Statement of Accounts for the year ended

March 31

2025

Calderdale MBC

CONTENTS

Introduction

The Statement of Accounts sets out the council's financial results for 2024/25 and the position at 31 March 2025.

It is intended that these accounts provide a useful and important source of financial information for residents, stakeholders, council members and other interested parties.

The Narrative Report provides some background and context to the council's financial position in 2024/25; I hope that readers of the council's accounts find this helpful.

I would like to thank my staff and colleagues throughout the council for their hard work and support in producing the accounts for 2024/25.

Becky McIntyre CPFA

Director Resources and Transformation

Date: 22 August 2025

Narrative Report

The Narrative Report provides information on Calderdale Metropolitan Borough Council (the council), its main objectives and priorities and the principal risks that it faces, as well as providing a commentary on how the council has used its resources to achieve its desired outcomes in line with its objectives and priorities.

These financial statements have been prepared in line with the Code of Practice on Local Authority Accounting in the United Kingdom 2024/2025 (the Code). The purpose of this narrative statement is to explain, in an easy-to-understand way, the financial facts in relation to the council.

This Statement of Accounts explains Calderdale Council's financial performance during the year 2024/2025 and its financial position at the end of that year. It follows approved accounting standards and is necessarily technical and complex in parts.

The Narrative Report is not part of the financial statements but is prepared on the basis that it is consistent with the financial statements. It provides an overview of the financial and non-financial performance of the council for the financial year ended 31 March 2025 including the economy, efficiency and effectiveness in its use of resources over the financial year. It outlines the key issues affecting the Council, our priorities, achievements, and challenges, as well as explaining the main financial statements.

Calderdale – The Place

Calderdale is a beautiful area in West Yorkshire, between Leeds and Manchester, with unique natural landscapes, vibrant towns, a thriving cultural and arts scene and diverse and resilient communities. It is part of the Leeds City Region. Although one of the smallest metropolitan boroughs in terms of its population of 206,600 (2021 Census), it is one of the largest by area size (140 square miles), with over 80% being rural.

As of 2021, Calderdale is the 11th least densely populated of Yorkshire and The Humber's 21 local authority areas, with around four people living on each football pitch-sized area of land.

The borough has an ageing population. Between the last two Censuses, the average age of Calderdale residents increased by two years, from 40 to 42 . The number of people aged 65 to 74 rose by around 4,400 (an increase of 24.8%), while the number of residents between 35 and 49 fell by just under 6,000 (a 13.2% decrease).

We are rich in diversity of cultures, with communities from the Asian sub-continent and eastern Europe. Three quarters of the population live in urban areas.

In 2021, 10.5% of Calderdale residents identified their ethnic group within the "Asian, Asian British or Asian Welsh" category, up from 8.3% in 2011 - the largest increase among ethnic groups in this area.

In 2021, 86.1% of people in Calderdale identified their ethnic group within the "White" category (compared with 89.7% in 2011), while 1.9% identified their ethnic group within the "Mixed or Multiple" category (compared with 1.4% the previous decade).

Once known as ‘the town of 100 trades’, Halifax was traditionally a manufacturing area based around textiles and had a pioneering role in the Industrial Revolution. Apart from manufacturing, the biggest employers are in wholesale / retail (15%), health and social care (11%), education (9%) and financial services (8%). Halifax is the birthplace of the former building society of the same name, and Lloyds Bank still has a large presence in the borough today.

More adults are now working shorter hours (2021 Census). 9.9% of people in employment and aged 16+ said they usually work 15 hours or less per week, up from 8.5% in 2011. This is the joint second largest increase in Yorkshire and The Humber.

Calderdale – The Council

The council is the local authority for the area of Calderdale, in West Yorkshire. The council is responsible for providing a range of services to the residents, businesses of, and visitors to, the borough , such as social care, waste management, planning, environmental protection, housing support, education, libraries, parks and leisure.

Organisational Overview

The council operates a Leader and Cabinet model of governance and 2024/25 represented year 6 of a Labour administration as ruling group having the overall majority. The Council consists of 51 elected members representing 17 wards through the following make up of councillors: 27 labour, 11 conservative, 6 liberal democrat, 3 green, 2 reform UK, 1 independent and 1 workers party of great Britain (as at 31 May 2025). The next local election is in May 2026 and will be an all-out election.

All councillors meet together as the Council. Meetings of the Council are normally open to the public. Here councillors decide the Council’s overall policies and set the budget each year. The Council appoints the Leader and it also appoints the various scrutiny boards and committees of the Council. Members of the Council may present petitions to the Council on behalf of local people.

The Executive is the part of the Council which is responsible for most day-to-day decisions. The Executive is made up of the Leader elected by the Council and a Cabinet of seven Members appointed by the Leader. Each Cabinet Member is responsible for a portfolio of services and functions. When major decisions are to be discussed or made, these are published in the Executive’s key decisions list in so far as they can be anticipated. If these major decisions are to be discussed with council officers at a meeting of the Cabinet, this will generally be open for the public to attend except where personal or confidential matters are being discussed. The Executive has to make decisions which are in line with the Council’s overall policies and budget. If it wishes to make a decision which is outside the budget or policy framework, this must be referred to the Council as a whole to decide.

The Council has people working for it (called ‘officers’) to give advice, implement decisions and manage the day-to-day delivery of its services. Some officers have a specific duty to ensure that the Council acts within the law and uses its resources wisely. The council’s operational structure reflect the responsibilities of the Council and were reported in 2024/25 under six directorates:

- Adults and Wellbeing
- Chief Executive’s Office
- Children and Young Peope
- Public Services
- Regeneration and Strategy
- Resources and Transformation

Our Workforce

The council employed 2,782 people in 2024/25 (headcount on 31/03/2025) within organisational structures within each Directorate.

Table showing headcount

Year	Headcount
2024/25	**2,782**
2023/24	2,752
2022/23	2,631

Table showing role type

Year	Full-time		Part-time	
2024/25	1,777	63.87%	1,005	36.13%
2023/24	1,757	61.61%	1,010	38.39%
2022/23	1,621	60.72%	1,032	39.28%

A breakdown of the make-up of the workforce is detailed below:

	2024/25	2023/24	2022/23
Gender			
Female	1,891 (68.05%)	1,876 (68.17%)	1,788 (67.96%)
Male	888 (31.05%)	876 (31.83%)	843 (32.04%)
Declared Disability			
Yes	181 (6.51%)	166 (6.03%)	155 (5.89%)
Age			
Under 25	80 (2.88%)	89 (3.23%)	95 (3.61%)
25 to 44	1,046 (37.64%)	1,024 (37.21%)	936 (34.58%)
45 to 64	1,544 (55.56%)	1,528 (55.52%)	1,484 (56.41%)

65 plus	109 (3.92%)	111 (4.03%)	116 (4.41%)
Ethnicity			
White	2,384 (85.79%)	2,387 (86.74%)	2,301 (87.46%)
Black and multi-ethnic	364 (13.10%)	331 (12.03%)	294 (11.17%)
Not known	31 (1.11%)	34 (1.23%)	36 (1.37%)

Land, Buildings and Infrastructure

The Council owns a range of properties used to deliver our services and is responsible for roads, bridges, parks and open spaces. The cost of operating and maintaining these assets are included in the net cost of services and the capital programme according to the nature and scale of investment. The value of the assets is captured on the balance sheet (Property Plant and Equipment). It is a significant part of the balance sheet and includes major classes of buildings such as schools and sports centres, as well as roads. The Council's property portfolio includes 32 schools, 3 operational sports facilities, 1 theatre, 2 museums, a home library service and 12 libraries and 1,100km of roads.

