57% at 31st March 2025.

Threadneedle Property Unit Trust - £6.1m, with a gross return/yield of 3.64%

Hermes Federated Property Unit Trust - £4.1m, with a gross return/yield of 3.72%

Total investments - £12.0m, with an estimated return of c. 3.66% plus any capital growth. The total value of these investments at 31st March 2025 is £10.4m (£10.1m at 31st March 2024).

d) The Fair Values of Financial Assets and Financial Liabilities that are not measured at Fair Value (but for which Fair Value Disclosures are required)

Except for the financial assets carried at fair value (described above), all other financial liabilities and financial assets represented by amortised cost and long-term debtors and creditors 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 take place over the remaining life of the instruments, using the following assumptions:

- For loans from the PWLB payable, PWLB new market rates have been applied to provide the fair value under PWLB debt redemption procedures. An additional note to the tables sets out the alternative fair value measurement applying the premature repayment/borrowing rates, highlighting the impact of the alternative valuation;
- For loans receivable prevailing benchmark market rates have been used to provide the fair value;
- No early repayment or impairment is recognised;
- Where an instrument has a maturity of less than 12 months or is a trade or other receivable the fair value is taken to be the carrying amount or the billed amount;

The fair value of trade and other receivables is taken to be the invoiced or billed amount. The fair values calculated are as follows:

Financial Liabilities	31st March 2024		31st March 2025	
	Carrying Amount £000	Fair Value £000	Carrying Amount £000	Fair Value £000
PWLB Debt*	63,373	52,345	63,369	46,726
Creditors	5,145	5,145	-	-
Total Financial Liabilities	**68,518**	**57,490**	**63,369**	**46,726**

* includes short term interest accrual of £309k.

The fair value of the liabilities is greater than the carrying amount because the Council's portfolio of loans includes a number of fixed rate loans where the interest rate payable is higher than the rates available for similar loans in the market at the balance sheet date. This shows a notional future loss (based on economic conditions at 31st March

2025) arising from a commitment to pay interest to lenders above current market rates.

The fair value of Public Works Loan Board (PWLB) loans of £46.7m measures the economic effect of the terms agreed with the PWLB compared with estimates of the terms that would be offered for market transactions undertaken at the Balance Sheet date. The difference between the carrying amount and the fair value measures the additional interest that the authority will pay over the remaining terms of the loans under the agreements with the PWLB, against what would be paid if the loans were at prevailing market rates.

The authority has a continuing ability to borrow at concessionary rates from the PWLB rather than from the markets. If a value is calculated on this basis, the carrying amount of £63.1m would be valued at £46.7m. But, if the authority were to seek to avoid the projected loss by repaying the loans to the PWLB, the PWLB would raise a penalty charge for early redemption in addition to charging a premium for the additional interest that will not now be paid/giving a discount for the reduced interest income that will be avoided.

Loans and Receivables	31st March 2024		31st March 2025	
	Carrying Amount £000	**Fair Value £000**	**Carrying Amount £000**	**Fair Value £000**
Money Market Loans <1 year	50,252	50,252	46,021	46,021
Cash & Cash Equivalents	7,714	7,714	9,742	9,742
Long Term Investments	10,143	10,143	10,406	10,406
Debtors	5,242	5,242	4,065	4,065
Long Term Debtors	12,721	12,721	183	183
Total Financial Assets	**86,072**	**86,072**	**70,417**	**70,417**

The current trade debtors outstanding includes contractual debtors but excludes non-contractual debtors for council tax, business rates and Government departments.

Where the fair value of the assets is lower than the carrying amount this is because the Authority's portfolio of investments includes a number of fixed rate loans where the interest rate receivable is lower than the rates available for similar loans at the Balance Sheet date and vice versa. For 2024/25, a notional future gain (based on economic conditions at 31st March 2025) was attributable to the commitment to receive interest above current market rates.

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

e) Fair value hierarchy for financial assets and financial liabilities that are not measured at fair value

Recurring Fair Value Measurements Using:	Other Significant Observable Inputs (Level 2) 31st March 2024 £000	Other Significant Observable Inputs (Level 2) 31st March 2025 £000
Financial Liabilities		
Financial Liabilities Held at Amortised Cost:		
PWLB	63,373	63,369
Financial assets		
Financial Assets Held at Amortised Cost:	57,966	55,356

18. Debtors

2023/24 £000	Debtors	2024/25 £000
	Trade Receivables:	
934	Other Local Authority	490
2,336	Housing Rent	2,503
2,634	Other Entities and Individuals	1,515
5,904		**4,508**
	Other Receivable Amounts:	
377	Government Departments	1,444
59	Business Rates	65
146	Council Taxpayers	143
582		**1,652**
(662)	**Invoices raised in Advance in 2023/24 for 2024/25**	(443)
(662)		**(443)**
(3,103)	**Less Provision for Bad Debt/Expected Credit Losses**	(2,965)
(3,103)		**(2,965)**
2,721	**Total Debtors**	**2,752**

The past due amount for local taxation (council tax and non-domestic rates) can be analysed by age as follows:

Debtors 2023/24 £000	Bad debt Provisions 2023/24 £000	Debtors for Local Taxation - Council Tax & Non-domestic Rates	Debtors 2024/25 £000	Bad Debt Provisions 2024/25 £000
1,712	568	Less than one year	1,696	536
982	508	One to two years	111	605
732	457	Two to three years	852	549
2,075	1,806	More than three years	2,477	2,149
5,501	**3,339**	**Total**	**5,136**	**3,839**

19. Cash & 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 highly liquid 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 Authority's cash management.

2023/24 £000	Cash and Cash Equivalents	2024/25 £000
6	Cash held by the Authority	6
(2,439)	Bank current accounts	(389)
10,153	Short term deposits with Banks and Building Societies	10,131
7,720	**Total Cash and Cash Equivalents**	**9,748**

20. 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 current 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.

There were no assets held for sale at 31st March 2024/5 (there were no assets held for sale at 31st March 2024).

21. Creditors

2023/24 £000	Creditors	2024/25 £000
	Trade Payables:	
547	Other Local Authorities	516
542	Housing Rent	415
4,056	Other Entities and Individuals	5,056
5,145		**5,987**
	Other Payables:	
2,800	Government Departments	798
156	Council Taxpayers	150
1,856	Precepting Authorities (Business Rates)	2,688
748	Precepting Authorities (Council Tax)	514
780	Business Rates Payments	845
6,340		**4,995**
11,485		**10,982**

22. Provisions

Provisions are made where an event has taken place that gives the Authority 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 Authority 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 when the Authority has an 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 Authority settles the obligation.

a) Municipal Mutual Insurance (MMI)

This provision has been established as a result of the decision to trigger the ‘Scheme of Arrangement’ (SOA) with regard to Municipal Mutual Insurance (MMI), at a meeting of the Board of Directors on 13th November 2012. Under this SOA, the Authority is liable to pay a levy up to the value of claims paid since 1993 (£252k) and a provision of £33k was established to cover the potential additional levy of up to 28%. There is currently a remaining provision of £8k

b) Business Rates Appeals

Under the new Business Rates Retention arrangements, Billing authorities acting as agents on behalf of the major preceptors (10%), central government (50%) and themselves (40%) are required to make provisions for refunding ratepayers who have successfully appealed against the rateable value of their properties on the rating list. The Authority has included a provision of **£1.19m** (the overall provision in the Business Rates Collection Fund is **£2.99m** and this Authority’s share of the Local Business Rates Retention scheme is 40%) for appeals outstanding on the 31st March 2025 of **£6.05m**Further details regarding the approach to determining the NDR provision can be found in Note 38 - Contingent Liabilities. The cut-off date for appeals against the 2017 list was 31st March 2024, however, under the ‘Check, Challenge, Appeal’ methodology, completed checks can subsequently progress to challenges after this date, and rejected challenges can progress to appeals.

Provisions	**Municipal Mutual Insurance £000**	**Short-Term Non Domestic Rates Appeals £000**	**Short Term Provisions Total £000**	**Long-Term Non Domestic Rates Appeals £000**
Balance at 1st April 2023	**8**	**519**	**527**	**1,298**
Additional provisions made in year	-	526	526	1,579
Amount used in year	-	(368)	(368)	(1,108)
Unused amounts reversed in year	-	(7)	(7)	(21)
Balance at 31st March 2024	**8**	**670**	**678**	**1,748**
Additional provisions made in year	-	(25)	(25)	(76)
Amount used in year	-	(281)	(281)	(842)
Balance at 31st March 2025	**8**	**364**	**372**	**830**

23. Unusable Reserves

31st March 2024 £000	Unusable Reserves	31st March 2025 £000
118,792	Revaluation Reserve	130,336
(594)	Financial Instruments Revaluation Reserve	(515)
116,996	Capital Adjustment Account	119,656
(9,306)	Pensions Reserve	(8,077)
12,637	Deferred Capital Receipts Reserve	93
(316)	Accumulated Absences Account	(405)
(1,846)	Collection Fund Adjustment Account	(149)
236,363	**Total Unusable Reserves**	**240,939**

a) Revaluation Reserve

The Revaluation Reserve contains the gains made by the Authority arising from increases in the value of its Property, Plant and Equipment. The balance is reduced when assets with accumulated gains are:

- revalued downwards or impaired and the gains are lost;
- used in the provision of services and the gains are consumed through depreciation; or
- disposed of and the gains are realised.

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

2023/24 £000		Revaluation Reserve	2024/25 £000	
114,035		**Balance at 1st April 2024**		**118,792**
	7,646	Revaluation of assets and impairment losses not charged to the (Surplus) or Deficit on the Provision of Services	14,293	
7,646		Surplus or deficit on the revaluation of non-current assets not posted to the (Surplus) or Deficit on the Provision of Services		14,293
	(2,889)	Difference between fair value depreciation and historical cost depreciation	(2,749)	
(2,889)		Amount written off to the Capital Adjustment Account		(2,749)
118,792		**Balance at 31st March 2025**		**130,336**

b) Financial Instruments Revaluation Reserve

The Financial Instruments Revaluation Reserve contains the gains made by the Authority arising from increases in the value of its investments that are measured at fair value through Other Comprehensive Income. The balance is reduced when investments with accumulated gains are:

- revalued downwards or impaired and the gains are lost
- disposed of and gains are realised**.**

2023/24 £000	Available for Sale Financial Instruments Reserve	2024/25 £000
(314)	**Balance at 1st April 2024**	**(594)**
(280)	Upward revaluation of investments	79
(594)	**Balance at 31st March 2025**	**(515)**

c) Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of Non Current Assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Authority as finance for the costs of acquisition, construction and enhancement.

The Account contains accumulated gains and losses on Investment Properties and gains recognised on donated assets that have yet to be consumed by the Authority. The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1st April 2007, the date that the Revaluation Reserve was created to hold such gains.

Note 9 provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

2023/24 £000		Capital Adjustment Account	2024/25 £000	
119,642		**Balance at 1st April 2024**		**116,996**
		Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:		
	(13,059)	Charges for depreciation and impairment of Non Current Assets;	(9,986)	
	(2,173)	Revaluation losses on Property, Plant and Equipment;	(4,179)	
	(420)	Movement in Fair Value of Capital Property Fund Investments	183	
	(199)	Amortisation of Intangible Assets;	(151)	
	(8,596)	Revenue Expenditure Funded from Capital Under Statute;	(495)	
	(1,400)	Amounts of Non Current Assets written off on disposal or sale as part of the gains / loss on disposal to the Comprehensive Income and Expenditure Statement;	(1,490)	
(25,847)				(16,118)
2,889		Adjusting amounts written out of the Revaluation Reserve		2,749
(22,958)		Net written out amount of the cost of Non Current Assets consumed in the year		**(13,369)**
		Capital financing applied in the year:		
	2,076	Use of Capital Receipts Reserve to finance new capital expenditure;	3,172	
	3,789	Use of Major Repairs Reserve to finance new capital expenditure;	2,629	
	10,572	Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing;	6,569	
	214	Statutory provision for the financing of capital investment charged against the General Fund and HRA balances - Minimum Revenue Provision;	597	
	6,383	Capital expenditure charged against the General Fund and HRA Balances.	3,226	
23,034				**16,193**
(2,722)		Movements in the market value of Investment Properties debited or credited to the Comprehensive Income and Expenditure Statement.		**(164)**
116,996		**Balance at 31st March 2025**		**119,656**

d) Pension Reserve

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

The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Authority has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

2023/24 £000	Pensions Reserve	2024/25 £000
(6,841)	**Balance at 1st April 2024**	**(9,306)**
(2,836)	Remeasurement of the Net Defined Benefit Liability / (asset)	746
(2,528)	Reversal of items relating to retirement benefits debited or credited to the (Surplus) or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	(2,649)
2,899	Employer's contributions and direct payments to pensioners payable in the year	3,132
(9,306)	**Balance at 31st March 2025**	**(8,077)**

e) Deferred Capital Receipts Reserve

The Deferred Capital Receipts Reserve holds the gains recognised on the disposal of Non Current Assets but for which cash settlement has yet to take place. Under statutory arrangements, the Authority does not treat these gains as usable for financing new capital expenditure until they are backed by cash receipts. When the deferred cash settlement eventually takes place, amounts are transferred to the Capital Receipts Reserve. The majority of the current balance relates to the accounting arrangements for finance leases under IFRS.

2023/24 £000	Deferred Capital Receipts Reserve	2024/25 £000
12,650	**Balance at 1st April 2024**	**12,637**
(13)	Transfer to Capital Receipts Reserve upon receipt of cash / cancel of lease	(12,544)
12,637	**Balance at 31st March 2025**	**93**

f) 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 2025. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

2023/24 £000		Accumulated Absences Account		2024/25 £000
(276)		**Balance at 1st April 2024**		**(316)**
	276	Settlement or cancellation of accrual made at the end of the preceding year	316	
	(316)	Amounts accrued at the end of the current year	(405)	
(40)		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		(89)
(316)		**Balance at 31st March 2025**		**(405)**

g) 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 Comprehensive Income and Expenditure Statement as it falls due from taxpayers compared with the statutory arrangements for paying across amounts to the General Fund from the Collection Fund.

2023/24 £000	Collection Fund Adjustment Account	2024/25 £000
(708)	**Balance at 1st April 2024**	**(1,846)**
(1,138)	Amount by which council tax and non-domestic rating income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements	1,697
(1,846)	**Balance at 31st March 2025**	**(149)**

The decrease in the balance on the CFAA is due to a decrease in the deficit on the Collection Fund of £4.1m (£3.1m increase in 2023/24), mostly arising from adjustments made to provisions for appeals. These have resulted in a substantial decrease in the provision required for appeals see note 22 Provisions for details.

It should be noted however, that this represents the total Collection Fund impact, and the Council's share of this equates to £0.1m which has been reflected in the Council's accounts and transferred to reserve to fund the deficit carried forward to 2025/26 (in line with collection fund accounting practice – whereby the deficit is funded in the following financial year as part of the budget process).