Service Delivery

The Council provides services either directly or by commissioning services from outside organisations. Some services (such as Waste Management, Residential and Home Care, Children's Centres, Substance Misuse, School Nursing and Health Visitors) are delivered through long-term contracts. Some services are also delivered as 'shared' services. West Yorkshire Joint Services provides trading standards, archives, archaeology, calibration and other services on behalf of the five West Yorkshire Councils. Leeds City Council host the One Adoption service on behalf of the five West Yorkshire Councils. In addition, the Council is one of thirteen local authorities which own Yorkshire Purchasing Organisation. The Council also works closely with the West Yorkshire Combined Mayoral Authority, which provides public transport and regeneration projects on a West Yorkshire basis and undertakes the Police and Crime Commissioner role.

The Council's own housing stock was transferred to Together Housing (formerly Pennine Housing) in 2001. Together Housing is one of the largest housing associations in the North of England, managing over 38,000 homes across Calderdale and the North of England. The Council works together with a range of local partners organisations, including the Calderdale Cares Partnership and West Yorkshire Integrated Care Board, West Yorkshire Police, Calderdale and Huddersfied Foundation NHS Trust, South West Yorkshire Partnership NHS Foundation Trust, West Yorkshire Fire and Rescue Service, Federation of Small Businesses and Calderdale Voluntary and Community (support agency for the voluntary and community sector).

Council Policy Framework and Corporate Plan

Full Council approve core strategies and plans and the Budget known as the Budget and Policy Framework recommended to them by the Executive. These include:

- Crime and Disorder Reduction Strategy;
- Plans and alterations which together comprise the Development Plan;
- Sustainable Community Strategy;
- Youth Justice Plan;
- Licensing Authority Policy Statement;
- Children's Services Plan;
- Council's Corporate Plan;
- Joint Health and Wellbeing Strategy;
- Local Flood Risk Management Strategy.

The Budget includes the allocation of financial resources to different services and projects, proposed contingency funds, the council tax base, setting the council tax and decisions relating to the control of the Council's borrowing requirement, the control of its capital expenditure investments and the setting of virement limits.

The Corporate Plan provides the ambition to achieve our strategic objectives. We want Calderdale to be a place where everyone thrives, in vibrant communities, where businesses can grow, residents live fulfilled lives and feel supported, and our environment is protected.

We have four Council priorities to achieve this:

- Reducing inequalities
- Thriving towns and places
- Climate action
- Sustainable and effective Council

The Corporate Plan is supported by, and achieved through, several key strategies and plans. These priorities are part of the wider Vision for Calderdale. The Vision 2024 has united the Council, partner organisations and communities with a shared aspiration for the place since 2018. A new shared Vision 2034 for Calderdale has been created in collaboration with communities and partners.

Governance

The council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

The council has approved and adopted a Code of Corporate Governance, which is consistent with the principles of the CIPFA / SOLACE Framework Delivering Good Governance in Local Government 2016 Edition. A copy of the code can be located on Calderdale Council's website.

The Annual Governance Statement explains how the council has complied with the code and also meets the requirements of regulation 6(2) Accounts and Audit Regulations 2015, in relation to the approval of the Annual Governance Statement.

The council's Internal Audit service carries out a comprehensive programme of review activity consistent with the Audit Strategy and the Public Sector Internal Audit Standards. The work is based around the core risks faced by the council and includes work on the main financial and information management systems, corporate programmes and partnerships. Based upon the programme of work for 2024/25 completed, taken together with other sources of assurance, this was not sufficient to support a HIA annual opinion on the overall adequacy and effectiveness of the organisations framework of governance, risk management and control. The limitation of scope has occurred because of a lack of appropriate staffing resource. To avoid similar limitations in future the HIA has taken action to recruit new, experienced staff and contract with a specialist ICT audit provider.

Further details on this can be found in the Annual Governance Statements (AGS) published alongside the Accounts.

Performance

This section presents key highlights of the council's 2024/25 delivery plan. These deliverables are designed to contribute towards the achievement of our overall ambitions contained within the Corporate Plan 2024-26. Highlights are presented by the 4 council priorities, outlining what we said we would do as part of the 2024/25 delivery plan and what we have achieved during the year to March 2025.

Reducing Inequalities	Delivery Achievements
The ambitions within this priority are: ▪ **Starting well and developing well** – children are ready for school and every 15-year-old has hope and aspiration. ▪ **Living and working well** – working-aged people have good emotional health and wellbeing and fewer suicides. ▪ **Ageing well** – older people have strong social networks and live in vibrant communities. ▪ **Minimising the impact of poverty** - residents have reduced financial pressures and increased life chances.	Family Hub network meetings held in each locality, with additional meetings in North Halifax to reflect geography. Infant feeding strategy developed using a community research approach to ensure parent/ carer voice at the heart of it - an example of good practice nationally. 8 of Calderdale's secondary schools have been given start up funding costs (year one), maintenance costs for year two and initial capital investment where required to create capacity for alternative provision within school. Employment and Skills Framework – Launched in 2024, setting employment and skills development priorities. Health Care Academy – Joint initiative with CMBC, Calderdale College, and the NHS to promote health and social care careers. Creative Digital Hub – Funded by the Local Skills Fund, Calderdale College have launched a new hub at Dean Clough Mental Health Alliance established, chaired by the DASS Community led programme with Ntdi focusing on Gateway and Learning Disability services commenced and an Innovation team established including partners Completed the Ageing Well Survey and a community information directory is now live.

	VCSE Strategy workshops to socialise the implementation plan and priorities next steps held with VCSE sector during Autumn 2024 and new Voluntary Sector Infrastructure (VSI) contract awarded following open tender process. Our Stronger Communities Strategic Framework was approved at Cabinet on 4th November 2024. The framework lays out the Council's commitment to adopting a whole Council approach to social cohesion using 5 themes as pillars for this work. Additional funding of £3.4m secured from Sport England to delivery a three year plan with partners across the system. The Plan focusses on three themed areas Active Health care and Social care, Active Communities and Active Travel. The Anti-Poverty Partnership continues to grow with over 30 member organisations now across a wide and diverse reach. Two very successful events were held which brought the partnership together to raise awareness and network. A new Digital Inclusion Forum was established to accelerate our work in this area with the benefit of the WYCA funded post. Our work around Money Guiders through the Money and Pensions Service was recognised nationally.
Thriving Towns and Places	**Delivery Achievements**
The ambitions within this priority are: ▪ **Public spaces and facilities** – our towns are regenerated. ▪ **Business** – local businesses have opportunities to thrive and grow. ▪ **Feeling safe** – our communities are safe with welcoming environments. ▪ **Being connected** – people and businesses benefit from high-speed internet and sustainable transport.	Construction of the new public square in Sowerby Bridge commenced and ongoing. Introduction of new 30mph limit at Falling Royd, Hebden Bridge. Towns Fund Programmes in delivery - Work underway at Brighouse Public Realm and Market. Completion of phase one at Todmorden Community Learning Hub (internal improvements to equipment and training rooms); phase one at the Hippodrome (cinema and external access works). Work commenced on Enterprise Centre, Todmorden Town Hall, Centre Vale Park. Construction partner secured to complete RIBA4 design and then back-to-back construction/delivery of Halifax Leisure Centre.