24. Cash Flow Statement – Operating Activities

The cash flows for the operating activities include the following items:

2023/24 £000	Cash Flow Statement - Operating Activities	2024/25 £000
	The cash flows for operating activities include the following items	
4,252	Interest received	2,221
3,418	Interest paid	3,514
7,670		**5,735**
(2,505)	Net Surplus or (Deficit) on the Provision of Services	**(10,881)**
	Adjusted for non cash movements	
13,059	Depreciation and Impairment	9,986
2,173	Downward Valuations	4,179
199	Amortisation	151
(2,184)	Increase / Decrease in Creditors	(478)
(215)	Increase / Decrease in Debtors	206
3	Increase / Decrease in Inventories	2
(1,561)	Movement in Pension Liability	117
1,400	Carrying amount of Non Current Assets and Non Current Assets Held for Sale, sold or de-recognised	1,489
3,752	Other non cash items charged to the Net (Surplus) or Deficit on the Provision of Services	(1,431)
16,626		**14,221**
	Adjusted for items that are Investing or Financing Activities	
(10,572)	Proceeds from Short-Term (Not Considered to be Cash Equivalents) and Long-Term investments (Includes Investments in Associates, Joint Ventures and Subsidiaries)	(6,568)
(1,696)	Proceeds from the sale of Property, Plant and Equipment, Investment Property and Intangible Assets	(1,713)
-	Any other items for which the cash effects are Investing or Financing Activities cash flows	
(12,268)		**(8,281)**
1,853	**Net Cash Flows from Operating Activities Surplus/(Deficit)**	**(4,941)**

25. Cash Flow Statement – Investing Activities

2023/24 £000	Cash Flow Statement - Investing Activities	2024/25 £000
14,677	Purchase of Property, Plant and Equipment; Investment Property and Intangible Assets	15,324
(1,696)	Proceeds from the sale of Property, Plant and Equipment; Investment Property and Intangible Assets	(1,713)
(10,699)	Proceeds from Short Term and Long Term Investments	(3,737)
(7,937)	Other receipts from Investing Activities	(15,615)
(5,655)	**Net Cash Flows from Investing Activities**	**(5,741)**

26. Cash Flow Statement – Financing Activities

2023/24 £000	Cash Flow Statement - Financing Activities	2024/25 £000
1,307	Other receipts from Financing Activities	(1,228)
1,307	**Net Cash Flows from Financing Activities**	**(1,228)**

27. Acquisitions & Discontinued Operations

Acquired Operations

The Authority previously leased out property at the Ankerside Shopping Centre including car park, on a finance lease which had a remaining term of 65 years. On 29th November 2024 the lease was terminated, and Ankerside Shopping Centre and Car Park came back under full control of the Authority (none in 2023/24).

Discontinued Operations

The results of discontinued operations are shown as a single amount on the face of the Comprehensive Income and Expenditure Statement comprising the profit or loss of discontinued operations and the gain or loss recognised either on measurement to fair value less costs to sell or on the disposal of the discontinued operation. A discontinued operation is a unit that has been disposed of or is classified as an Asset Held for Sale.

There were no discontinued operations during 2024/25 (none in 2023/24).

28. Members' Allowances

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

2023/24 £000	Members Allowances	2024/25 £000
170	Basic Allowance	172
100	Special Responsibility	102
4	Other Allowances/Expenses	5
274	**Total**	**279**

29. Officers' Remuneration

Benefits Payable During Employment

Short term employee benefits are those due to be settled wholly within 12 months of the year end. They include such benefits as wages and salaries, paid annual leave and paid sick leave and non-monetary benefits (e.g. staff health cover) for current employees and are recognised as an expense for services in the year in which employees render service to the Authority. An accrual is made for the cost of holiday entitlements (or any form of leave, e.g. time off in lieu) 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 (Surplus) or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

The remuneration paid to the Authority's Senior Employees is as follows:

Officers Remuneration	Year	Salary, Fees and Allowances £	Expenses Allowances £	Sub-Total £	Pension Contribution £	Total £
Chief Executive	2024/25	**135,285**	**989**	**136,274**	**29,830**	**166,104**
	2023/24	131,681	1,015	132,696	29,033	161,729
Executive Director Organisation	2024/25	**108,123**	**1,015**	**109,138**	**23,826**	**132,964**
	2023/24	104,882	1,015	105,897	23,110	129,007
Executive Director Communities	2024/25	**105,581**	**1,291**	**106,872**	**23,264**	**130,136**
	2023/24	98,695	1,291	99,986	21,743	121,728
Executive Director Finance*	2024/25	**149,145**	**788**	**149,933**	**28,454**	**178,387**
	2023/24	78,247	636	78,883	16,751	95,634
Assistant Director Neighbourhoods	2024/25	**87,703**	**1,015**	**88,718**	**19,313**	**108,031**
	2023/24	85,571	1,015	86,586	18,842	105,428
Assistant Director Growth and Regeneration	2024/25	**87,496**	**1,015**	**88,511**	**19,268**	**107,779**
	2023/24	85,370	1,015	**86,385**	18,798	105,182
Assistant Director People	2024/25	**86,983**	**1,291**	**88,274**	**19,154**	**107,428**
	2023/24	85,395	1,291	86,686	18,803	105,489
Assistant Director Partnerships	2024/25	**76,392**	**1,291**	**77,683**	**16,781**	**94,464**
	2023/24	73,870	1,291	75,161	16,256	91,417
Assistant Director Operations and Leisure	2024/25	**72,860**	**1,291**	**74,151**	**16,033**	**90,184**
	2023/24	39,911	519	40,430	8,781	49,211
Assistant Director Finance**	2024/25	**35,093**	**25**	**35,118**	**7,723**	**42,841**
	2023/24	82,248	52	82,300	18,107	100,407
Assistant Director Asset Management	2024/25	**75,709**	**1,297**	**77,006**	**16,663**	**93,669**
	2023/24	74,386	1,015	75,401	16,371	91,772
Assistant Director Policy & Performance***	2024/25	**21,522**	**282**	**21,804**	**4,736**	**26,540**
	2023/24	-	-	-	-	-

New interim appointment 23/09/24 *
Vacant post from 22/09/24 **
New Assistant Director post for 2024/25 ***

With regard to pension contribution levels - following the triennial review carried out by the Actuary employed by the Pension Fund in March 2022 - contribution levels remain unchanged for the 3 years commencing 1st April 2023. This includes an ongoing lump sum relating to past liabilities and a set rate for future employer contributions 22.1% p.a. (This rate has changed from 16.5% previously with a corresponding fall in the lump sum contribution level).

The Authority's employees receiving more than £50k remuneration for the year (excluding employer's pension contributions) not including those reported in the Senior Employees table above were paid the following amounts:

2023/24 Total Number of Employees	Remuneration Band	2024/25 Number Employed at 31st March 2025	2024/25 Total Number of Employees
12	£50,000 - £54,999	10	10
4	£55,000 - £59,999	5	5
-	£60,000 - £64,999	1	1
1	£65,000 - £69,999	-	-
-	£100,000 - £104,999	1	1
17	Total	17	17

This table excludes the senior officers reported earlier.

30. External Audit Costs

The agreed external audit fees paid for 2024/25 were £201k (£185k 2023/24).

2023/24 £000	External Audit Costs	2024/25 £000
147	Fees payable to Bishop Fleming with regard to the external audit services carried out by the appointed auditor for the year;	161
38	Fees payable to Grant Thorton for the certification of grants & Pooling and returns for the year;	40
185	**Total**	**201**

The indicative fee for certification of grants and returns for 2024/25 is £40k. The agreed fee for the 2024/25 audit (payable in 2025/26) is £161k.

31. 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 Authority when there is reasonable assurance that:

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

Amounts recognised as due to the Authority 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 in the form of 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 (Capital Grants Receipts in Advance). When conditions are satisfied, 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.

Community Infrastructure Levy

The Authority has elected to charge a Community Infrastructure Levy (CIL). The levy will be charged on new builds (chargeable developments for the authority) with appropriate planning consent. The council charges for and collects the levy, which is a planning charge. The income from the levy will be used to fund a number of infrastructure projects (these include transport, flood defences and schools) to support the development of the area.

CIL is received without outstanding conditions; it is therefore recognised at the commencement date of the chargeable development in the Comprehensive Income and Expenditure Statement in accordance with the accounting policy for government grants and contributions set out above. CIL charges will be largely used to fund capital expenditure. However, a proportion of the charges for this Authority may be used to fund revenue expenditure. CIL income of £78k was received in 2024/25 (£246k in 2023/24) including income for monitoring costs of £7k (£11k in 2023/24).

The Authority credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement in 2024/25:

2023/24 £000	Grant Income	2024/25 £000
	Credited to Taxation and Non Specific Grant Income	
302	Revenue Support Grant	322
12,243	NNDR	14,833
(10,687)	Non Domestic Rates - Tariff	(11,137)
(294)	Non Domestic Rates - Levy to GBSLEP	(1,350)
347	New Homes Bonus	503
2,719	S31 Grant - Small Business Rate Relief	2,553
21	Other Grants	701
10,818	Capital Grants and Contributions	6,635
15,469	**Total**	**13,060**

The Authority credited the following grants, contributions and donations to Cost of Services within the Comprehensive Income and Expenditure Statement in 2024/25:

2023/24	Credited to Services	2024/25
£000	Government Grant	£000
(199)	DWP Admin Grant	(182)
(88)	NNDR Cost of Collection	(93)
(10,933)	Benefits	(10,849)
(102)	Discretionary Housing Payment	(98)
(9)	Nature Reserve	(11)
(71)	Safer Stronger Communities	(25)
(32)	Electoral Process	(52)
-	Homelessness Reduction Act	(24)
(35)	Domestic Abuse Services	-
(44)	Welfare Benefit Reform Changes	(49)
(334)	Homelessness Prevention	(383)
-	EU Exit	(24)
-	Future High Street Funds	(263)
-	GBSLEP Town Centre Ecosystems	(15)
-	Improve and Development Agency - Cyber Security	(28)
-	Covid Marshalls	(224)
-	Skills officer - GBSLEP	(47)
(142)	Local Council Tax Support Scheme	(1,092)
(67)	National Lottery Fund	-
(107)	Asylum Dispersal Grant	(1)
(251)	Contain Outbreak Management Funding (COMF)	-
(22)	NNDR3 Audit	(17)
-	Fly-Tipping Intervention Grant (FTIG)	-
(51)	DEFRA	-
(606)	Shared Prosperity Fund	-
(23)	Energy Rebate Scheme	-
(17)	Tenant Satisfaction Measures New Burdens	-
(13,133)	**Total**	**(13,512)**

The Authority 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 or property to be returned to the giver. The balances at the year end are as follows:

31st March 2024 £000	Capital Grants Receipts in Advance	31st March 2025 £000
1	DCMS Free Swimming Grant	-
3	Lottery BMX Track	-
8	Other	753
5,309	Future High Streets Funds	-
85	UKSPF	
1,514	S106 Leisure Grants	1,513
-	DFG*	1,541
6,920	**Total**	**3,807**

*The amounts received in advance for DFG were included in short term creditors

32. Related Parties

The Authority is required to disclose material transactions with related parties – bodies or individuals that have control or joint control, or significant influence over the Authority, or are a member of the key management personnel of the Authority. Disclosure of these transactions allows readers to assess the extent to which the Authority might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Authority.

a) Central Government

Central Government has effective control over the general operations of the Authority – it is responsible for providing the statutory framework within which the Authority operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Authority has with other parties (e.g. Council Tax bills, housing benefits). Grants received from government departments are set out in the subjective analysis in Note 8. Grant receipts outstanding at 31st March 2025 are shown in Note 31.

b) Members

Members of the Authority have direct control over the Authority's financial and operating policies. The total of Members' Allowances paid in 2024/25 is shown in Note 28. During the financial year ended 31st March 2025, there were no material transactions between the Authority and its Members, other than the payment of Member Allowances. Details of all transactions are recorded in the Register of Members' Interests, available on the Council's website.

Members are required to disclose information regarding any material transactions between them and any other organisation in which they could exert control. During the financial year ended 31st March 2025, there were no such transactions.

c) Officers

During the financial year ended 31st March 2025, there were no material transactions between the Authority and its Chief Officers, other than the payment of officer salaries. The total of Senior Officers' Remuneration is shown in Note 29.

Senior Officers are required to disclose information regarding any material transactions between them and any other organisation in which they could exert control. During the financial year ended 31st March 2025, there were no such transactions.

d) Solway (Tamworth) Ltd

In line with plans set out in the Council's Commercial Investment Strategy, the above trading company was established in 2018. The company was wholly owned by the Council, with the Leader of the Council, Chief Executive, and Executive Director Finance established as Directors of the company. It had been intended that land owned by the Council at Solway Close would be disposed of and purchased by the company for the development of private housing for rent. However, following a meeting of Corporate Scrutiny Committee in March 2022 where updated options for the site were presented, based on latest market demand, costing information, projected returns and assessment of the risks involved, and in light of the changing economic situation, the decision was made to shelve plans for developing the Solway site via the limited company, and instead to market the site for sale to a private developer. As the company had not traded since its inception, and with no further opportunities on the horizon, the company was dissolved in January 2025.

e) Staffordshire County Council, OPCC and Fire Authority Precepts.

31st March 2024 £000	Precepts	31st March 2025 £000
34,391	Staffordshire County Council	36,267
6,091	OPCC Staffordshire	6,423
1,969	Staffordshire Commissioner Fire and Rescue Authority	2,037
42,451	**Total**	**44,727**

During the year, there were 3 Councillors who were both a Member of the Council and Staffordshire County Council (6 in 2023/24).

f) Staffordshire County Council

Under the Recycling Credit Scheme, the Authority also receives recycling credits from Staffordshire County Council. These are then paid over to the Joint Waste Service under arrangements with Lichfield District Council.

31st March 2024 £000	Recycling Credit Scheme	31st March 2025 £000
(434)	Recycling Credits	453
(434)	**Total**	**453**

g) Joint Waste Service

The Authority's Joint Waste Service with Lichfield District Council was launched in July 2010, and a joint committee - 'Lichfield and Tamworth Waste Collection Services' - was established. The organisation provides waste and recycling services across the two Authorities. Lichfield District Council is responsible for hosting the service including employment of staff.

The parties have an agreement in place for funding this operation with contributions to the agreed budget of 58.43% from Lichfield District Council and 41.57% from Tamworth Borough Council (was 58.3% to 41.7% respectively in 2023/24). The same proportions are used to meet any deficit or share any surplus arising on the operation's budget at the end of each financial year.

The revenue outturn of the Joint Waste Service for the year ended 31st March 2025 is as follows:

2023/24 £000	Joint Waste Arrangement Income / Expenditure	2024/25 £000
	Funding Provided to the Operation	
(2,770)	Contribution from Lichfield District Council	(2,787)
(1,758)	Contribution from Tamworth Borough Council	(1,983)
(4,528)	**Total Funding Provided to the Operation**	**(4,770)**
	Expenditure	
4,467	Employee Costs	4,413
1,786	Transport Costs	1,726
1,343	Supplies and Services	1,578
11	Third Party Payments	13
607	Central Support Costs	607
8,214	**Total Expenditure**	**8,337**
	Income	
(1,188)	Recycling Credits	(1,141)
(1,616)	Green Waste Service	(1,761)
(616)	Other Income	(842)
(3,420)	**Total Income Received**	**(3,744)**
4,794	**Total Net Expenditure**	**4,593**
266	**Net (Surplus)/Deficit arising on the pooled budget during the year**	**(177)**
41.7%	**Tamworth Borough Council's share of Service**	**41.57%**
111	**Tamworth Borough Council's share of Net (Surplus)/Deficit**	**(74)**

Lichfield District Council are the lead Authority for this arrangement, with the Tamworth Borough Council reimbursing Lichfield for services on the basis of a proportion of actual spend. For 2024/25, the cost of the arrangement to the Authority was £2.0m.

33. Capital Expenditure & Financing

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 Authority 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.