▪ **Housing delivery** – we create strong, mixed communities in sustainable locations that provide affordable, age- friendly and adaptable homes.	CultureDale, Calderdale's Year of Culture Programme is a transformative intervention that had a significant positive impact on Calderdale, increasing cultural engagement and participation, attracting visitors, strengthening community ties and growing the creative industries. While challenges remain, the programme laid a solid foundation for future growth and productivity within the borough's culture, heritage and sport sectors. SME Procurement Support – Events at Calderdale College and Todmorden Community Learning College in 2024 helped SMEs bid for local contracts, with ongoing support from Go4Growth. Gained support across the partnership for a borough wide PSPO through the "Jog On" campaign. Safe and Active Travel to school review completed and report drafted. Mayor's fare bus pricing will continue into the near future to provide a more affordable bus service. North Halifax Housing Delivery - Supported the sites through the planning application process. Planning permission approved for Turner and Furness Avenue (192 dwellings). A planning application for Brow Bottom Lane (49 dwellings) was submitted February 2025. Hosted annual Housing Forum where housebuilders and housing associations active in Calderdale attended. The works to the Western Corridor at Bull Green, Orange Street and Winding Road/Cross Hills junctions are well underway. Prescott Street junction has been completed and was resurfaced in early Feb, with final snagging inspections and rectification works now being programmed.

	Future High Streets - Halifax Borough Market: Works progressing across various projects. Albany Arcade enhanced facilities to be completed by end of March. Under the Clock nearing completion. Victoria Theatre accessibility improvements and Café Bar installation work completed December 2024. Elland FHSF; two projects Public Realm and Community Hub completed August 2024 and June 2024 respectively. The strategy for North Halifax approved - it draws on the insights of local organisations, private, public, voluntary and community and social enterprise sectors, who told us about their pride in North Halifax place and people. Our commitment to reducing inequalities, creating thriving towns and communities, and addressing the climate emergency is at the forefront of this plan. Schools rebuilding programme - Castle Hill Primary School, a back-to-back agreement between the Council, DfE and contractor was signed in January 2025, enabling the first of the new schools off the programme to commence on site. Delivery of start up, business growth and ad:venture programmes. Funded early intervention initiatives in schools to educate on healthy relationships, consent and positive masculinity, this initiative has engaged with over 350 children in Calderdale. Funded initiatives which help girls mental health after they have been a victim of domestic abuse, so far this initiative has engaged with 23 children. Progress has been made in raising awareness of the route and the benefits of using public transport when traveling into and around the borough. Significant progress has been made in delivering our annual highways maintenance programme with delivery exceeding our 2024/25 plans.
Climate Action	**Delivery Achievements**
The ambitions within this priority are:	Good progress has been made in reducing the corporate estate’s carbon footprint, including:

▪ **Nature and landscapes –** our landscapes are protected and looked after so they can store carbon and support our wildlife. ▪ **Warm and resilient buildings –** every home in the borough needs to be warm and resilient, and all buildings need an Energy Performance Certificate rating of C or above. ▪ **Transport and air quality –** our transport systems work for everyone and our streets are safer and greener. ▪ **Green economy –** our businesses and residents are future-ready so they can thrive in a net zero carbon world.	• Public Sector Decarbonisation Scheme phase 3c works to Todmorden Sports Centre will be complete by end of March. The centre will be heated with a new air source heat pump system. All carbon-based heating will be removed from site. • LED Lighting upgrades to Halifax Customer First & King Cross Library, both systems will reduce consumption through presence & daylight detection and provide full energy reporting. • Building Management System (BMS) Upgrade works to Halifax Central Library to manage energy consumption. BMS & Ventilation works to Sowerby Bridge Swimming Pool, Brighouse Pool work is planned. • Approval of £5.1m bid for external funding from the Public Sector Decarbonisation Scheme (PSDS4). Workshops have taken place with partners to develop key themes and deliverables for a sustainable food strategy. We have hosted with partners two information days on the Hebden Bridge FAS.. Construction has progressed on the Brighouse FAS scheme at Wellholme and Whinney Hill park with a further planning application submitted to progress works at River Street. Calderdale Council is the lead partner in the newly-launched Calder & Colne Landscape Links (CCALL) Landscape Recovery Project, Working with four other local authorities and the West Yorkshire Combined Authority to develop the West Yorkshire Local Nature Recovery Strategy. Secured external funding to expand the capacity of the Sphagnum Moss Nursery by adding an additional polytunnel and provided support and guidance to other organisations and landowners across the north of England to help them establish their own sphagnum moss nurseries.

	Supported the community buyout of land to establish the borough's first community-owned nature reserve at Bridestones Moor. Calderdale's Ecological Emergency Action Plan was published in January 2025, including a clear commitment from the Council and other delivery partners to take action to tackle pollution from sewage discharges, intensive land use and other sources into Calderdale's rivers. Major landowners are engaged in multiple projects to restore upland landscapes, including by re-wetting peatlands and recreating clough woodlands in areas where they have been lost. Delivery of our whole terrace retrofit demonstrator is progressing well. 18 out 30 homeowners fully signed up A further 4 tenants are signed up and 1 private landlord with work underway to obtain the respective owner (4) and tenant (1) sign ups. Work underway to develop a Retrofit Strategy and action plan, incorporating data from the LAEP, and the recent Citizen's Jury on the non-technical barriers that are deterring owners from retrofitting their homes. Draft Lotting, Fleet, Depot Strategies have been issued by WYCA and we are reviewing these in order to promote the needs of Calderdale within the plans. Approval to delivery Waste Management services through a Joint Venture with Norse from August 2026. Governance in place to prepare for mobilisation. Work has commenced on preparing a Renewable Energy and Low Carbon Technology Development Plan Document (DPD) for consultation.

Sustainable and Effective Council	**Delivery Achievements**
We are always looking at how we can work better to make a difference to local people. This includes transforming the Council to be more modern, efficient and financially sustainable: **Growing the Council's Talent** - We aim to be recognised as one of the best places to work in Yorkshire. A place where staff feel supported, enabled and empowered to do great work that makes a difference to people's lives. Our **financial planning** aims to maximise income and funding, invest in the things that have the biggest impact, in line with our priorities, and minimise the effect of savings on communities. Our **transformation priorities** focus on service redesign in children's and adults' services; bringing the Local Plan to life in transforming the place; developing new ways of delivering waste management and highways; and implementing a refreshed Digital Strategy that changes the way we interact with people.	The Workforce Strategy has been implemented and is being review. We have also devised a concise Talent Management Strategy that will sit alongside the Workforce Strategy and support. A number of workplace wellbeing initiatives have been delivered in year with further co-ordination taking place. 2025/26 Budget approved February cabinet, including savings plans of £3 million in 2025/26. In 2024/25 savings plans tracked and reported through financial update reports to cabinet – 89% achievement of savings in-year. Moving to a digital first strategy to create savings through better use of technology. Improving cyber security through investment in infrastructure and software solutions. PSN Compliance actions completed for 2025. Sophos Secure Score 100%. Following customer satisfaction survey results, we have refreshed the Customer Experience Framework to focus on areas that matter most to our customers. Cabinet approved the Framework and renewed Customer Promise at their meeting on 17th March 2025. Cabinet agreed revised Equality Objectives for 2025- 2029. We have modelled our new equality objectives along the themes of Place, People and Practice. • Place - We will champion inclusive, representative and accountable decision-making across the borough to reduce inequalities, fostering good relations between people of different backgrounds and celebrating our heritage and culture.