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

2023/24 £000	Capital Expenditure and Financing	2024/25 £000
73,767	**Opening Capital Financing Requirement**	74,593
	Capital Investment	
14,080	Property, Plant and Equipment	15,281
479	Heritage Assets	169
566	Investment Properties	6
137	Intangible Assets	13
8,596	Revenue Expenditure Funded from Capital under Statute	495
	Sources of Finance	
(2,076)	Capital receipts	(3,172)
(1,974)	Government grants and other contributions	(6,284)
(10,172)	Sums set aside from revenue - Direct Revenue Contributions	(5,855)
(214)	Sums set aside from revenue - Minimum Revenue Provision	(597)
(8,596)	Grants - Revenue Expenditure Funded from Capital Under Statute	(285)
74,593	**Closing Capital Financing Requirement**	**74,364**
	Explanation of movements in year:	
	Increase in underlying need to borrow:	
1,040	Unsupported by government financial assistance	368
(214)	Sums set aside from revenue - Minimum Revenue Provision	(597)
826	**Increase/(Decrease) in Capital Financing Requirement**	**(229)**

34. Leases

a) Authority as Lessee

International Financial Reporting Standard 16 (IFRS 16)

In 2024/2025, the Authority has applied IFRS 16 Leases as adopted by the Code of Accounting Practice. The main impact of the new requirements is that, for arrangements previously accounted for as operating leases (i.e. without recognising the leased property as an asset and future rents as liability), a Right of Use asset and a lease liability are to be brought into the balance sheet at 1st April 2024. Leases for items of low value and leases that expire on or before 31st March 2024 are exempt from the new arrangements.

IFRS 16 has been applied retrospectively, but with the cumulative effect recognised at 1st April 2024. This means that Right of Use assets and lease liabilities have been calculated as if IFRS 16 had always applied but recognised in 2024/2025 and not by adjusting prior year figures. The details of the changes in accounting policies and transitional provisions are disclosed below.

A. Definition of a lease

On transition to IFRS 16, the Authority elected to apply the practical expedient not to reassess whether a contract is, or contains, a lease at 1st April 2024, except in relation to leases for nil consideration and housing tenancies. It has applied IFRS 16 only to contracts that were previously identified as leases under IAS 17 and IFRIC 4

B. As a lessee

As a lessee, the Authority previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Authority. Under IFRS 16, the Authority recognises right-of-use assets and lease liabilities for most leases – i.e. these leases are on-balance sheet.

The Authority decided to apply recognition exemptions to short-term leases and has elected not to recognise Right of Use assets and lease liabilities for short term leases that have a term of 12 months or less and leases of low value assets (less than £10k in line with capitalization policy). The Authority recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

i. Leases classified as operating leases under IAS 17

The Authority used the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17.

- Lease liabilities are measured at the present value of the remaining lease payments at 1st April 2024, discounted by the Authority’s incremental borrowing rate at that date
- A single discount rate has been applied to portfolios of leases with reasonably similar characteristics
- The weighted average of the incremental borrowing rates used to discount liabilities was 5.03%

- Right of Use assets are measured at the amount of the lease liability, adjusted for any prepaid or accrued lease payments on 31st March 2024 – any initial direct costs have been excluded
- All leases were assessed as to whether they were onerous at 31st March 2024, so Right of Use assets have not been subject to an impairment review – carrying amounts have been reduced by any provisions for onerous contracts that were in the 31st March 2024 balance sheet
- For Right of Use assets for peppercorn or nominal lease payments a Right of Use asset has been recognised at fair value on 1st April 2024 with the between that fair value and the lease liability credited as a gain in the surplus/deficit on the provision of services.

Application of the Code's adaptation of IFRS16 has resulted in the following additions to the balance sheet at 1st April 2024:

- £813K Property, Plant and Equipment, Vehicles– Land and Buildings (Right of Use assets)
- £0.00 Intangible assets (Right of Use assets)
- £317K Non current creditors (Lease Liabilities)
- £422K Current creditors (Lease Liabilities)

The difference between the Right of Use asset total and the lease liability is £74k, this relates to the payments in advance made in 2023/24 for 2024/25 that have been recognised in the Right of Use asset total.

The newly recognised leases liabilities of £739k compared with the operating lease commitments of £1,342k at 31st March 2024 disclosed in the notes to the 31st March 2024 financial statements. The commitment as at 31st March 2024 disclosed in the notes for 2023/24 included estimated future lease payments for the Fleet vehicles not delivered until after 1st April 2024, which are not included in the lease liability at recognition but in the additions in year (£498k). The figures as at 31st March 2024 also included the maintenance costs for the Fleet, Scarab & Sweepers which for the lease liability these have been excluded at implementation. The lease liability total at implementation also excludes amounts for leases of low value items and leases that will expire before 31st March 2025 (£13k).

ii. Leases classified as finance leases under IAS 17

For leases that were classified as finance leases under IAS 17, the carrying amount of the Right of Use asset and the lease liability at 1st April 2024 are determined at the carrying amount of the lease asset and lease liability under IAS 17 at 31st March 2024.

C. As a lessor

The Authority is not required to make any adjustment on transition to IFRS 16 for leases in which it acts as a lessor, except for authorities acting as an intermediate lessor (subletting an asset it has acquired under a lease), or where the Authority is party to a lease for nil consideration.

The Authority was not party to any sublease arrangements as lessor as at 1st April 2024

As at 1st April 2024 the Authority was not party to as lessor to lease for nil consideration

D. Sale-and-leaseback

The Authority did not have any Sale and Leaseback transactions as at 1st April 2024

Authority as Lessee

Right of Use Assets

The table below shows the change in the value of Right of Use assets held under leases by the authority:

	Vehicles, Plant and Equipment £000	Total £000
Balance at 1st April 2024	813	813
Additions	3,309	3,309
Revaluations	1	1
Depreciation and Amortisation	365	365
Balance at 31st March 2025	3,758	3,758

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	45	-
Expense relating to short-term leases	7	19
Expense relating to exempt leases of low-value items	6	6
Total cashflow for leases	468	-
Cash payments for interest portion of lease liabilities	45	-
Short term lease payments where exemptions taken	7	19
Low value lease payments where exemptions taken	6	6

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 payments):

	31st March 2025 £000s	31st March 2024 £000s
Up to 1 year	907	402
One to five years	2,541	941
More than five years	910	-
Total Undiscounted Liabilities	4,358	1,343

b) Authority as Lessor

i. Finance Leases

Where the Authority grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the Balance Sheet as a disposal.

At the commencement of the lease, 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.

A gain, representing the Authority's net investment in the lease, is 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), matched by a lease (Long Term Debtor) asset in the Balance Sheet.

Lease rentals receivable are apportioned between:

- a charge for the acquisition of the interest in the property – applied to write down the lease debtor (together with any premiums received), and

- finance income (credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement).

The gain credited to the Comprehensive Income and Expenditure Statement on disposal is not permitted by statute to increase the General Fund Balance and is required to be treated as a capital receipt. Where a premium has been received, this is posted out of the General Fund Balance to the Capital Receipts Reserve in the Movement in Reserves Statement.

Where the amount due in relation to the lease asset is to be settled by the payment of rentals in future financial years, this is posted out of the General Fund Balance to the

Deferred Capital Receipts Reserve in the Movement in Reserves Statement. When the future rentals are received, the element for the capital receipt for the disposal of the asset is used to write down the lease debtor. At this point, the deferred capital receipts are transferred to the Capital Receipts Reserve.

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

The Authority previously leased out property at the Ankerside Shopping Centre including car park, on a finance lease which had a remaining term of 65 years. On 29th November 2024 the lease was terminated, and Ankerside Shopping Centre and Car Park came back under full control of the Authority. The Authority had not received any lease payments since March 2024. The Finance Lease has therefore been derecognised at the point in which the cash flows expired (31st March 2024) and the Authority has now recognised this asset on the balance sheet.

The gross investment was made up of the following amounts:

31st March 2024 £000	Assets Held for Leases (Lessor)	31st March 2025 £000
	Finance lease debtor (NPV of minimum lease payments)	
12,534	Non Current	-
41,923	Unearned finance income	-
12	Unguaranteed residual value of property	-
54,469	**Gross Investment in the Lease**	**-**

The gross investment in the lease and the minimum lease payments will therefore be nil from 2024/25:

Minimum Lease Payments 31st March 2024 £000	Gross Investment in the Lease 31st March 2024 £000	Minimum Lease Payments	Minimum Lease Payments 31st March 2025 £000	Gross Investment in the Lease 31st March 2025 £000
851	851	Not later than one year	-	-
3,404	3,404	Later than one year not later than five years	-	-
50,202	50,214	Later than five years	-	-
54,457	**54,469**	**Total**	**-**	**-**

The Authority does not set aside any amount for future uncollectable amounts.

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

ii. Operating Leases

Where the Authority 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 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.

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

- for the provision of community services, such as community centres; and
- for investment purposes to provide suitable affordable accommodation for local businesses.

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

31st March 2024 £000	Future Minimum Lease Payments	31st March 2025 £000
	Operating Leases	
1,175	Not later than one year	912
4,550	Later than one year not later than five years	3,417
48,378	Later than five years	30,190
54,103	**Total**	**34,519**

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

The minimum lease payments do not include cancellable rents received during the period, these amounted to £601k in 2024/25 (£606k in 2023/24). There were 17 void units at the 31st of March 2025 (20 voids at the 31st March 2024).

35. Impairment Losses

Charges for impairment of £5.0m have been made during 2024/25 (£8.2m in 2023/24). This amount reflects the expenditure on capital assets which has not produced a similar increase in the value of the assets.

Total HRA Capital Expenditure was £6.6m (£11.3m in 2023/24) of which £3.9m (£7.5m in 2023/24) related to improvements to bathrooms, kitchens, central heating, electrical upgrades and disabled adaptations; with £1.1m (£3.8m in 2023/24) related to the regeneration of garage sites and new housing development schemes. The impairment has been recognised as the advice of the Authority's valuer is that such improvements have not increased the overall value of the asset.

36. Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Authority to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy in exchange for those benefits and are charged on an accruals basis to the appropriate service segment or, where applicable, to a corporate service segment at the earlier of when the authority can no longer withdraw the offer of those benefits or when the authority recognises costs for a restructuring.

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 Authority 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.

There were 3 compromise agreements termination payments to employee contracts during 2024/25 at a value of £37,682 (£38,596 in 2023/24).

37. Defined Benefit Pension Schemes

The pension costs included in these accounts have been determined in accordance with government regulations and IAS 19. The standard requires the full recognition of the pensions liability (and the movement of its constituent parts) in the Comprehensive Income and Expenditure Statement. These requirements are included within the accounts in accordance with CIPFA recommended practice.

The Local Government Pension Scheme (LGPS) is accounted for as a defined benefit statutory scheme, administered in accordance with the Local Government Pension Scheme Regulations 2013:

i. The liabilities of the Staffordshire Local Government Pension Fund attributable to the Authority are included in the Balance Sheet on an actuarial basis using the projected unit credit 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.

ii. Liabilities are discounted to their value at current prices, using a discount rate of %.

This is based on an approach whereby a Corporate Bond yield curve is constructed based on the constituents of the iBoxx AA Corporate Bond Index.

Separate discount rates are then set (and corresponding RPI/CPI inflation assumptions) for individual employers, dependent on their own weighted average duration.

iii. The assets of Staffordshire Local Government Pension Fund attributable to the Authority 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 – market value.

iv. 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 as part of Non Distributed Costs;
- **Net Interest Cost:** net interest on the net defined benefit liability (asset), ie net interest expense for the authority – the change during the period in the net defined benefit liability (asset) that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement – this is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability (asset) at the beginning of the period – taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments.

Remeasurements comprising:

Expected Return on Plan Assets: excluding amounts included in net interest on the net defined benefit liability (asset) – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure:

- **Actuarial Gains and Losses:** changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure;

- **Contributions paid to the Staffordshire Local Government 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 and the Housing Revenue Account to be charged with the amount payable by the Authority 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 transfers to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year end.

The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Fund and Housing Revenue Account of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Discretionary Benefits

The Authority 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.

a) Participation in Pension Schemes

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

The authority participates in two post employment schemes:

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

- Arrangements for the award of discretionary post retirement benefits upon early retirement – this is an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. However, there are no investment assets built up to meet these pensions liabilities, and cash has to be generated to meet actual pensions payments as they eventually fall due.

b) Transactions Relating to Post-employment Benefits

We recognise the cost of retirement benefits in the reported Cost of Services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge we are required to make against Council Tax is based on the cash payable in the year, so the real cost of post employment / retirement benefits is reversed out of the General Fund (and HRA) via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year:

Comprehensive Income and Expenditure Statement

Local Government Pension Scheme 2023/24 £000	Discretionary Benefit Arrangements 2023/24 £000	Defined Benefit Pension Schemes	Local Government Pension Scheme 2024/25 £000	Discretionary Benefit Arrangements 2024/25 £000
		Comprehensive Income and Expenditure Statement:		
		Service Cost Comprising:		
2,246	73	Past service costs	2,266	71
		Financing and Investment Income and Expenditure		
377	-	Interest on the effect of the asset ceiling	1,060	-
5,226	-	Interest costs	5,330	-
(5,321)	-	Expected return on scheme assets	(6,007)	-
2,528	**73**	**Total Post Employment Benefit Charged to the (Surplus) or Deficit on the Provision of Services**	**2,649**	**71**
		Remeasurement of the Net Defined Benefit Liability Comprising:		
(8,837)	67	Return on plan assets (excluding amounts included in net interest expense)	2,069	(74)
(647)	**-**	Actuarial gains and losses on changes in demographic assumptions	(195)	**-**
(5,023)	**-**	Actuarial gains and losses on changes in financial assumptions	(16,891)	**-**
13,777	**-**	Impact of Net asset Ceiling	15,499	**-**
3,499	-	Other	(1,154)	-
5,297	**140**	**Total Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement**	**1,977**	**(3)**

Movement in Reserves Statement

Local Government Pension Scheme 2023/24 £000	Discretionary Benefit Arrangements 2023/24 £000	Defined Benefit Pension Schemes	Local Government Pension Scheme 2024/25 £000	Discretionary Benefit Arrangements 2024/25 £000
		Movement in Reserves Statement:		
(5,297)	(140)	Reversal of net charges made to the (Surplus) or Deficit on the Provision of Services for post employment benefits in accordance with the code	(1,977)	3
		Actual amount charged against the General Fund Balance for pensions in the year:		
2,899	-	Employers' contributions payable to the scheme	3,132	-
-	73	Retirement benefits payable to pensioners	-	71
(2,398)	**(67)**	**Total Movement in Reserves Statement**	**1,155**	**74**

Under the Housing Repairs contract, a separate pension scheme is operated for staff transferred as part of a TUPE arrangement.

c) Pensions Assets and Liabilities Recognised in the Balance Sheet

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

Local Government Pension Scheme 2023/24 £000	Pensions Assets and Liabilities Recognised in the Balance Sheet	Local Government Pension Scheme 2024/25 £000
112,065	Present Value of the Defined Benefit Obligation	97,258
22,086	Impact of Net asset Ceiling	38,645
(126,035)	Fair Value of Plan Assets	(128,416)
8,116	**Net Liability Arising From Defined Benefit Obligation**	**7,487**

d) Reconciliation of the Movements in the Fair Value of Scheme (Plan) Assets

Local Government Pension Scheme 2023/24 £000	Reconciliation of Fair Value of Scheme Assets	Local Government Pension Scheme 2024/25 £000
104,171	**Balance at 1st April 2024**	**103,949**
4,944	Interest Income on Plan Assets	4,947
8,770	Return on Assets excluding amounts included in net interest	(1,995)
4,089	Employer contributions	2,532
689	Contributions by scheme participants	756
(4,937)	Benefits paid	(4,919)
(13,777)	Impact of Net asset Ceiling	(15,499)
73	Contributions in respect of unfunded benefits	71
(73)	Unfunded benefits paid	(71)
103,949	**Balance at 31st March 2025**	**89,771**

e) Reconciliation of Present Value of the Scheme Liabilities (Defined Benefit Obligation)

Local Government Pension Scheme 2023/24 £000	Discretionary Benefit Arrangements 2023/24 £000	Reconciliation of Present Value of Scheme Liabilities (Defined Benefit Obligation)	Local Government Pension Scheme 2024/25 £000	Discretionary Benefit Arrangements 2024/25 £000
110,196	**816**	**Balance at 1st April 2024**	**111,255**	**810**
2,319	-	Current service costs	2,337	-
5,226	-	Interest Cost on Defined Benefit Obligation	5,330	-
689	-	Plan Participants Contributions	756	-
		Remeasurements (gains)/losses		
(647)	-	Changes in Demographic Assumptions	(195)	-
(5,090)	67	Changes in Financial Assumptions	(16,817)	(74)
3,499	-	Other Experience	(1,154)	-
(4,937)	(73)	Benefits paid	(4,919)	(71)
-	-	Past service costs		
111,255	**810**	**Balance at 31st March 2025**	**96,593**	**665**

f) Local Government Pension Scheme Assets Comprised:

The asset values shown below are at bid value as required under IAS19.

As at 31st March 2024					As at 31st March 2025			
Quoted Prices in Active Markets £000	Quoted Prices Not in Active Markets £000	Total £000	Percentage of Total Assets %	Fair Value of Employers Assets	Quoted Prices in Active Markets £000	Quoted Prices Not in Active Markets £000	Total £000	Percentage of Total Assets %
				Equity Securities				
3,413	-	3,413	2.7	Consumer	1,850	-	1,850	1.4
1,701	-	1,701	1.3	Manufacturing	-	-	-	-
								-
776	-	776	0.6	Energy & Utilities	-	-	-	-
4,631	-	4,631	3.7	Financial Institutions	1,781	-	1,781	1.4
3,490	-	3,490	2.8	Health Care	1,071	-	1,071	0.8
5,574	-	5,574	4.4	Information Technology	1,091	-	1,091	0.8
				Debt Securities				
9,382	-	9,382	7.4	Corporate Bonds (Investment Grade)	9,689	-	9,689	7.5
				Private Equities				
-	6,633	6,633	5.3	All	-	6,707	6,707	5.2
				Real Estate				
-	9,303	9,303	7.4	UK Property	-	10,732	10,732	8.4
				Investment Funds & Unit Trusts				
57,112	-	57,112	45.1	Equities	63,212	-	63,212	49.4
9,891	-	9,891	7.8	Bonds	9,801	-	9,801	7.6
-	5,477	5,477	4.3	Infrastructure	-	7,652	7,652	6.0
-	6,603	6,603	5.2	Other	6,420	5,488	11,908	9.3
				Cash & Cash Equivalents				
2,049	-	2,049	1.6	All	2,923	-	2,923	2.3
98,019	**28,016**	**126,035**	**100**	**Total Assets**	**97,838**	**30,579**	**128,417**	**100**
		(22,086)		Impact of net asset ceiling			(38,645)	
		103,949					**89,772**	

g) Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc. Both the Local Government Pension Scheme and Discretionary Benefits liabilities have been assessed by Hymans Robertson, an independent firm of actuaries, estimates for the County Council Fund being based on the latest full valuation of the scheme as at 31st March 2025. The significant assumptions used by the actuary have been:

Local Government Pension Scheme 2023/24	Discretionary Benefit Arrangements 2023/24	Assumptions	Local Government Pension Scheme 2024/25	Discretionary Benefit Arrangements 2024/25
		Long-term expected rate of return on assets in the scheme:		
4.80%	-	Equity Investments	5.80%	-
4.80%	-	Bonds	5.80%	-
4.80%	-	Property Managed Funds	5.80%	-
4.80%	-	Cash	5.80%	-
4.80%	-	Other	5.80%	-
		Mortality assumptions (in years):		
		Longevity at 65 for current pensioners:		
21.1	21.1	Men	21.0	21.0
23.8	23.8	Women	23.8	23.8
		Longevity at 65 for future pensioners:		
21.9	21.9	Men	21.8	21.8
25.6	25.6	Women	25.6	25.6
2.80%	2.80%	CPI Rate	2.80%	2.80%
3.30%	3.30%	Rate of increase in salaries	3.30%	3.30%
2.80%	2.80%	Rate of increase in pensions	2.80%	2.80%
4.80%	4.80%	Rate for discounting scheme liabilities	5.80%	5.80%
65.00%	-	Take-up of option to convert annual pension into retirement lump sum	65.00%	-

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

Impact on the Defined Benefit Obligation in the Scheme		Change in Assumptions at 31st March 2025	Impact on the Defined Benefit Obligation in the Scheme	
Approx. % Increase to Liability 2023/24 %	**Approx. Monetary Value 2023/24 £000**		**Approx. % Increase to Liability 2024/25 %**	**Approx. Monetary Value 2024/25 £000**
2.00%	1,945	0.1% Decrease in Real Discount Rate	2.00%	1,583
4.00%	4,483	1 Year in Member Life Expectancy	4.00%	3,890
-	95	0.1% Increase in the Salary Increase Rate	-	78
2.00%	1,884	0.1% Increase in the Pension Increase Rate	2.00%	1,549

The total contributions expected to be made to the Local Government Pension Scheme by the Authority in the year to 31st March 2026 is £2.5m (£2.3m in 2024/25).

38. Contingent Liabilities

A Contingent Liability arises where an event has taken place that gives the Authority a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Authority. 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.

The Authority has included a provision –detailed in Note 22 – relating to Business Rate appeals outstanding as at 31st March 2025.

With effect from the 2017 Rating List, there is a fresh approach to appeals known as "Check, Challenge & Appeal" (CCA) which means that before an appeal is made the Rateable Value may be amended upon negotiation between the Valuation Office and the ratepayer (or their agents). This process will inevitably lead to a delay in appeals being made.

It is difficult to estimate the likelihood of businesses both submitting and being successful with an appeal and the Authority has therefore made provision in the accounts based on professional advice from independent valuers. The contingent liability element relates to any potential successful appeals beyond the provision made. The level of historic appeals together with the average level of success and savings in Rateable Value is shown for the 2005, 2010, 2017 and 2023 lists below:

Indicator 2024/25	2005 List	2010 List	2017 List	2023 List	Total
A Total of original Rateable Values resolved	£116.06m	£239.73m	£211.37m	£29.15m	£596.31m
B Total original Rateable Value of successful check/ challenge/ appeal	£51.93m	£70.41m	£28.16m	£5.63m	£156.13m
Average success rate (% of RV) **(B/A)**	44.74%	29.37%	13.32%	19.31%	26.18%
C Total revised Rateable Value of successful check/ challenge/ appeal	£47.63m	£62.27m	£24.49m	£5.02m	£139.41m
D Total reduction in Rateable Value (C-B)	**£4.29m**	**£8.14m**	**£3.67m**	**£0.61m**	**£16.71m**
Average % reduction in Rateable Value **(D/B)**	8.27%	11.56%	13.03%	10.83%	10.70%
E Years the List has been active	5	7	6	2	-
F Average annual reduction in Rateable Value **(D/E)**	£0.86m	£1.16m	£0.61m	£0.31m	-
G Standard Business Rate Multiplier in 2025/26	55.5p	55.5p	55.5p	55.5p	55.5p
H Average annual cost of reduction based on 2025/26 Multiplier (FxG)	**£0.48m**	**£0.65m**	**£0.34m**	**£0.17m**	**£1.63m**
District Council Share at 40% (Hx0.4)	**£0.19m**	**£0.26m**	**£0.14m**	**£0.07m**	**£0.65m**
I Checks/ challenges/ appeals outstanding 31/03/25	£0.00m	£0.00m	£0.05m	£6.00m	£6.05m
J Provision included	£0.00m	£0.00m	£0.07m	£2.92m	£2.99m
Provision as a % of checks/ challenges/ appeals outstanding **(J/I)**			140.00%	48.67%	49.49%

Indicator 2023/24	2005 List	2010 List	2017 List	2023 List	Total
A Total of original Rateable Values resolved	£116.06m	£239.73m	£202.53m	£7.81m	£566.13m
B Total original Rateable Value of successful check/ challenge/ appeal	£51.93m	£70.41m	£23.53m	£0.58m	£146.45m
Average success rate (% of RV) **(B/A)**	44.74%	29.37%	11.62%	7.43%	25.87%
C Total revised Rateable Value of successful check/ challenge/ appeal	£47.63m	£62.27m	£20.76m	£0.41m	**£131.07m**
D Total reduction in Rateable Value (C-B)	**£4.29m**	**£8.14m**	**£2.77m**	**£0.17m**	**£15.37m**
Average % reduction in Rateable Value **(D/B)**	8.27%	11.56%	11.77%	29.31%	10.50%
E Years the List has been active	5	7	6	1	-
F Average annual reduction in Rateable Value **(D/E)**	£0.86m	£1.16m	£0.46m	£0.17m	-
G Standard Business Rate Multiplier in 2023/24	54.6p	54.6p	54.6p	54.6p	54.6p
H Average annual cost of reduction based on 2023/24 Multiplier (FxG)	**£0.47m**	**£0.63m**	**£0.25m**	**£0.09m**	**£1.45m**
District Council Share at 40% (Hx0.4)	**£0.19m**	**£0.25m**	**£0.10m**	**£0.04m**	**£0.58m**
I Checks/ challenges/ appeals outstanding 31st March 2024	£0.00m	£0.00m	£8.91m	£7.33m	£16.24m
J Provision included	£0.00m	£0.00m	£4.12m	£1.93m	£6.05m
Provision as a % of checks/ challenges/ appeals outstanding **(J/I)**			46.24%	26.33%	37.28%

39. Nature & Extent of Risks Arising from Financial Instruments

Key Risks

The Authority'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 or stock market movements.

The Authority's overall risk management programme focuses on the unpredictability of financial markets, and seeks to minimise potential adverse effects on the resources available to fund services and is based on the framework set out in the Local Government Act 2003 and associated regulations.

As directed by the Act, the Authority has formally adopted the CIPFA Treasury Management Code of Practice and complies with the CIPFA Prudential Code. As part of the adoption of the Treasury Management Code, the Authority approves a Treasury Management Strategy before the commencement of the year to which it relates, this strategy sets out the parameters for the management of risks associated with financial instruments.

The Treasury Management Strategy for 2024/25 (including the Annual Investment Strategy) was approved by Full Council on and is available on the Authority's website.

The strategy also includes an Annual Investment Strategy for the forthcoming year, setting out it's criteria for both investing and selecting investment counterparties in compliance with Government guidance.

Risk management is carried out by a central treasury team, under policies approved by the Authority in the annual Treasury Management Strategy. The Authority provides written principles for overall risk management, as well as written policies (covering specific areas, such as interest rate risk, credit risk, and the investment of surplus cash).

a) 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 is available on the Authority's website.

Credit Risk Management Practices

The authority's credit risk management practices are set out in the Annual Investment Strategy. With particular regard to determining whether the credit risk of financial instruments has increased significantly since initial recognition.

The Annual Investment Strategy 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 & Poor's Credit Ratings Services. The Annual Investment Strategy also considers maximum amounts and time limits with a financial institution located in each category.

The credit criteria in respect of financial assets held by the Council are detailed below:

This Authority uses the creditworthiness service provided by Link Asset Services. This service uses a sophisticated modelling approach with credit ratings from all three rating agencies - Fitch, Moody's and Standard and Poor's, 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;
- CDS spreads to give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries

Customers for goods and services are assessed, taking into account their financial position, past experience and other factors, with individual credit limits being set in accordance with internal ratings in accordance with parameters set by the Council.

The Authority's maximum exposure to credit risk in relation to its investments in financial institutions of £68.1m cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each individual institution. Recent experience has shown that it is rare for such entities to be unable to meet their commitments. A risk of irrecoverability applies to all of the Authority's deposits, but there was no evidence at the 31st March 2025 that this was likely to crystallise.

Amounts Arising from Expected Credit Losses

Credit Risk Exposure

The Authority 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 at 31st March 2025 is shown below, along with the potential maximum exposure to credit risk, based on experience of default and uncollectability.

Credit Risk	Amount at 31st March 2025 £000 A	Historical Experience of Default % B	Historical Experience Adjusted for Market Conditions at 31st March 2025 % C	Estimated Maximum Exposure to Default and Uncollectability at 31st March 2025 £000 (A x C)	Estimated Maximum Exposure at 31st March 2024 £000
AAA rated counterparties	5,946	0.04%	0.04%	2	1
AA rated counterparties	43,742	0.02%	0.02%	9	6
A rated counterparties	5,188	0.05%	0.05%	3	15
Trade Debtors	4,065	23.48%	23.48%	954	1,579
Total	**58,941**	-	-	**968**	**1,601**

The Authority does not generally allow credit for customers, such that £1.1m is past its due date for payment. The past due amount as at 31st March 2025 but not impaired amount can be analysed by age as follows:

31st March 2024 £000	Arrears	31st March 2025 £000
919	Less than six months	194
744	Six months to one year	24
24	More than one year	84
819	More than two years	842
2,506	**Total**	**1,144**

The Authority initiates a legal charge on property where, for instance, works have to be carried out in default but those responsible cannot afford to pay immediately. The total collateral at 31st March 2025 was £29.3k (£29.3k in 2023/24).

b) Liquidity Risk

The Authority 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 Authority 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 Authority 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. The maturity analysis of financial assets, excluding sums due from customers, is as follows:

31st March 2024		Financial Assets	31st March 2025	
Average Rate %	Amount £000		Average Rate %	Amount £000
5.63%	50,252	Less than one year	5.16%	46,021
5.63%	**50,252**	**Total**	**5.16%**	**46,021**

All trade and other payables are due to be paid in less than one year – debtors of are not included in the table above.

c) Refinancing and Maturity Risk

The Authority 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 Authority 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 Authority 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 Authority'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 financial liabilities is as follows, with the maximum and minimum limits for fixed interest rates maturing in each period (approved Council in the Treasury Management Strategy

31st March 2024 Average Rate %	Amount £000	Financial Liabilities	Approved Minimum Limits	Approved Minimum Limits	31st March 2025 Average Rate %	Amount £000
4.05%	63,060	PWLB			4.05%	63,060
4.05%	**63,060**	**Total**			**4.05%**	**63,060**
-	313	Less than one year (Interest Due)	0%	20%	-	309
4.25%	1,000	Maturing in 5 - 10 years	0%	75%	4.75%	3,000
4.72%	4,000	Maturing in 10 - 15 years	0%	100%	4.43%	2,000
4.00%	58,060	Maturing in over 15 years	0%	100%	4.00%	58,060
4.05%	**63,373**	**Total**			**4.05%**	**63,369**

d) Market Risk

i) Interest Rate Risk

The Authority is exposed to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Authority, 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 charged to the Comprehensive Income and Expenditure Statement will rise;
- **Borrowings at fixed rates:** The fair value of the borrowing will fall (no impact on 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). Movements in the fair value of fixed rate investments that have a quoted market price will be reflected in the Other Comprehensive Income and Expenditure Statement.

The Authority has a number of strategies for managing interest rate risk. The Annual Treasury Management Strategy draws together Authority'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.

The risk of interest rate loss is partially mitigated by Government grant payable on financing costs. As at 31st March 2025, the Authority had no variable rate debt or investments. There would therefore be no material impact if all interest rates had been higher or lower during the year.

ii) Price Risk

The Council holds £10.4m (valued at £10.1m in 2023/24) in property funds, and their price varies. However, any movements in price will not impact on the General Fund Balance as regulations are in force to ameliorate the impact of fair value movements.

The market prices of the Council's fixed rate bond investments and its units in pooled bond funds are governed by prevailing interest rates and the market risk associated with these instruments is managed alongside interest rate risk.