Equality, diversity and inclusion - We are committed to building a fairer Calderdale where everyone can thrive, contribute and be their authentic selves. We will continue to support our diverse and vibrant communities that make Calderdale so special, by always involving and listening to them so we know what they need, and they can access our inclusive services.	• People - We will work towards making our workforce representative of the community it serves at all levels and that employees are supported so that everyone can achieve their full potential; We will strive to ensure that all individuals and communities feel included, that no one is left behind and people can play an active part in the civic, social and economic life of the borough • Practice - Our approach to service design and delivery, including commissioning and procurement, recognises and values equality/equity and diversity and reduces inequalities.

Our performance framework – super key performance indicators were reviewed and updated to reflect the Corporate Plan priorities. Detailed performance information, including trends and analysis can be found on the website. https://dataworks.calderdale.gov.uk/dashboards/performance-overview/

This is a summary of our confirmed performance during the period 1st April 2024 to 31st March 2025. The annual performance position was reported to Cabinet in June 2025.

To tackle our key local issues, achieve the new Vision34 for Calderdale and make life in the borough better for all, our Cabinet agreed specific priorities. Based on all available validated data, some of our key achievements in 2024/25 across these 4 priorities include.

Reducing Inequalities

The latest data for the percentage of physically active adults shows another annual increase in the proportion of physically active adults to 67%, which ranks us 1st against our comparator group of other local authorities.

This year 2024/25 we have reported that the proportion of Primary schools rated good or outstanding by OFSTED has risen from 83% as of 31st August 2023 to 91% for reports published as of 31st August 2024. This brings performance in line with both the national and statistical neighbour averages and exceeds our own target of 88%,from an historical position where we have been below national and statistical neighbour averages.

The Average Progress 8 score per pupil, has also improved this year placing us in the top quartile when compared against other Department for Education (DfE) statistical neighbours.

This year we have seen further improvement in our performance and demonstrating our effectiveness to promote independence after a hospital episode, such as reablement with the percentage of our population aged 65+ in receipt of long-term health and social care support. Latest data shows a positive reduction in this indicator, being the opposite picture for many of our comparator local authorities, regionally and nationally. We are outperforming regional and national averages in a context where there is increased acuity for these care packages of support.

At the time of this report, the Council is waiting for the outcome of the CQC inspection during April and May 2025.

Thriving towns and places

Our latest data on the Business Survival rates indicator also shows there has been a further increase in the proportion of new enterprises that are still active after 3 years from 55.3% to 59.8%. This puts our performance above the regional average and currently ranks us 1st against statistical neighbours.

A positive picture of performance was also reported in 2024/25 for our adult learners across the Borough. In an inspection in June 2024, Ofsted found that Calderdale Adult Learning had maintained a ‘good’ rating.

The distinctiveness of our place and people to become an internationally recognised destination for culture, tourism and film is key asset which drives our tourist economy. Latest data published shows that we have seen tourism increase with 7.6 million visits to the borough in 2023, up nearly 5% from 2022, worth more than £600 million to the local economy, and a 16% increase on the previous year. This tourism is supporting over 5,500 full-time jobs, almost 10% more than in 2022.

We are committed to the ongoing work with partner organisations across our communities and residents to help support them to become more empowered and self-sustaining, addressing the priorities that are key to them. An example of this has been our partnership working with Halifax Opportunities Trust (HOT) and North Halifax Partnership to deliver the Calderdale Hyper Local Programme, using the government UK Shared Prosperity Fund (UKSPF). Under this programme, to date over £2.8M has been invested in over 50 community led projects and over 4000+ voices heard. We have supported and enabled with partners, projects such as those to promote health and wellbeing, budgeting and money skills, work with young people to prevent anti-social behaviour and projects to tackle social isolation.

Climate Action

Latest data shows that whilst there are many challenges remain, the CO2 emission per capita in the area have shown a significant reduction, placing us in the top quartile when compared against other statistical neighbours.

Furthermore, our innovative climate work with local communities received national recognition at the MJ Local Government Achievement Awards in London in June 2024. At these prestigious awards we won the ‘Leadership in responding to the climate emergency’ category.

Sustainable and Effective council

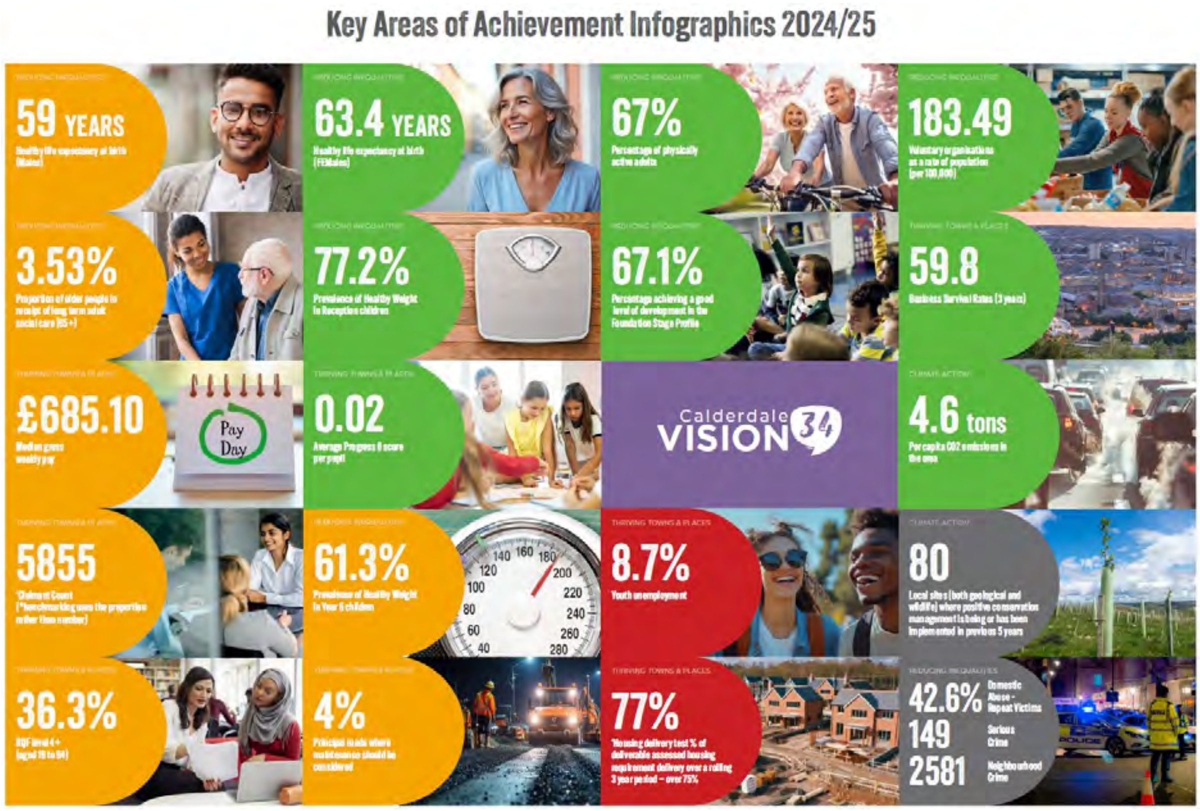
We know that we must work differently and digitally smarter going forward to deliver our priorities. One of our corporate priorities is to become a more sustainable and effective organisation. As a major employer we are ambitious to become an employer of choice for residents across the borough and beyond. In November 2024 we were shortlisted for 3 separate awards at the prestigious national Local Government Chronicle (LGC) Workforce Awards in London. These awards were to recognise best practice in the workplace, with Calderdale being shortlisted for; Best next generation employer; Equality, diversity and inclusion champion and being confirmed eventual winner of the Best Wellbeing Innovation category.

The annual complaints letter and statistics from the Local Government Ombudsman for 2024/25 was recently published. Of the 29 complaints investigated, the LGO upheld 22, which equates to 76%. This compares to an average of 81% in similar authorities.

Collection rates for Council Tax and Business Rates is just above the mean average for Met Councils at 95.77% and 97.59% respectively in 2024/25 (Average for Met Councils was 93.61% for Council Tax and 96.44% for Business Rates).

Whilst the level of reserves as a proportion of net revenue expenditure is lower than the mean average for metropolitan councils at 26.77% compared to 39.02%, the level of debt servicing as a ratio of net expenditure is low compared to mean average at 2.39% compared to 5.89%.

A summary of the key areas of performance achievement is highlighted below.



Financial Performance

The Revenue Budget 2024/25 was approved by Council in February 2024 at £214.6m. The Council's budget aimed to ensure that Council resources were aligned with its priorities. The budget prioritised protecting the most vulnerable and delivering good quality statutory services. The financial plans aimed to:

- Make the budget balance and keep decision-making local
- Meet our legal, statutory obligations
- Mitigate inequality as much as possible
- Be ambitious for Calderdale
- Enhance quality of life
- Keep our residents safe
- Protect services where possible
- Keep our focus on tackling climate change
- Bring investment into the borough
- Be honest about what we can and cannot do

Band D Council Tax (excluding both Police and Fire Authority Precepts) was set at £1,845.44, a 4.99% increase on the previous year (2023/24 £1,757.74) and this included the 2% increase on adult social care precept.

Revenue

As outlined in the revenue and capital reports to Cabinet throughout the year, the impact of inflation and the increases in demand pressures within priority services; social care, home to school transport and supporting vulnerable adults have resulted in a net overspend against the revenue budget of £9.1m which has needed to be funded from the Council's corporate risk reserves. In addition, the revenue budget included £3.1m of service savings/efficiencies of which 89% has been delivered in year. The table below details the variations at directorate level with the financial position outturn report to Cabinet in June 2025 providing further details.

Revenue Budget Position	2024/25 Net Budget £000	2024/25 Outturn Position £000	Variance Over/ (Under) £000		3rd Revenue Monitor Variance £000	Change - Worsening/ (Improvement £000
Adults & Wellbeing	78,044	80,907	**2,863**		3,057	(194)
Chief Executive's	896	475	**(421)**		(241)	(180)
Children & Young People (excl. schools)	46,690	51,006	**4,316**		5,095	(779)
Public Services	34,803	37,656	**2,853**		3,396	(543)
Regeneration & Strategy	21,494	21,508	**14**		1,440	(1,426)
Resources & Transformation	13,389	12,827	**(562)**		(520)	(42)
Corporate/Central Costs*	21,196	12,697	**(8,499)**		0	(8,499)
Net Cost of Services	216,511	217,076	**565**		12,227	(11,662)
Less: Council Funding	(216,511)	(217,076)	**(565)**		(245)	(320)
Total Over(+)/Underspend(-)	0	0	**0**		11,982	(11,982)
***Additional Use of Reserves**			**(9,164)**			2,498

Capital

A significant proportion of the Council's overall Capital Programme for the financial year 2024/25 was funded by grants and contributions of £50.822m approved by the West Yorkshire Combined and Government Departments including the Department for Eduation, Energy Security and Net Zero and Levelling Up Housing & Communities, including Future High Street and Towns Fund schemes will deliver regeneration schemes throughout the borough, in Halifax, Elland, Todmorden and Brighouse. A further £21.5m in funding is earmarked to deliver infrastructure improvements in Garden Communities to facilitate the building of additional homes in in Southeast Calderdale The balance in the Capital Programme was funded by a combination of revenue and reserves, borrowing and pooled resources (capital receipts).

The Council continued to deliver schemes to provide the additional places required in schools and improvements to the fabric of schools, from capital grants approved by the Department for Education, including Basic Need, High Need and Capital Maintenance.

Capital investment approved by the Department for Levelling Up Housing & Communities and Department for Energy Secuirty and Net Zero, delivered significant health and safety improvements energy efficiencies in residents homes and reductions in CO_2 emissions in Council properties.

Further capital investment approved by the Council and incorporated into the Capital Strategy will allow health and safety and other improvements to be made to the corporate estate and deliver new technology to support the transformation agenda, including upgrades to Community Alarms and Mobile Responses equipment and the Council's Social Care Case Management system.

The capital expenditure totalled £55.754m for the financial year 2024/25. This represents 94.72% of the budget for 2024/25 of £58.904m, which is a significant improvement from the previous year where spend on capital projects was 71.14% of the budget for the year.

The table below details the Budget Forecast and Capital Ouuturn position for the year.

Capital Programme Service Area	Budget Forecast 2024/25	Outturn Spend 2024/25	Variation
	£000	£000	£000
Adults and Wellbeing	5,393	6,304	911
Resources & Transformation	884	603	(281)
Children & Young People	4,890	3,901	(989)
Public Services	360	484	124
Regeneration & Strategy	47,377	44,462	(2,915)
Total	**58,904**	**55,754**	**(3,150)**

Funded by:

Service Area	Budget Forecast 2024/25	Outturn Spend 2024/25	Variation
	£000	£000	£000
Grants	52,760	50,822	(1,938)
Revenue	82	737	655
Borrowing	5,415	3,045	(2,370)
Pooled Resources (capital receipts)	647	1,150	503
Total	**58,904**	**55,754**	**(3,150)**

Reserves and Balances

The total net cost of services provided by the Council is met from the General Fund. This is paid for by council tax, non-domestic rates income and general government grants. The balance of £7.25m is the sum held to deal with unexpected costs, and to manage council tax levels in future years. The Council aims to keep a minimum general fund balance of £5m.