The Council's investment in a pooled property fund is subject to the risk of falling commercial property prices. This risk is limited by the Council's maximum exposure to property investments of £10.4m. A 5% fall in commercial property prices would result in a £0.5m charge to Other Comprehensive Income & Expenditure – this would have no impact on the (Surplus) or Deficit on the Provision of Services until the investment was sold.

Approval of Accounts

I confirm that these accounts were approved by the Audit and Governance Committee at the meeting held on

Signed on behalf of Tamworth Borough Council

Councillor C Adams, Chair of the Audit and Governance Committee

Dated

This is an electronic copy without an electronic signature. The original was signed as dated above and a copy can be obtained from the Executive Director Finance.

Housing Revenue Account

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

2023/24 £000		HRA Comprehensive Income and Expenditure Statement	2024/25 £000	2024/25 £000
		Expenditure:		
	5,584	Repairs and Maintenance	7,375	
	7,157	Supervision and Management	7,675	
	38	Rents, rates, taxes and other charges	89	
	12,858	Depreciation, impairment and revaluation of Non Current Assets	12,826	
	8	Debt management costs	20	
	206	Movement in the allowance for bad debts	262	
25,851		**Total Expenditure**		**28,247**
		Income:		
	(20,811)	Dwelling rents	(22,999)	
	(323)	Non dwelling rents	(326)	
	(1,148)	Charges for services and facilities	(1,165)	
	(1,403)	Contributions towards expenditure	(1,913)	
(23,685)		**Total Income**		**(26,403)**
2,166		**Net Expenditure of HRA Services as included in the Comprehensive Income and Expenditure Statement**		**1,844**
32		HRA services' share of Corporate and Democratic Core		37
2,198		**Net Expenditure / (Income) for HRA Services**		**1,881**
		HRA Share of the Operating Income and Expenditure Included in the Comprehensive Income and Expenditure Statement:		
(357)		(Gain) or loss on sale of HRA Non Current Assets		(192)
2,952		Interest payable and similar charges		2,991
(844)		Interest and investment income		(922)
68		Pensions interest cost and expected return on pensions assets		91
4,017		**(Surplus) or Deficit for the Year on HRA Services**		**3,849**

Statement of Movement on the HRA Balance

2023/24 £000		Statement of Movement on the HRA Balance	2024/25 £000	2024/25 £000
2,761		Balance on the HRA at the end of the previous year		2,220
	(4,017)	Surplus or (Deficit) for the year on the HRA Income and Expenditure Statement	(3,849)	
	2,325	Adjustments between accounting basis and funding basis under statute	6,515	
	(1,692)	**Net Increase or (Decrease) before transfers to or from reserves**	**2,666**	
	1,151	Transfers (to) / from Reserves	(630)	
(541)		Increase or (Decrease) on the HRA		2,036
2,220		**Balance on the HRA at 31st March 2025**		**4,256**

Analysis of Adjustments

2023/24 £000	Analysis of Adjustments	2024/25 £000
11	Difference between any other item of income and expenditure determined in accordance with the code and determined in accordance with HRA requirements	7
(358)	Gain or loss on sale of HRA Non Current Assets	(192)
(72)	HRA share of contributions to or from the Pensions Reserve	(98)
36	Amortisation of intangible assets	17
(6,065)	Capital expenditure funded by the HRA	(2,175)
(4,049)	Transfer to / from the Major Repairs Reserve	(3,905)
12,822	Transfer to / from the Capital Adjustment Account	12,861
2,325	**Total Adjustments Between Accounting Basis and Funding Basis Under Statute**	**6,515**

NOTES TO THE HRA

HRA1. Number & Type of Dwelling

	Houses and Bungalows	High and Medium Rise Flats	Low Rise Flats	Total
Housing Stock as at 1st April 2024	**2,739**	**668**	**882**	**4,289**
Sales	(16)	(1)	(4)	**(21)**
Additions	7	22	-	**29**
Housing Stock as at 31st March 2025	**2,730**	**689**	**878**	**4,297**

In order to comply with the requirements of Resource Accounting, garages are now identified within other property. Non operational assets are those held by an authority but not directly occupied or used in the delivery of its services.

HRA2. Vacant possession value of dwellings

The Vacant Possession Valuation as at 31st March 2025 is £637.8m (31st March 2024 Vacant Possession Value was £615.5m).

However, assets are valued on the Balance Sheet at their existing use reflecting the valuation of a property if it were to be disposed with sitting tenants benefiting from sub-market rents. This reflects the economic cost to the Government of providing council housing at less than open market value.

Council dwellings are held on the Balance Sheet at Existing Use Value Social Housing (EUV-SH) which for 2024/25, a nationally set adjustment factor for the West Midlands of 40% of vacant possession value has been used (40% in 2024/25).

Movement in 2024/25	EUV-SH Council Dwellings £000	Other Land and Buildings £000	Plant , Vehicles and Equipment £000	Asset Under Construction £000	Total £000
Cost or Valuation					
As at 1st April 2024	**246,210**	**2,751**	**147**	**6,256**	**255,364**
	-				
Additions;	4,962	520	82	1,044	**6,608**
Accumulated Depreciation and Impairment written off to Gross Carrying Amount;	(8,660)	(95)	-	-	**(8,755)**
Revaluation increases/ (decreases) recognised in the Revaluation Reserve;	11,147	128	-	-	**11,275**
Revaluation increases/ (decreases) recognised in the (Surplus) or Deficit on the Provision of Services;	(3,551)	(484)	-	-	**(4,035)**
Derecognition - Disposals.	(1,353)	(134)	-	-	**(1,487)**
Other movements in cost or valuation	6,366	-	-	(6,366)	**-**
As at 31st March 2025	**255,121**	**2,686**	**229**	**934**	**258,970**
Accumulated Depreciation & Impairment					
As at 1st April 2024	**-**	**-**	**(106)**	**-**	**(106)**
Depreciation Charge;	(3,711)	(97)	(19)	-	**(3,827)**
Accumulated Depreciation and Impairment written off to Gross Carrying Amount;	8,660	95	-	-	**8,755**
Impairment losses/ (reversals) recognised in the (Surplus) or Deficit on the Provision of Services;	(4,962)	-	-	-	**(4,962)**
Derecognition - disposals.	13	2	-	-	**15**
As at 31st March 2025	**-**	**-**	**(125)**	**-**	**(125)**
Net Book Value					
As at 1st April 2024	246,210	2,751	41	6,256	**255,258**
As at 31st March 2025	**255,121**	**2,686**	**104**	**934**	**258,845**
Nature of holdings at year end Owned	**255,121**	**2,686**	**104**	**934**	**258,845**

HRA3. Movement on the Major Repairs Reserve (MRR)

The Major Repairs Reserve represents the long term average amount of capital spending required to maintain the stock in its current condition.

The Capital Expenditure shown was spent on maintaining council dwellings.

2023/24 £000	Major Repairs Reserve	2024/25 £000
2,059	**Balance at 1st April 2024**	**2,319**
4,049	Contributions to the Major Repairs Reserve	3,905
(3,789)	Capital Spending on Dwellings	(2,629)
2,319	**Balance at 31st March 2025**	**3,595**

The contribution in 2024/25 represents the depreciation charge of £3.9m (2023/24 contribution included £4.0m depreciation).

HRA4. Capital Expenditure Summary

The following table details how £6.6m Capital Expenditure was financed during the year.

2023/24 £000	Capital Expenditure	2024/25 £000
	Capital Expenditure Type:	
8,301	Dwellings	4,962
846	Land	520
4	Plant, Vehicles and Equipment (PVE)	82
2,169	Assets Under Construction	1,044
11,320	**Total Capital Expenditure**	**6,608**
	Funded by:	
941	Usable capital receipts	1,804
6,065	Revenue contributions	2,175
525	Borrowing	-
3,789	Major Repairs Reserve	2,629
11,320	**Total Funding**	**6,608**

HRA5. Capital Receipts

During the year capital receipts totalling £1.7m were received in respect of dwellings sold.

2023/24 £000	Capital Receipts	2024/25 £000
1,692	Sale of dwellings under Right to Buy	1,691
1,692	**Net Capital Receipts**	**1,691**

HRA6. Depreciation & Impairment Charges

Council Dwellings are depreciated on a straight line basis over the period of their useful economic life. The charge for the year was £3.8m.

The charge for depreciation of £0.1m on non council dwellings has been calculated on a straight line basis over the period of their useful economic life.

Charges for impairment of £5.0m have been made during 2024/25. This amount reflects the expenditure on capital assets which has not produced a similar increase in the value of the assets.

HRA7. HRA Pensions Reserve

2023/24 £000	Pensions	2024/25 £000
213	Difference between current service cost of pensions and past service cost in accordance with IAS 19 and actual employers' contributions	288
1,359	Interest on share of pensions liability	1,527
1,291	Expected return on share of assets	1,435
2,863	**Total**	**3,250**

HRA8. HRA Rent Arrears

2023/24 £000	Rent Arrears	2024/25 £000
2,065	Gross arrears	2,203
9.9%	Gross arrears as percentage of gross rent income	9.6%

Of the rent arrears, 57.6% (61.5% in 2023/24) refer to former tenants.

2023/24 £000	Provision for Bad Debts	2024/25 £000
	Rent Arrears	
1,554	**Balance at 1st April 2024**	**1,694**
213	Contribution from / (to) HRA in year	237
(73)	Written off in year	(125)
1,694	**As at 31st March 2025**	**1,806**
	Sundry Debtors	
72	**Balance at 1st April 2024**	**63**
(8)	Contribution from / (to) HRA in year	24
(1)	Written off in year	-
63	**Balance at 31st March 2025**	**87**
1,757	**Total Provision for Bad Debts**	**1,893**

Collection Fund

The Collection Fund statement shows the transactions of the Authority, as billing authority, in relation to the collection of Council Tax income on behalf of Staffordshire County Council, the OPCC, the Staffordshire Commissioner Fire and Rescue Authority and this Authority's General Fund together with non-domestic rates collected on behalf of the Government, Staffordshire County Council, the Staffordshire Commissioner Fire and Rescue Authority and this Authority's General Fund.

2023/24 Council Tax £000	2023/24 NNDR £000	2023/24 Total £000	Collection Fund Income and Expenditure Statement	2024/25 Council Tax £000	2024/25 NNDR £000	2024/25 Total £000
			INCOME			
(47,489)	-	(47,489)	Income from Council Tax	(49,961)	-	(49,961)
(152)	-	(152)	Transfers from General Fund - Council Tax benefits	(54)	-	(54)
-	(35,928)	(35,928)	Income collectable from business ratepayers	-	(37,152)	(37,152)
(47,641)	**(35,928)**	**(83,569)**	**Total Income**	**(50,015)**	**(37,152)**	**(87,167)**
			EXPENDITURE			
			Precepts			
4,603	-	4,603	- Tamworth Borough Council	4,759	-	4,759
6,091	-	6,091	- OPCC Staffordshire	6,423	-	6,423
1,969	-	1,969	- Staffordshire Commissioner Fire and Rescue Authority	2,037	-	2,037
34,391	-	34,391	- Staffordshire County Council	36,267	-	36,267
			Business rates			
-	13,581	13,581	- Tamworth Borough Council	-	14,265	14,265
-	16,977	16,977	- Central Government	-	17,831	17,831
-	340	340	- Staffordshire Commissioner Fire and Rescue Authority	-	357	357
-	3,056	3,056	- Staffordshire County Council	-	3,210	3,210

2023/24 Council Tax £000	2023/24 NNDR £000	2023/24 Total £000	Collection Fund Income and Expenditure Statement	2024/25 Council Tax £000	2024/25 NNDR £000	2024/25 Total £000
-	88	88	**Costs of Collection**		87	87
-	3	3	Amounts Retained in respect of Renewable Energy Schemes	-	-	-
-	-	-	**Transfer Credits to GF**	-	3	-
			Bad and Doubtful Debts			
412	25	437	- Provisions	492	231	723
-	5,193	5,193	- Provision for appeals	-	(252)	(252)
			Distribution of previous year's surpluses/deficits			
60	(260)	(200)	- Tamworth Borough Council	27	(1,152)	(1,125)
79	-	79	- OPCC Staffordshire	36	-	36
25	(7)	18	- Staffordshire Commissioner Fire and Rescue Authority	12	(29)	(17)
440	(59)	381	- Staffordshire County Council	202	(259)	(57)
-	(325)	(325)	- Central Government	-	(1,440)	(1,440)
48,070	**38,612**	**86,682**	**Total Expenditure**	**50,255**	**32,852**	**83,104**
429	2,684	3,113	**(Surplus)/ Deficit for the year**	240	(4,300)	(4,060)
(1,162)	2,107	945	Fund Balance Brought Forward	(733)	4,791	4,058
(733)	**4,791**	**4,058**	**Fund Balance at 31st March 2025**	**(493)**	**491**	**(2)**
			Analysis of Fund Balance (Surplus)/ Deficit			
(71)	1,916	1,845	- Tamworth Borough Council	(47)	196	149
(95)	-	(95)	- OPCC Staffordshire	(64)	-	(64)
(30)	48	18	- Staffordshire Commissioner Fire and Rescue Authority	(20)	5	(15)
(537)	431	(106)	- Staffordshire County Council	(362)	44	(318)
-	2,396	2,396	- Central Government	-	246	246
(733)	**4,791**	**4,058**	**Total**	**(493)**	**491**	**(2)**

NOTES TO THE COLLECTION FUND

CF 1. NDR Rateable Value

The rateable value of Non Domestic properties in the Borough as at 31st March 2025 was £85,044,232 (£85,740,902 at 31st March 2024).

The NDR multiplier for 2024/25 was 54.6p in the pound (51.2p in 2023/24). The qualifying small business multiplier for 2024/25 was 49.9p in the pound (49.9p in 2023/24).

CF 2. Council Tax Base Calculation

The Council base was as follows:

Number of Chargeable Properties 2023/24	Adjusted Property Base (Band D Equivalent) 2023/24	Calculation of Ctax Base	Number of Chargeable Properties 2024/25	Adjusted Property Base (Band D Equivalent) 2024/25
		Valuation Band (Multiplier)		
19	11	**A - Disabled Relief Reduction (5/9)**	**18**	10
8,201	5,467	**A - (6/9)**	**8,185**	5,457
11,072	8,612	**B - (7/9)**	**11,096**	8,630
5,651	5,023	**C - (8/9)**	**5,653**	5,025
3,704	3,704	**D - (9/9)**	**3,776**	3,776
2,056	2,513	**E - (11/9)**	**2,076**	2,537
535	773	**F - (13/9)**	**562**	812
117	195	**G - (15/9)**	**120**	200
3	6	**H - (18/9)**	**3**	6
	(2,427)	**LCTS ADJUSTMENT**		(2,713.00)
	-	**Technical changes adjustment**		
31,358	23,877	**Totals**	**31,489**	**23,740**
	97.90%	**Assumed Collection Rate**		**98.90%**
	23,376	**Total Taxbase**		**23,479**

CF 3. Authorities making precepts or demands on the fund

Council Tax

Precept 2023/24 £	Distribution of Previous Years Estimated Surplus/ (Deficit) 2023/24 £	Total Movement on the Collection Fund 2023/24 £	Precepts Analysis	Precept 2024/25 £	Distribution of Previous Years Estimated Surplus/ (Deficit) 2024/25 £	Total Movement on the Collection Fund 2024/25 £
4,602,501	70,926	4,673,427	Tamworth Borough Council	4,759,193	47,188	4,806,381
6,091,084	95,016	6,186,100	OPCC Staffordshire	6,423,150	64,078	6,487,228
1,969,428	30,357	1,999,785	Staffordshire Commissioner Fire and Rescue Authority	2,037,273	20,362	2,057,635
34,391,472	536,479	34,927,951	Staffordshire County Council	36,266,602	361,668	36,628,270
47,054,485	**732,778**	**47,787,263**	**Total**	**49,486,218**	**493,296**	**49,979,514**

NDR

Business Rates 2023/24 £	Distribution of Previous Years Estimated Deficit 2023/24 £	Total Movement on the Collection Fund 2023/24 £	Precepts Analysis	Business Rates 2024/25 £	Distribution of Previous Years Estimated Deficit 2024/25 £	Total Movement on the Collection Fund 2024/25 £
13,581,271	1,916,689	15,497,960	Tamworth Borough Council	14,264,548	196,535	14,461,083
339,532	47,918	387,450	Staffordshire Commissioner Fire and Rescue Authority	356,614	4,914	361,528
3,055,786	431,253	3,487,039	Staffordshire County Council	3,209,523	44,218	3,253,741
16,976,589	2,395,860	19,372,449	Central Government	17,830,686	245,668	18,076,354
33,953,178	**4,791,720**	**38,744,898**	**Total**	**35,661,371**	**491,335**	**36,152,706**

The decrease in the balance on the CFAA is due to a decrease in the deficit on the Collection Fund of £4.1m (£3.1m reduction in 2023/24), mostly arising from a reduction in NDR deficit.