Other Earmarked Reserves are summarised below:

Reserve Category	Reserves B/F into 2024/25	Increase/ (Decrease) in Reserves	Reserves C/F into 2025/26
	£000s	£000s	£000s
Unallocated (General) Balances	7,254	1	7,255
Corporate Risk Reserves	25,455	(9,829)	15,626
Service Specific Earmarked Reserves	18,117	(1,634)	16,483
Total Council Reserves	**50,826**	**(11,462)**	**39,364**
Schools & Dedicated Schools Grant	15,677	(772)	14,905
High Needs DSG Deficit	(6,123)	(13,314)	(19,437)
Total	60,380	(25,548)	34,832

Collection Fund

The Collection Fund for 2024/25 shows a total deficit for the year of £3.2m (in comparison to a deficit of £1.3m in 2023/24). This leaves the Collection Fund with positive balances of £0.5m as at 31st March 2025 (as at the 31st March 2024 the fund had positive balances of £3.7m). The surplus at 31st March 2025 is made up of an £1m deficit on council tax (in comparison to a surplus of £0.1m at 31st March 2024) and a £1.5m surplus on business rates (£3.6m at 31st March 2024).

In respect of council tax the share of the deficit attributable to the council is £0.85m. The increase in the deficit will feed into the estimate of the Collection Fund position that is made in January 2026, and the estimated balance at that point in time will be taken into account when determining the council tax for the 2026/27. The net position for business rates for the year was a deficit of £2.1m. The in-year deficit has arisen largely due to a reduction in the total rateable value of properties in Calderdale. The council's share of the closing business rates surplus is £0.67m.

The percentage of local taxation collected in year was 95.77% for council tax (95.86% in 2023/24) and 97.59% for business rates (97.92% in 2023/24).

Treasury Management

The Annual Report on Treasury Management 2024/25 was reported to the Audit Committee and highlighted the following:

Long Term Borrowing - The total amount of long-term debt outstanding with PWLB as at the 31 March 2025 was £147.6m which has changed from 31st March 2024 when it was £129.7m as we repaid £5.1m of principal during the year but also borrowed £23.0m to support the Council's Capital Programme. The amount of interest paid on our long-term debt in the year was £4.8m.

The debt servicing cost ratio for 2024/25 equates to 3.47% (based upon net cost of debt compared to total funding).

Long Term Investments - £5m was invested with the CCLA Local Authority Property Fund from the 1 November 2019 and earned £213,674 in dividends during 2024/25.

Short Term Investments - Cash balances during the year are invested with external organisations to earn interest until such time as the money is needed. As the end of 2023/24 the Council had £36.3 million of external investments. These have decreased to £6.2m at 31 March 2025. Apart from the normal fluctuations in cashflow (e.g. grants for capital works received in advance but used during the year), the main reason for the decrease in investments is service budget overspends during the year and the increased spend on SEND provision, leading to a materially higher deficit balance of High Needs Dedicated Schools Grant (DSG) reducing the cash available to the Council for short-term investment. The Council's investments earned £1.732m in interest (which would have been less had we taken a less proactive policy and received our own banker's minimum credit bank interest rate of 2% below the base rate) compared to a budget of £2.12m.

Risk

The Accounts and Audit Regulations 2015 and Public Sector Internal Audit Standards 2017 require the council to maintain a robust, adequate and effective system of risk management in its delivery of core services. Operation of an effective and embedded risk management framework is an important element of such a system so that the council effectively discharges its corporate governance responsibilities.

The Corporate Leadership Team (CLT) is responsible for reviewing the Strategic Risk Register, ensuring that the management of risk continues to be within the council's risk appetite. Audit Committee is responsible for considering the effectiveness of the council's strategic risk management arrangements.

Good risk management is a key contributor to successful delivery of the council's objectives protecting its assets and resources to deliver value for money and risk implications are considered in decision making reports.

The Risk Framework was fully refreshed during the year, and approved by the Audit Committee. The council's strategic risks are determined by CLT, and comprise of key risks which either:

- Are relevant and important to all or most of the council's services and functions.
- Are external to the council but which have potential significant impacts on the borough, or parts of the borough, as a whole; or
- Have potentially severe reputational consequences should they materialise.

Further details on the above issues are included in the Annual Governance Statement

Financial Outlook

The Council, like many local authorities in England continue to face financial pressures due to geo-political economic factors and the national fiscal position. The legacy of the COVID pandemic coupled with the cost of living crisis continue to impact on the lives of people living in the borough. Leading to unprecedented demand for services across children's services and children with Education, Health and Care Plans (EHCPs) and increased complexity for children looked after; within adults social care, where complexity and acuity of needs of older people and working aged adults with physical disabilities, mental health and learning disabilities; increasing numbers of people in need of temporary accomodation. Whilst focus remains on prevention work, it is likely that the financial impact of this demand will continue over the medium-term.

Whilst there was additional funding allocated for Local Government in the 2025/26 settlement – Calderdale's core spending power increased by 8.3% the allocation was for one-year only. This continued uncertainty adds to the challenge of being able to plan and allocate resources effectively over the longer term.

Approved Budget 2025/26 and Medium Term Financial Plan 2025/28

The resources available to the Council to make a difference need to be used wisely and deliver value for taxpayers' money. The financial strategy guides this and provides the mechanisms to ensure the Council is financially sustainable and resilient. The financial plan enables the Council to achieve its strategic objectives and legal duties for the benefit of residents and businesses.

The following principles have been used to guide the financial planning process:-

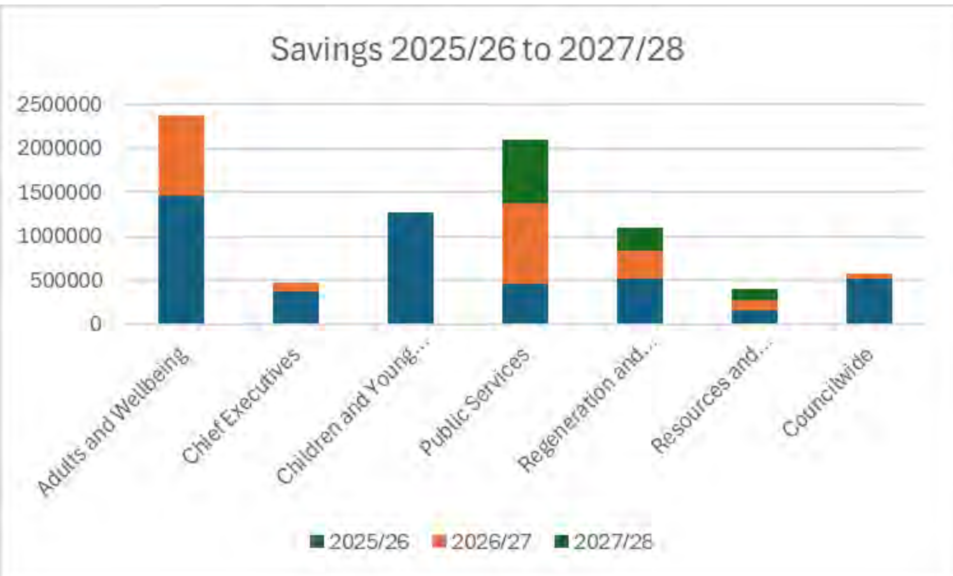
- Setting a detailed financial plan that balances over the next 3 years
- Replenish reserves used in 2024/25 to start to rebuild resilience
- Minimise impact on staff and need for compulsory redundancy
- Align spend to priorities
- Sustain controls on in-year overspend in alignment with our Best Value Duty
- Step-up our transformation – implement further digital solutions, maximise income, deliver major housing and infrastructure developments, lead and enhance our work to transform adult and children's social care, maximising the impact of our high-quality prevention work
- Adapt to being a smaller Council, remaining agile and adaptive in collaboration with the voluntary sector and our communities
- Be a proactive, ambitious and positive part of West Yorkshire Combined Authority (WYCA) and Integrated Care Board (ICB)

The Council approved a balanced budget for 2025/26 and medium term financial plan 2025/26 to 2027/28 in February 2025. The financial plan assumes raising council tax to the maximum set by Government in spending power assumptions.