CF 4. NDR credits

NDR credit accounts relate to credit balances in the Collection Fund which could not be repaid to the businesses concerned as they cannot be traced, have not responded to efforts made to repay funds or no longer exist.

No credits have been transferred to the General Fund during 2024/25.

CF 5. Bad and Doubtful Debts

The following provisions and write offs were made in the year:

2023/24 £000	Provision for Bad Debts	2024/25 £000
	Council Tax	
2,085	**Balance at 1st April 2024**	**2,488**
412	Increase /(decrease) in provision	492
(9)	Written off in year	(32)
2,488	**As at 31st March 2025**	**2,948**
	Business Rates	
852	**Balance at 1st April 2024**	**851**
25	Increase /(decrease) in provision	231
(26)	Written off in year	(191)
851	**As at 31st March 2025**	**891**

CF 6. Appeals – Business Rates

The following provisions and settlements were made in the year:

2023/24 £000	Provision for Appeals	2024/25 £000
	Business Rates	
4,546	**Balance at 1st April 2024**	**6,045**
5,193	Increase /(decrease) in provision	(252)
(3,694)	Resolved in year	(2,807)
6,045	**As at 31st March 2025**	**2,986**

Annual Governance Statement 2024/25

What is Governance?

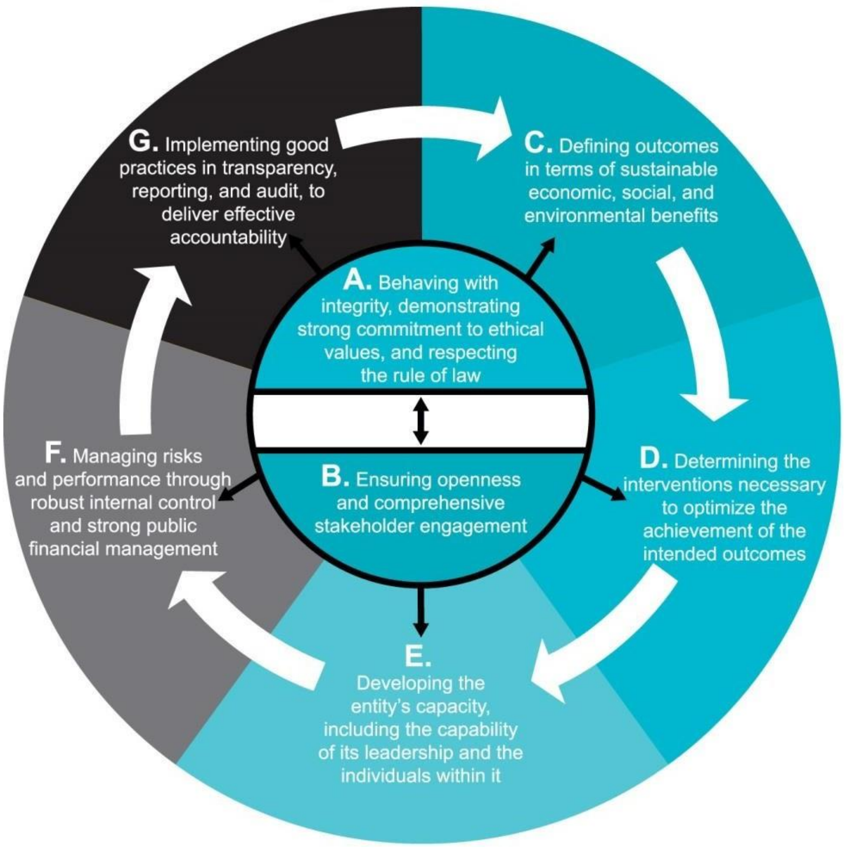
Governance comprises the arrangements put in place to ensure that theintended outcomes for stakeholders are defined and achieved.

To deliver good governance in the Authority, both governing bodies (Members) and individuals working for it, must try to achieve the Authority's objectives whilst acting in the public interest.

Acting in the public interest implies primary consideration of the benefits for society, which should result in positive outcomes for service users and other stakeholders.

The Core Principles of Good Governance

The diagram below, taken from the International Framework: Good Governance in the Public Sector, illustrates the core principles of goodgovernance in the public sector and how they relate to each other. The Council aims to achieve good standards of governance by adhering to these core principles.



Responsibility

The Authority is responsible for ensuring that its business is completed in line with the law and statutory legislation, and that public money is spent wisely and properly accounted for. We ensure that we continually improve the way we provide our services, whilst considering value for money.

We also ensure that we put in place proper arrangements to ensure our risks are managed, and that controls and the governance process are in place.

We have approved and adopted a Code of Corporate Governance which is consistent with principles of the CIPFA/SOLACE Framework *Delivering GoodGovernance in Local Government*. The Code demonstrates the supporting principles which underpin the core principles and identifies the assurance as outlined in the Framework. It also demonstrates what level of assurance we get and where, if necessary, areas for improvement are required. This forms the assuranceframework for good governance and demonstrates that we know our governance arrangements are working. Links to all supporting evidence identified in the assurance framework are contained within the Code of Corporate Governance and are not repeated in this statement. The Code of Corporate Governance document is available on the Council's website.

The Authority is responsible for ensuring that its business is completed in line with the law and statutory legislation, and that public money is spent wisely and properly accounted for. We ensure that we continually improve the way we provide our services, whilst considering value for money.

We also ensure that we put in place proper arrangements to ensure our risks are managed, and that controls and the governance process are in place.

We have approved and adopted a Code of Corporate Governance which is consistent with principles of the CIPFA/SOLACE Framework *Delivering GoodGovernance in Local Government*. The Code demonstrates the supporting principles which underpin the core principles and identifies the assurance as outlined in the Framework. It also demonstrates what level of assurance we get and where, if necessary, areas for improvement are required. This forms the assuranceframework for good governance and demonstrates that we know our governance arrangements are working. Links to all supporting evidence identified in the assurance framework are contained within the Code of Corporate Governance and are not repeated in this statement. The Code of Corporate Governance document is available on the Council's website.

Our Outcomes

The year 2024/25 was the bridging year between the end of the 2022-25 Corporate Plan 'Tamworth- celebrating our heritage, creating a better future' and the development of the new 2025-30 Corporate Plan, 'Building a Better Tamworth', which will guide our work over the next five years.

The outcomes of the 2022-25 plan, which were used to develop the 2025-30 plan are detailed below. The metrics and outcomes will be presented to Cabinet and Scrutiny in the June/July 2025.

We said	**We achieved**
THE ENVIRONMENT	
Enforcement and education with regard to litter and fly-tipping.	Dedicated enforcement officer to deal with incidents. Website page for Litter and Fly-tipping on the Council's website.
Development of infrastructure for acting on Climate Change.	A climate change officer appointed, mitigation action plan and adaption strategy also developed. Discussions with Environment Agency regarding the strengthening of flood defences (10-year plan). Committee report template adapted to ensure consideration of climate change in all policy / strategy development / decisions.
Support more people to recycle and to reduce waste.	A recycling campaign funded by external sponsorship across the Lichfield and Tamworth Joint Waste Service.
Working with partners to protect, maintain and improve the green space offer.	In 2023, we made a nature recovery declaration which recognises that urgent action is required to prevent and reverse the long-term decline of nature. Working in partnership with Staffordshire Wildlife Trust who deliver the Wild About Tamworth Project.
THE ECONOMY	
Development of business initiatives to promote start up and growth.	Development of the Future High Street Fund (FHSF) projects to create new business incubation spaces and the delivery of a second Enterprise Centre to facilitate business growth. The ED team organised several activities/events as a way to engage with the business community including exhibitions and networking which has promoted the support available to businesses. The Ignite programme, a business start-up scheme and the Get Started and Grow scheme was funded through UKSPF in partnership with others.
Support business growth to generate employment opportunities by working with businesses.	Partnership with Stoke & Staffordshire Growth Hub to provide businesses with support, advice and access to funding.

Provision of good quality and affordable housing.	Development of new homes at various brownfield sites.
Improve tourism in terms of good access to information for visitors to help local businesses and Tamworth as a destination as a whole, maximise and improve the quality of the visitor experience.	A promotional video of Tamworth was funded by UKSPF, to be used across all mediums including TV and to promote Tamworth and the castle as a destination nationally and regionally, with the aim of improving the local economy and visits to the town centre.
INFRASTRUCTURE	
Review Local Plan to improve the transport links within Tamworth.	Local plan 2022-2043 review timetable set out and agreed.
Improve existing walkways and cycling routes.	Ongoing work with SCC and initial development of Active transport options.
Ensure more people can access council services digitally/digital enhancement with partners and within Council housing stock.	ICT Strategy (2021-25) approved by Cabinet documenting the journey towards digital transformation as an organisation, supporting the vision, corporate plan and enabling associated transformational projects to drive innovation, efficiency and excellence across the Council.
LIVING IN TAMWORTH	
Ensure adequate supply of affordable housing through the Local Plan review.	Local plan 2022-2043 review timetable set out and agreed.
Investment in Neighbourhood and Place environment.	UKSPF. FHSF and community cohesion funding secured and allocated. 3G pitch installed at Anker Valley supporting community engagement, cohesion and wellbeing, supported with funding secured from the Football Foundation.
Through our Economic Development team, we will support job creation and business retention and expansion through interventions and advice and seek to protect the local economy where we can influence this.	Development of the FHSF projects to create new business incubation spaces. Partnership with Stoke & Staffordshire Growth Hub to provide businesses with support, advice and access to funding. Working with the Chamber of Commerce on the Future Faces scheme which seeks to mentor and upskill young people to achieve.
Improve and promote Tamworth's historic and cultural assets and events.	Development of the Athelstan 1100 festival 20 to 28 July 2024. The Assembly Rooms host a wide programme of shows and performances scheduled.

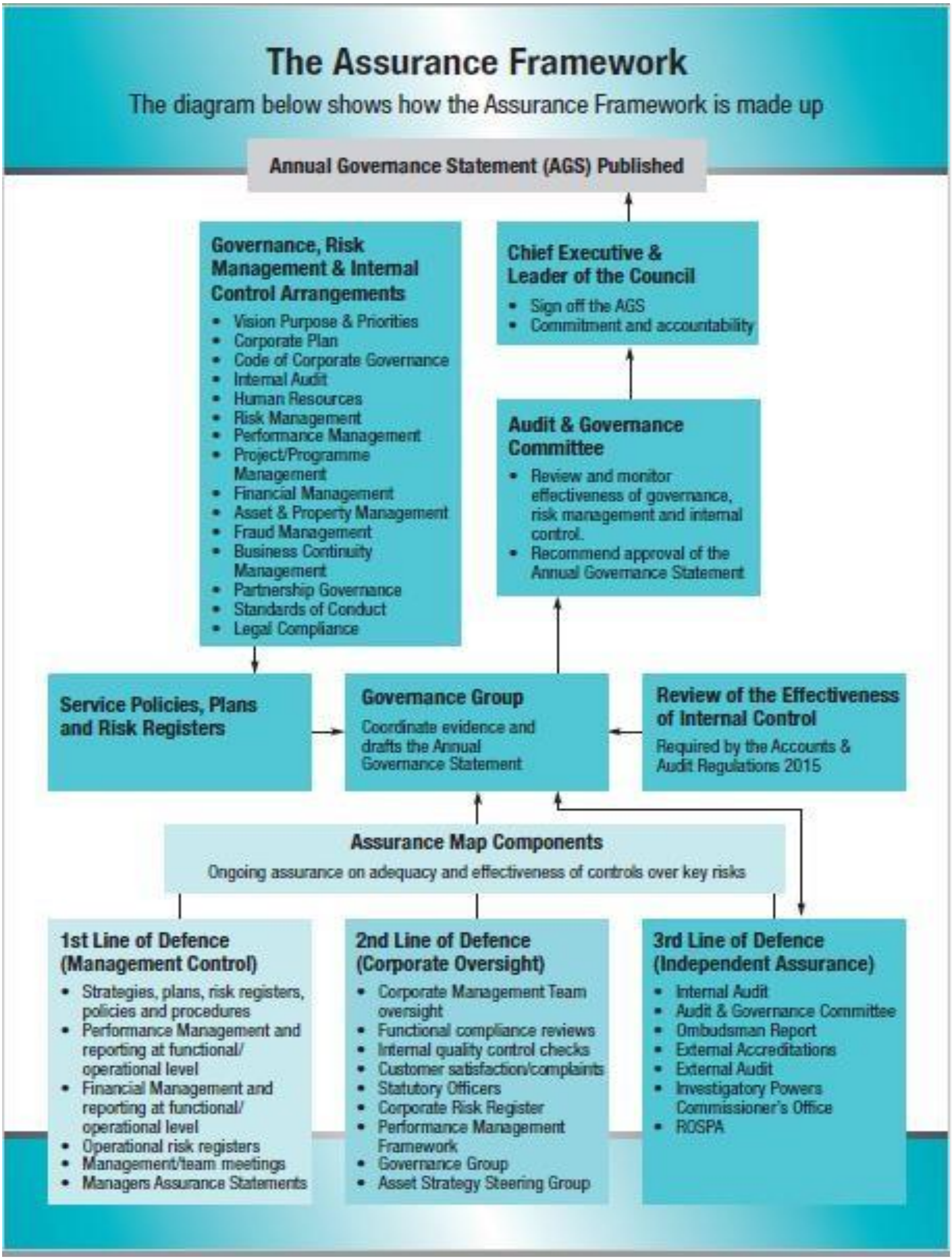
	Range of community events held including St Georges Day, Fireworks, Christmas Village, and 'We Love Tamworth'.
Community Safety focus on neighbourhoods and place.	Development and delivery of Tamworth Community Safety Partnership Plan 2024-27 and new Tenant Involvement and Consultation Strategy 2025-30 in place. Neighbourhood Impact offer introduced.
Working with partners to ensure the fear of crime within Tamworth is reduced	Development and delivery of Tamworth Community Safety Partnership Plan 2024-27.
TOWN CENTRE	
Continue to develop street market and extend supporting events around the market to add vibrancy within the town centre.	Initiatives in place to encourage visitors to the Town Centre and see more people 'shopping local', supporting the range of small independent businesses. For example, 'Small Business Saturday'.
Create a branding scheme for "Created in Tamworth".	Not developed/delivered.
Provide the infrastructure to improve evening and nighttime economy.	As part of the FHSF schemes and supporting Street Angels through Staffordshire PFCC Locality Deal Funding and Safer Nights campaigns conducted through the Community Safety Partnership.
Embrace Tamworth's history and culture so as to build a sense of local pride and support our children's education and understanding of the significant part Tamworth played in British history.	Development of the Athelstan 1100 festival 20 to 28 July 2024. The St Georges Day event encompasses a heritage village element.
Continue to promote all outdoor events.	Continuations of annual programme including: • St George's Day • Bonfire Night Fireworks • Christmas Lights Switch On • We Love Tamworth • Tamworth Pride • And developing new festivals e.g. Kaleidoscope of Dreams.
Development of a new Tamworth Enterprise Centre as part of the structural transformation of the town centre.	Development of the FHSF projects to create new business incubation spaces.
Make the town centre more accessible.	Development of the FHSF projects to resurface St Editha's Square and Middle Entry.