The approved Medium-Term financial plan is summarised below:

Revenue Budget Requirement	Budget 2025/26 £	Budget 2026/27 £	Budget 2027/28 £
Directorate Service Controlled Expenditure - Cost of CMBC Services to the Public			
Adult Services and Wellbeing	92,619,643	96,218,263	100,718,263
Chief Executive's Office	4,625,546	4,537,656	4,479,656
Children and Young People's Services	49,887,559	50,951,139	52,151,859
Public Services	35,769,375	34,587,445	33,891,165
Regeneration and Strategy	21,702,096	21,578,756	21,481,869
Resources and Transformation	13,741,338	13,613,888	13,463,888
Total of Directorate Budgets	**218,345,557**	**221,487,147**	**226,186,700**
Centrally Controlled/Other Corporate Budgets & Inflation Continge	31,486,869	37,910,259	43,162,423
Total Revenue Budget Requirement	**249,832,426**	**259,397,406**	**269,349,123**
Contributions to(+)/from(-) Earmarked Reserves			
Other Centrally Controlled Earmarked Reserves	0	1,014,675	2,850,000
Collection Fund Surplus	0		
Total Funding Requirement	**249,832,426**	**260,412,081**	**272,199,123**
General Funding	**-93,098,495**	**-94,046,338**	**-94,994,348**
Local Taxation	**-156,733,931**	**-166,365,743**	**-176,218,975**
Total General Grant Funding and Local Taxation	**-249,832,426**	**-260,412,081**	**-271,213,323**
Budget Deficit (+)/Surplus(-)	**0**	**0**	**985,800**

The financial plan requires agreed new savings to be achieved over the period totalling £5.08m, this is in addition to prior years savings agreed in 2024 for this period of £3.21m. The table below summarises the overall saving of £8.29m by each Directorate:



Financial Sustainability and Resilience

It is important that spending is contained within budget so that the council can maintain its financial standing in the face of further pressure on resources in 2025/26 and beyond, as set out in the annual review of the MTFP.

The current Local Government Finance Settlement only provides certainty for 2025/26 - beyond this there remains a great deal of uncertainty. The MTFP therefore includes various assumptions on future funding which is based on government announcements made to date.

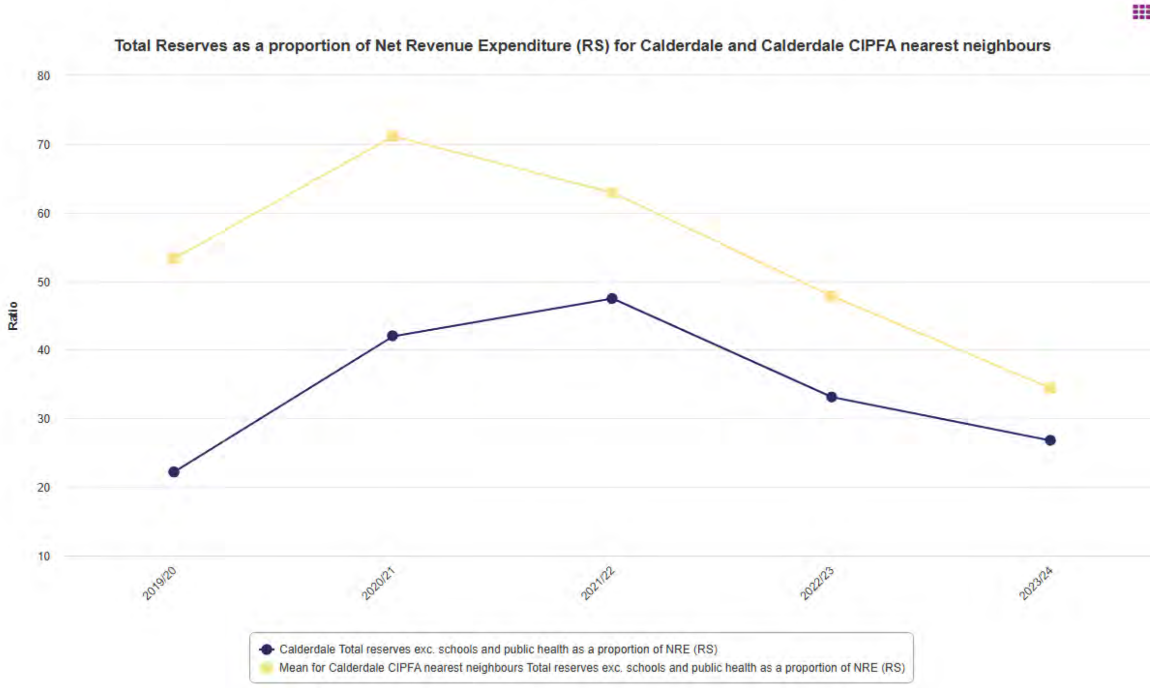
Key strategic risks are included in the Corporate Risk Register, regularly reported to CLT and Audit Committee, and reviewed through the updated budget strategy and MTFP. The balancing of the budget in-year depends upon the council achieving its council tax and business rates projections which are closely monitored, and which continue to be challenging in an environment of continued cost-of-living pressures.

The identified immediate risks to the budget process are:

- non-delivery of the approved savings plans.
- social care placement pressures (demand and market) and SEND Home to School Transport, which have been partly mitigated by underspends in 2024/25.
- Reactive maintenance requirements to the highways network, impacted by adverse weather events.
- The impact on cash balances and interest income levels due to the High Needs DSG deficit forecast increase

The council is faced with an uncertain financial climate over the medium to long term that presents a high risk while there remains potential for further, as yet unrecognised, risks.

The table below shows the recent trend in the level of reserves. This trend continued in 2024/25 with a plan to replenish reserves over the medium-term to strengthen financial resilience. The Director Resources and Transformation, as the council's Section 151 Officer, is required to state whether the reserves are adequate as part of the annual budget setting process.



The prior years External Audit Value for Money annual report identified our Arrangements for Financial Sustainability as a significant weakness due to the use of reserves to support budget shortfalls or overspends being unsustainable. Specifically how the Council plans to bridge its funding gaps and identify achievable savings presents a risk. The report recommended that the Council will need to develop plans and generate savings and efficiencies to deliver its services within the available resources to avoid the continued use of reserves.