Provide the environment where the leisure and food offer can grow and flourish.	Development of the FHSF projects which includes Signiant development of the town centre and the creation of a multi-use St Editha's square to support a 'cafe-style' atmosphere.
Working with others seek to improve the night-time transport offer to support the overall night-time economy.	As part of the FHSF schemes and supporting Street Angels through Staffordshire PFCC Locality Deal Funding and Safer Nights campaigns.

The new Corporate Plan 2025-30 has been developed through extensive consultation with our residents, businesses, partners, staff and community organisations. It represents both our ambitions for the borough and our commitment to addressing the challenges we face together. Our vision is to 'Build a Better Tamworth' which we will achieve by delivering our key priorities over the next five years:

All outcomes we aim to achieve, along with changes we want to see and supporting information are detailed in the Corporate Plan.

For each activity or process we complete, we ensure that the appropriate governance and assurance arrangements are in place.


The Assurance Framework
The diagram below shows how the Assurance Framework is made up
Annual Governance Statement (AGS) Published
Governance, Risk Management & Internal Control Arrangements
• Vision Purpose & Priorities
• Corporate Plan
• Code of Corporate Governance
• Internal Audit
• Human Resources
• Risk Management
• Performance Management
• Project/Programme Management
• Financial Management
• Asset & Property Management
• Fraud Management
• Business Continuity Management
• Partnership Governance
• Standards of Conduct
• Legal Compliance
Chief Executive & Leader of the Council
• Sign off the AGS
• Commitment and accountability
Audit & Governance Committee
• Review and monitor effectiveness of governance, risk management and internal control.
• Recommend approval of the Annual Governance Statement
Service Policies, Plans and Risk Registers
Governance Group
Coordinate evidence and drafts the Annual Governance Statement
Review of the Effectiveness of Internal Control
Required by the Accounts & Audit Regulations 2015
Assurance Map Components
Ongoing assurance on adequacy and effectiveness of controls over key risks
1st Line of Defence (Management Control)
• Strategies, plans, risk registers, policies and procedures
• Performance Management and reporting at functional/ operational level
• Financial Management and reporting at functional/ operational level
• Operational risk registers
• Management/team meetings
• Managers Assurance Statements
2nd Line of Defence (Corporate Oversight)
• Corporate Management Team oversight
• Functional compliance reviews
• Internal quality control checks
• Customer satisfaction/complaints
• Statutory Officers
• Corporate Risk Register
• Performance Management Framework
• Governance Group
• Asset Strategy Steering Group
3rd Line of Defence (Independent Assurance)
• Internal Audit
• Audit & Governance Committee
• Ombudsman Report
• External Accreditations
• External Audit
• Investigatory Powers Commissioner's Office
• ROSPA

What have we done to monitor and evaluate the effectiveness of our governance arrangements during 2024/25

The Authority has the responsibility for conducting an annual review of the effectiveness of its governance framework. This includes the system of internal control which is informed by:

- The work of Internal Audit which is detailed in the Internal Audit's Annual Report.
- The development and maintenance of the internal control environment by the Corporate Management Team.
- Reports received from our External Auditors and any other review agencies or inspectorates.

The following pages provide a summary of actions taken by the Authority to monitor and evaluate the effectiveness of our governance arrangements:

- The Code of Corporate Governance, set out in line with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government,* has been reviewed and updated.
- Internal audit has reported to the Audit & Governance Committee on a quarterly basisand provided an opinion on the overall effectiveness of the system of internal control based upon the work completed. Their statement for the 2024/25 financial year is as follows:

  'On the basis of audit work completed, Internal Audit's opinion on the council's framework of governance, risk management and internal control is reasonable in its overall design and effectiveness. Certain weaknesses and exceptions were highlighted by audit work. These matters have been discussed with management, to whom recommendations have been made. All of these have been, or are in the process of being addressed'.
- Our External Auditors provide a report to each Audit & Governance Committee. In their Auditors Annual Report (2023/24), they gave an unqualified opinion on the Statement of Accountsand an unqualified conclusion in respect of the Authority securing economy, efficiency and effectiveness.
- The Corporate Risk Register is owned, developed and reviewed on a quarterly basis by the Corporate Management Team and reported in the Quarterly Health Check to Cabinet. It is also reported in the risk management update to the Audit & Governance Committee on a quarterly basis. Further support on its development is sourced from the Council's insurers (Zurich Municipal) and training provided to officers and members on a regular basis.
- Manager's Assurance Statements have been completed by Executive Directors andAssistant Directors and have not identified any significant control issues.
- Financial Guidance and Financial and Contract Procedure Rules are reviewed on a regular basis, the latest review being approved by the Audit & Governance Committeein April 2024.
- A full review of the Constitution took place during 2024/25 and was presented to Audit & Governance Committee in April 2025 in advance of its submission to Full Council in May 2025. Prior to this, it was reviewed by Audit & Governance Committee in February 2024 and Full Council in July 2024.
- The Chief Finance Officer and Interim Audit Manager are suitably experienced and qualified and comply with the CIPFA Statements in their respective roles.

- No issues were raised through the application of the Counter Fraud and Corruption and WhistleblowingPolicies.
- There were 19 data security breaches reported to the Data Protection Officer during the financial year 2024/25, one of which was reported to the Information Commissioner's Office.
- Internal Audit were required to comply with the Public Sector Internal Audit Standards (PSIAS) during 2024/25. PSIAS was replaced from 1st April 2025 by the Global Internal Audit Standards (GIAS) and relevant CIPFA guidance. Internal Audit completed an annual self- assessment against the PSIAS during 2024/25 and undertook a gap analysis of their practice against the new GIAS, which was reported to Audit & Governance Committee, together with a new GIAS compliant Audit Charter, in March 2025. A Quality Assurance & Improvement Programme (QAIP) remains in place under the new standards. This identifies areas for improvement to ensure compliance with the Standards and other quality areas. The requirement for a five yearly External Quality Assessment (EQA) also remains in place under the GIAS and was last completed during 2022/23. The next EQA is required in 2027/28.
- The Performance Management Framework (which has been completely reviewed and updated during 2024/25) ensures that the Financial Health Check is reported to Cabinet on a quarterly basis and made readily available on the Authority's website.
- The Authority is currently working through the PSN Code of Connection compliance re-approval process, as the current certificate expired in May 2025. The process includes assessments against governance, service management, information assurance conditions and technical controls and assures access to the Public Services Network. A mandatory Network Health Check is currently being planned.
- An annual update report is presented to the Audit & Governance Committee on theuse of RIPA powers. During 2024/25, no RIPA authorisations were made.
- To assist in a more coordinated approach to managing projects, a Corporate ProjectManagement template and process is in place.
- A self-assessment of the Audit & Governance Committee's effectiveness was completed in March 2025.
- The Chairs of the Audit & Governance and Scrutiny Committees submitted their Annual Reports to Full Council.
- The Authority complies with the Financial Management Transparency Code.
- Counter-fraud work continues to be completed with the retained expertise of in-house staff to investigate corporate fraud.
- Internal Audit completes an assessment of the risk of fraud which is reported to the Audit & Governance Committee annually. The counter fraud plan and risk assessment were reported to the Committee in November 2024 and it was concluded that the Authority has adopted a response that is appropriate for its fraud and corruption risks and commits to maintain its vigilance to tackle fraud.
- In compliance with the Localism Act 2011, a report was presented to Audit & Governance Committee in February 2025.
- The Local Government and Social Care Ombudsman annual report was reported to Audit & Governance Committee in September 2024.
- The Counter Fraud & Corruption Policy & Strategy, Whistleblowing Policy and Anti Money Laundering Policy were all refreshed and approved by Audit & Governance Committee in November 2024.
- A new Diversity and Equality Strategy for the period 2025 to 2028 was approved by Full Council for implementation and publication in December 2024.
- The annual pay policy was approved in December 2024.

- The authority has continued to progress implementations of the organisation's response to the General Data Protection Regulations (GDPR). The Data Protection Officer continues to raise awareness of GDPR across the authority. As part of wider IT Governance work, policies and procedures have been reviewed or are being developed to meet our obligations under the GDPR and to ensure a robust governance framework is in place for our ICT systems and information assets.
- The Information Security Policy and Data Protection Policy is a mandatory requirement for new starters. The authority's Corporate Privacy Notice along with Departmental Fair Processing Notices have been developed with reviews being undertaken when necessary.
- Information on our website has been reviewed and updated with guidance to support our customers' rights of access to their data. Work is progressing with suppliers to ensure the security and compliance of personal data held within our software systems. An ongoing programme of cyber security awareness and training is undertaken across the Authority with regular signposted updates on Infozone.
- As part of the remit of the Audit & Governance Committee during 2024/25 a review of the risks around the Future High Street Fund Programme was undertaken.
- Partnership working arrangements continued to strengthen and further develop with both our statutory and community and voluntary sector partners through the re-instigation of the Tamworth Strategic Partnership framework.
- The Tamworth Advice Centre continues to provide valuable generalist debt and specialist advice to our most vulnerable citizens and was successfully procured and awarded in April 2022 to Mid Mercia CAB by the partnership team.
- We value our community and voluntary sector and the work they do within our community. Our Community Grants and Councillor Grants Programme, now administered through the Community Foundation for Staffordshire, continues to provide valuable support to our community sector.
- The *Place Based Approach* continues to grow and further develop; this is a collaborative partnership approach through the County Council Building Resilient Families programme that uses multi-skilled teams, universal services, voluntary sector organisations, and communities, at the right time, to improve outcomes for children, young people, vulnerable people and our community. As part of this *Place Based Approach* we have been working in partnership to identify community and voluntary sector organisations that can offer children, families and vulnerable people help and support at the earliest opportunity.
- Financial resilience is a key requirement for local authorities. In February 2023 the Council set budgets balanced over 3 years for the General Fund, and over 5 years for the HRA. There are challenges and pressures in the years ahead exacerbated by the uncertainty over the future of local government funding and the impact of the business rates reset now planned for 2026/27, but work has commenced to deliver a longer term Financial Resilience Plan. The 30-year HRA business plan was refreshed during 2023/24, and this also indicated significant resilience issues over the longer term. Approval was given for the creation of a HRA Business & Viability Planning Project within the Social Housing Regulatory Programme in February 2024 to start to address these issues, and a refresh during 2024/25 assuming rent increases at CPI plus 1% identified an improved position.
- The Authority has a moral and legal obligation to ensure a duty of care for children and adults with care and support needs across its services. We are committed to ensuring that all children and adults with care and support needs

areprotected and kept safe from harm whilst engaged in services organised and/or provided by the Council. We do this by:

- Having a Safeguarding Children & Adults at Risk of Abuse & Neglect Policyand procedures in place.
- Having Safeguarding Children & Adults Processes which give clear, step-by-step guidance if abuse is identified.
- A Safeguarding training programme is in place for staff and members.
- Carrying out of the appropriate level of Disclosure and Barring Service(DBS) checks on staff and volunteers.
- Working closely with Staffordshire Safeguarding Children's Board &Staffordshire & Stoke-on-Trent Adult Safeguarding Partnership; andStaffordshire Police.
- Working with the Staffordshire Prevent Board to ensure that the Council has due regard to the Prevent Duty, ensuring that young people and adults at risk of radicalisation are identified and supported.

- The Authority recognises that it has a responsibility to take a robust approach to slavery and human trafficking. In addition to the Authority's responsibility as an employer, it also acknowledges its duty as a Borough Council to notify the Secretary of State of suspected victims of slavery or human trafficking as introduced by section 52 of the Modern Slavery Act 2015. The Authority is committed to preventing slavery andhuman trafficking in its corporate activities and to ensuring that its supply chains are free from slavery and human trafficking. The Authority has included modern slavery and human trafficking information within the corporate safeguarding policy and training. A Modern Slavery statement is prepared each year and endorsed by Corporate Management Team and Audit and Governance Committee.
- The Tamworth Vulnerability Partnership continues to meet each week and the Councilis also committed to the Multi Agency Risk Assessment Conference (MARAC) to ensure that partner organisations are working together to coordinate efforts to supporthigh risk victims of domestic abuse, children, young people, families and vulnerable people across Tamworth.
- Tamworth launched a Social Housing Regulatory Programme in April 2023, building on a commissioned self-assessment of its regulatory compliance with the consumer standards. This assessment resulted in a risk based improvement plan, areas of which have been built into service plans for 2022-2025. The Programme oversight is championed by tenants and forms part of the Council's reporting on performance.
- In December 2024, the government published plans for local government re-organisation and devolution. The government views these proposals as parallel processes, although they are distinct from each other. The plans outlined in the 'Power and Partnership: Foundations for Growth' White Paper aim to:
  - Devolve decision making powers from central government to local 'strategic authority areas', enabling them to make decisions tailored to their specific economic, social, and geographic circumstances. This is called devolution
  - Simplify the current two-tier system of local government, as seen in Staffordshire, where services are provided by both county and district/borough councils, moving instead to larger unitary authorities that

would deliver all services within their area. This is called local government reorganisation.

- In response to the government requirements, the Authority, together with five other southern and mid Staffordshire councils has jointly proposed the creation of a southern Staffordshire unitary. The decision was taken to Full Council in March 2024 and as plans progress, optimum governance and assurance frameworks will be put in place to monitor progression through to planned re-organisation conclusion estimated to be effective from 1 April 2028. In addition, the authority established an internal working group to co-ordinate and better understand the work/impact of LGR on the organisation. Discussions with staff and their trade union representatives continues to take place.
- In October 2024, the Authority invited the Local Government Association to undertake a Corporate Peer Review. This aim of the review was to help us understand what we're doing well and where we can improve. The outcome of the review highlighted that while we able to demonstrate positive impact on the lives of people who live and work in Tamworth, some areas for improvement were identified in 12 key recommendations, the implementation of which will be monitored as part of our performance management arrangements from 1st April 2025.

Declaration

We have been advised on the implications of the result of the review of the effectiveness of the Governance Framework by the Audit & Governance Committee and that the arrangements continue to be regarded as fit for purpose. The issues which remain outstanding from previous years' Annual Governance Statements are detailed at **Annex 1** with actions to address them. No additional significant governance issues were highlighted during 2024/25. Other minor issues highlighted through the assurance gathering process have been noted with planned actions to address these.

We propose over the coming year to take steps to address those matters raised to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operations as part of our next review.

Signed

C. Dean	S. Gabriel
Leader	Chief Executive

Date

On behalf of the Authority

This information can be produced on request in other formats and languages. Please contact Internal Audit Services on 01827 709234 or email enquiries@tamworth.gov.uk

This is an electronic copy without an electronic signature. The original was signed as dated above and a copy can be obtained from the Executive Director Finance

Annex 1

Significant Governance Issues

The significant governance issues identified in relation to previous iterations of our Annual Governance Statement, which remainedsignificant issues for us during 2024/25 are detailed below:

No	Issue	Previous Action	Update 2024/25
1	**Medium Term Financial Strategy (MTFS)** Whilst actions have been taken to ensure that the MTFS remains balanced, this is still a significant risk to the Authority. The Business Rate Reset and Fair Funding Review will directly affect levels of income over the coming years and pose a financial risk to the Authority. These have been planned for so far as possible within the MTFS. The increasing demands of our customers also need to be considered.	On 5 February 24, the Secretary of State for Levelling Up, Communities and Local Government published a written ministerial statement on the 2024/25 local government finance settlement. The one year settlement is reflected in the MTFS approved by Council on 27February 2024. The budget proposals included in the MTFS reflect the need to compensate for reduced income levels arising from the uncertain political and economic conditions and potential significant medium term reductions in Government funding. This is matched against a desire to continue to address the Council's priorities / issues identified by Members and at the same time to seek continuous improvement in service delivery. A number of uncertainties and risks remain with regard to local government funding, including the potential for a business rates reset, which may mean the Council losing its business rates	During 2024/25 work continued on monitoring the Medium-Term Financial Strategy and on setting a balanced budget for 2025/26 and the subsequent period. On 5th February 2025, the Minster for Housing, Communities and Local Government published a written ministerial statement on the 2025/26 local government finance settlement. This confirmed a further one year settlement for 2025/26, and confirmed that there would be a business rates reset effective from 2026/27, It is likely that Tamworth will lose a significant amount of retained business rates growth as this is re-distributed to Councils with adult social care responsibilities and in higher deprivation areas. There is also uncertainty about the level of any transitional relief which may be provided. In February 2025, Council approved a balanced budget for the General Fund over the three year time frame, and for HRA for the next five years. General Fund budgets were set based on the maximum council tax increase of 2.99% allowed

No	Issue	Previous Action	Update 2024/25
		growth; fairer funding review; and continuation of New Homes Bonus The development of a Sustainability Strategy is required in order to avoid significant financial cuts in future years. This will be developed alongside the Productivity Plan required as part of the Final Local Government Finance Settlement. The Plans will cover: 1) transformation of services to make better use of resources; 2) opportunities to take advantage of advances in technology and make better use of data to inform decision making and service design; 3) ways to reduce wasteful spend within systems, including specific consideration of expenditure on consultants and discredited staff Equality, Diversity and Inclusion programmes – this does not include programmes designed to promote integration and civic pride, and counter extremism; and 4) barriers preventing activity that the Government can help to reduce or remove. The Productivity Plan will be developed alongside the Sustainability Strategy, and will give consideration to increasing income, reviewing services, and tackling persistent over	without triggering a referendum, but there is still a requirement to use balances and reserves to deliver a balanced budget. In order to ensure that the Council's finances are on a more sustainable footing over the medium to longer term, a Financial Resilience Plan has been developed including a number of workstreams under Income Maximisation; Financial Management; and Service Transformation/Organisational Review headings. Progress in a number of areas has already been made, for example identification of year on year underspends, and zero-based budgeting reviews, which were reflected in the policy changes included within the budget report. This is also in line with the results of the LGA Corporate Peer Challenge report, which recommended that the Council develops a clear savings plan incorporating tangible, costed and deliverable savings with robust senior management and member oversight. Progress against the Financial Resilience Plan workstreams will be monitored by CMT as part of the performance management framework.

No	Issue	Previous Action	Update 2024/25
		and underspends with a view to becoming financially sustainable over the medium term. these plans will be developed over the coming months and will be presented to Members in June 2024.	
2	**Regeneration/Capital Projects** The Authority needs to ensure that capital projects are managed effectively to ensure that they are delivered and grant moniesare spent appropriately andtimely. There is a risk that developers will not develop timely in accordance with theLocal Plan need.	Re-profiling of capital scheme spend from 2023/24 into 2024/25 is forecast at c. £30.15m relating mainly to the Future High Street Fund Regeneration schemes of c.£15m together with Gungate Development (£2m) and Disabled Facilities Grants (£1.7m). There is also a requirement for re-profiling for new affordable Housing development (£1m). It is anticipated that this spend will now occur during2024/25 but the situation will be closely monitored. As part of the MTFS, Council in February 2023 approved the updated Capital Strategy which sets out the Council's approach to capital investment and the approach that will be followed in making decisions in respect of the Council's Capital assets. As part of the approved Strategy, the following action plan tasks have been implemented:	Significant progress has been made during 2024/25 with regard to FHSF schemes and the vast majority of the government grant funding is anticipated to have been spent by 31st March in line with DLUHC requirements. Post implementation reviews continue to be identified as part of the ASSG remit and reports brought for consideration by the group, which now has meetings scheduled on a bi-monthly basis.

No	Issue	Previous Action	Update 2024/25
		a) A post implementation review is completed for each scheme where learning is identified which could assist future projects or where there is a significant financial or political impact; The Asset Strategy Steering Group meet on a quarterly basis to scrutinise the completed post implementation reports and review the management and monitoring of the capital programme with appropriate feedback and challenge – identifying improvements to the future management of the capital programme.	

GLOSSARY

Accrual
A sum included in the accounts for income or expenditure in relation to the financial year, but not received or paid as at 31st March.

Amortisation
A measure of the cost of economic benefits derived from intangible fixed assets that are consumed during the period.

Balances
The total sum available to the Council, including the accumulated surplus of income over expenditure. Balances form part of the Council's reserves.

Balance Sheet
This shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Council.

Business Rates Retention Scheme
This was introduced with effect from 1st April 2013 and requires the Council to operate a Collection Fund to account for Business Rates in a similar way to Council Tax. Rather than collecting Business Rates on behalf of the Government, the Council can now retain a share of the Business Rates it collects, and pays out a share to Government, Staffs County Council and the Staffordshire Commissioner (Fire and Rescue).

Capital Adjustment Account
This reserve reflects the difference between the cost of fixed assets consumed and the capital financing set aside to pay for them.

Capital Expenditure
Expenditure on the acquisition and enhancement of significant fixed assets that will be of use or benefit to the Council in providing its services beyond the year of account e.g. land and buildings.

Capital Financing Requirement
This represents the Council's underlying need to borrow for capital purposes.

Capital Grants Unapplied
The Capital Grants Unapplied Account (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.

Capital Receipts
Proceeds from the sale of assets e.g. land or buildings, which may be used to finance new capital expenditure or are payable to the Central Government Housing Capital Receipts Pool.

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 historical capital expenditure. The balance on the reserve shows the resources that have yet to be applied for these purposes at the year-end.

Cash and Cash Equivalents
Cash includes bank balances and on demand deposits. Cash Equivalents are short term, highly liquid investments where the date of maturity is three months or less from the date of acquisition that are readily convertible to cash with an insignificant risk of change in value.

Cash Flow Statement
This shows the changes in cash and cash equivalents of the Council during the reporting period.

CIPFA
The Chartered Institute of Public Finance and Accountancy (CIPFA) is the professional body for accountants working in the public sector.

Code of Practice
The Code of Practice on Local Authority Accounting in the United Kingdom is produced by CIPFA and complied with by local authorities in the production of the financial statements.

Collection Fund
A fund administered by the Borough Council into which Business Rates and Council Tax monies are received and paid out to Government and precepting authorities.

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 Comprehensive Income and Expenditure Statement as it falls due compared with the statutory arrangements for paying across amounts to the General Fund from the Collection Fund.

Community Assets
The class of fixed assets held by the Council in perpetuity that have no determinable useful life and may have restrictions on their disposal, such as parks, historical buildings, works of art, etc.

Component Accounting
Where a Property, Plant or Equipment asset has major components, with a cost significant in relation to the overall cost of the asset; materially different useful lives; and/or different methods of depreciation, the components are separately identified and depreciated.

Comprehensive Income and Expenditure Statement
This statement shows the total income received and expenditure incurred by the Council during the year in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation.

Contingency
The sum of money set aside to meet unforeseen expenditure.

Contingent Assets
A contingent asset arises where an event has taken place that gives the Council a possible asset which will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the Council's control. 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.

Contingent Liabilities
A contingent liability arises where an event has taken place that gives the Council a possible obligation, subject to uncertain future events not wholly within the Council's control. Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

Creditors
Amounts owed by the Council for work done, goods received or services rendered which have not been paid for by the end of the financial year.

Current Service Cost
An estimate of the true economic cost of employing people in a financial year.

Debtors
Amounts due to the Council for work done or services supplied, for which income has not been received by the end of the financial year.

Deferred Capital Receipts Reserve
The Deferred Capital Receipts Reserve holds the gains recognised on the disposal of Non Current Assets but for which cash settlement has yet to take place.

Depreciation
The measure of the wearing out, consumption, or other reduction in the useful economic life of a fixed asset, whether arising from use, passage of time or obsolescence through technical or other changes.

Exceptional Items
A material item of income or expenditure, significant to an understanding of the Council's financial performance, disclosed separately within the CIES or in a note to the accounts.

Expected Credit Loss Model
The Expected Credit Loss Model was introduced under IFRS 9 Financial Instruments, and applies to financial assets, lease receivables and contract assets.

Fixed Assets
Tangible assets that yield benefits to the Council for a period of more than one year.

General Fund Balance
The General Fund is the statutory fund into which all the receipts of the Council are required to be paid and out of which all liabilities of the Council 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 Balance, which is not necessarily in accordance with proper accounting practice. The General Fund Balance therefore summarises the resources that the Council is statutorily empowered to spend on its services or on capital investment (or the deficit of resources that the Council is required to recover) at the end of the financial year (however, the balance is not available to be applied to funding HRA services).

Housing Revenue Account Balance
The Housing Revenue Account Balance 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 or (where in deficit) that is required to be recovered from tenants in future years.

IFRS
International Financial Reporting Standards (IFRS) are a set of accounting standards used for the production of accounts from 2010/11 onwards. The introduction of IFRS is intended to make the

Statement of Accounts more robust and comparable with other local authorities and the wider public sector.

Intangible Assets
Non-financial assets that do not have physical substance but are controlled by the Council as a result of past events or through custody or legal rights (e.g. software licences).

Investment Property
Under IFRS, investment property is defined as a property which is held exclusively for revenue generation or for the capital gains that the asset is expected to generate - not used directly to deliver the Council's services.

Joint Operations
These are activities undertaken by the Council in conjunction with other venturers that involve the use of the assets and resources of the venturers rather than the establishment of a separate entity.

Leasing
A method of financing capital expenditure where rental charges are paid over a specified period of time. There are two main types of leasing arrangements:

(a) finance leases which transfer all the risks and rewards of ownership of a fixed asset to the lessee and such assets are included within the fixed assets in the Balance Sheet;
(b) operating leases where the ownership of the asset remains with the lessor and annual rental is charged direct to the revenue account.

Liabilities
Amounts due to individuals or organisations which will have to be paid some time in the future. Current liabilities are usually payable within one year of the Balance Sheet date.

Major Repairs Reserve
The Major Repairs Reserve represents the long term average amount of capital spending required to maintain the HRA Council housing stock in its current condition.

Materiality
An item is material if its omission, non disclosure or misstatement could be expected to lead to a distortion of the view given by the financial statements.

Minimum Revenue Provision
The minimum amount which must be charged to a revenue account each year and set aside to repay debt, presently 4% of the General Fund Capital Financing Requirement. No MRP is required for the Housing Revenue Account.

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 other reserves.

National Non Domestic Rates (NNDR)
The tax paid on non domestic properties, set annually by Government. In previous years, this tax was collected by billing authorities and paid over to the Government, with the Council receiving a share of the national pool as part of its resources used to meet total net expenditure. Under the new scheme introduced with effect from 1st April 2013, local authorities now retain a proportion of the Business Rates generated in their area.

Non Current Assets Held For Sale
Non Current Assets held for sale are those where the value of the asset will be recovered mainly by selling the asset rather than through its continuing use.

Pension Reserve
This absorbs the timing differences arising from the different arrangements for accounting for post employment benefits and for funding benefits in accordance with statutory provisions.

Post Balance Sheet Events
Those events, both favourable and unfavourable, that occur between the Balance Sheet date and the date on which the Statement of Accounts is signed by the responsible financial officer.

Precept
This is a demand for payment made by Staffordshire County Council, Staffordshire Commissioner (Police and Crime) and Staffordshire Commissioner (Fire and Rescue). The payment is met from the Council's collection fund and is based on the Council Tax base.

Prior Period Adjustments
Those material adjustments applicable to prior years, arising from changes in accounting policies or from the correction of material errors. They do not include normal recurring corrections or adjustments of accounting estimates made in prior years.

Provision
An amount set aside to meet a liability that is likely to be incurred, and a reasonable estimate can be made, charged as an expense to the appropriate service line in the CIES.

Public Works Loans Board (PWLB)
A government agency that provides longer-term loans to local authorities, at interest rates below market rate. It also acts as a lender of last resort (at a higher rate of interest).

Related Party
Two or more parties are related parties when at any time during the financial period:

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

Remuneration
All sums paid to or receivable by an employee and sums due by way of expenses allowances (as far as those sums are chargeable to UK income tax) and the money value of any other benefits received other than in cash.

Revenue Expenditure Funded from Capital Under Statute (REFCUS)
This is expenditure that is defined as Capital but where there is no matching asset in the accounts - legislation allows the treatment of some expenditure as capital where it does not result in the creation of a fixed asset. An example of this is where grants are awarded to third parties for capital expenditure.

Revaluation Reserve
This reserve records the net gain from revaluations of the Council's plant, property and equipment, and Intangible Assets, made after 1st April 2007.

Revenue Expenditure
The day-to-day expenditure incurred by the Council in providing services. It is financed by government grants, non-domestic rates, Council Tax and fees and charges.

Revenue Support Grant (RSG)
A general government grant in support of local authority expenditure.

Specific Grants
Government Grants to local authorities in aid of particular projects or services.

Usable Reserves

The purpose of each usable reserve is detailed below:

General Fund Balance
These funds are available to meet the future running costs for the Council for non-housing services.

Housing Revenue Account
This reserve holds funds that are available to meet future running costs relating to the Council's housing stock.

Capital Receipts Reserve
This reserve holds all of the Council's receipts generated from the disposal of Non Current Assets and although this is in the usable reserves section, this reserve can only be used to finance new capital investment or to repay debt.

Major Repairs Reserve
This reserve is to meet the capital investment requirements of the Council's housing programme.

Capital Grants Unapplied
This reserve is used to hold capital grants without conditions or where conditions have been satisfied, but the grant has yet to be used to finance capital expenditure.

Earmarked Reserves – General Fund / Housing Revenue Account
Earmarked Reserves are amounts set aside for a specific purpose in one financial year and carried forward to meet expenditure in future years. Further details of the significant reserves within this heading are shown in Note 10.

Appendix to Comprehensive Income and Expenditure Statement

Chief Executive
Chief Executive
Audit & Governance

Assistant Director Growth & Regeneration
Strategic Planning & Development
Environmental Health
Economic Regeneration
Tourism
Tamworth Castle

Executive Director Organisation
Executive Director Organisation

Assistant Director People
Human Resources
Payroll
Customer Services
Communications and Public Relations
Information Technology
Electoral Process

Assistant Director Policy & Performance
Legal Services
Democratic Services
Land Charges
Mayoralty

Assistant Director Environment, Culture and Wellbeing
Streetscene
Arts & Events
Community Leisure
Environmental Management
Joint Waste Arrangement

Executive Director Finance
Executive Director Finance

Assistant Director Finance
Corporate Finance
Procurement
Corporate Risk
Revenue Services
Benefits

Executive Director Communities
Executive Director Communities

Assistant Director Partnerships
Partnerships
Community Safety
Safeguarding
Private Sector Housing
Strategic Housing

Assistant Director Neighbourhoods – General Fund
Civil Contingencies
Street Wardens
CCTV

Assistant Director Neighbourhoods – HRA
Landlord Services

Assistant Director Assets – General Fund
Commercial Property
Facilities Management

Assistant Director Assets - HRA
Asset Management and Investment

HRA Summary
Housing Repairs

Independent auditor's report to the members of Tamworth Borough Council