The MTFP 2025/26 to 2027/28 aims to achieve this recommended approach, however a funding gap in 2027/28 needs to be addressed.

The future of local government financing is under review, and this may provide some opportunity for increase certainty on funding levels as a three year settlement is expected. In addition, the proposed council tax equalisation methodology may benefit Calderdale as a relatively low tax base area. This is unlikely to remove the need to ensure resources are allocated effectively to priorities and service delivery is achieved within the available cash envelope.

Conclusion

Despite the challenging landscape, the council remains committed to delivering high-quality, value-for-money services for our residents. The financial statements that follow provide further detail on our performance, financial position, and stewardship of public funds.

Financial Statements

The Government has recognised issues with auditing the accounts and the Ministry of Housing, Communities and Local Government, following consultation with key stakeholders, introduced legislation to amend the deadlines for the audit of accounts within The Accounts and Audit Regulations 2015 . The draft accounts for 2024/2025 must be approved by the council's Chief Financial Officer by 30th June 2025 (a one-month extension on the statutory 31st May deadline) and the audit of accounts concluded by 27th February 2026 (a five-month extension on the statutory 30th September deadline). The extension to audit deadlines will remain in place (on an annually reducing basis) until after the financial year 2027/2028. The accounts inspection period is 30 working days which must include the first 10 working days of July.

Where these deadlines cannot be met councils are required to publish a notice informing stakeholders of the delay.

The Statement of Accounts provide an overview of the council's financial position for 2024/25. The 2024/25 set of accounts conform to the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 (the Code), which is based on International Financial Reporting Standards (IFRSs).

The layout and purpose of each statement is as follows:

EXPLANATORY STATEMENTS

- **Statement of Responsibilities** - explains the responsibilities of the council and its Strategic Director Resources in relation to the council's financial affairs and the Statement of Accounts

CORE STATEMENTS

- **Comprehensive Income and Expenditure 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 (or rents). Authorities raise taxation (and rents) to cover expenditure in accordance with statutory requirements; this may be different from the accounting cost. The taxation position is shown in both the expenditure and funding analysis and the movement in reserves statement.
- **Movement in Reserves Statement** – shows the movement from the start of the year to the end on the different reserves held by the council, analysed into 'usable reserves' (those that can be applied to fund expenditure or reduce local taxation) and other 'unusable reserves'. The statement shows how the movements of reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to council tax for the year. The net increase/decrease line shows the general fund balance movements in the year following those adjustments.
- **Balance Sheet** - shows the value as at the balance sheet date of the assets and liabilities recognised by the council. The net assets of the council (assets

less liabilities) are matched by the reserves. Reserves are reported in two categories as below.

  - o Usable reserves, those reserves that the council may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the capital receipts reserve may only be used to fund capital expenditure or repay debt).
  - o Unusable reserves, those that the council is not able to use to provide services. This category of reserves includes reserves that hold accounting 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 regulation'.

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

NOTES TO THE CORE FINANCIAL STATEMENTS

All the notes to the core statements above are collected in one place and provide more information to understand the core statements. Later in this document there is an explanation of the policies used in the preparation of the figures in these accounts, especially changes made during the year.

OTHER STATEMENTS

The Collection Fund and notes – reflect the council's statutory obligation to maintain a separate Collection Fund for its transactions as a billing authority in relation to council tax and non-domestic (business) rates.

GROUP ACCOUNTS

Group accounts are prepared where an authority (the parent) holds majority interest in a subsidiary, associates and/or joint ventures. The main council statements are consolidated with the identified ventures and presented based on materiality. Intra-group transactions and balances are removed on a line-by-line basis. For 2024/25, the council has NO subsidiary companies.

ACCOUNTING POLICIES

The specific principles, bases, conventions, rules and practices applied by an authority in preparing and presenting financial statements.

GLOSSARY

At the end of the document there is a glossary which explains some of the technical terms used in these accounts.

FURTHER INFORMATION

Although the accounts are relatively complex to read, a result of the requirement to comply with the reporting obligations, I hope that you find them useful and informative in helping you to understand how the council manages its finances in delivering services for residents. If you have any questions or comments on the council's accounts or their presentation, please e-mail customer.first@calderdale.gov.uk or write to the Director Resources and Transformation, Calderdale Metropolitan Borough Council, Town Hall, Crossley Street, Halifax HX1 1UJ.

STATEMENT OF RESPONSIBILITIES

The council's Statement of Accounts has been produced under the CIPFA/LASAAC Code of Practice on Local Authority Accounting based on International Financial Reporting Standards (IFRS).

THE COUNCIL'S RESPONSIBILITIES

The council is required:

- To make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. In this council I exercise that role as the Director Resources and Transformation.
- To manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets
- To approve the Statement of Accounts

THE SECTION 151 OFFICER'S RESPONSIBILITES

The Section 151 Officer is responsible for the preparation of the council's statement of accounts which, in terms of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in Great Britain ('the Code'), is required to give a true and fair view of the financial position of the council at the accounting date and its income and expenditure for the year ended 31 March 2025.

In preparing this Statement of Accounts the Section 151 Officer has:

- Selected suitable accounting policies and then applied them consistently
- Made judgements and estimates that were reasonable and prudent
- Complied with the Code
- Kept proper accounting records which were up to date
- Taken reasonable steps for the prevention and detection of fraud and other irregularities

CERTIFICATE OF THE CHIEF FINANCIAL OFFICER

I certify that:

a) the statement of accounts for the year ended 31st March 2025 has been prepared in the form directed by the Code and under the accounting policies set out in note .
b) in my opinion the statement of accounts gives a true and fair view of the financial position of the authority at the reporting date and of its expenditure and income for the year ended 31 March 2025.
c) The statement of accounts is unaudited and may be subject to change.

B McIntyre

Becky McIntyre

Director Resources and Transformation (Section 151 Officer)

22 August 2025

Comprehensive Income and Expenditure Statement

2023/24 Expenditure £'000	Income £'000	Net Expenditure £'000	Service	2024/25 Expenditure £'000	Income £'000	Net Expenditure £'000	Note
			Continuing operations				
141,587	-59,178	82,409	Adult services and wellbeing	140,703	-58,792	81,911	
26,523	-21,328	5,195	Chief executive's office	28,845	-25,866	2,979	
196,475	-145,966	50,509	Children and young people's services	226,106	-156,930	69,176	
54,760	-17,201	37,559	Public services	63,129	-19,937	43,192	
57,259	-21,672	35,587	Regeneration and strategy	60,197	-23,004	37,193	
15,696	-2,039	13,657	Resources and Transformation	15,954	-1,703	14,251	
43,505	-37,662	5,843	Centrally managed items	48,066	-37,683	10,383	
535,805	**-305,046**	**230,759**	**Net Cost of Services**	**583,000**	**-323,915**	**259,085**	5
			Other operating expenditure				
		930	Parish Precepts			1,036	
		0	Net (Surplus)/Deficit from Trading Operations			0	
		0	Changes in fair value of held for sale assets			0	
		-609	(Gain)/loss on disposal of Fixed Assets & Investments			19,461	
			Financing and Investment Income and Expenditure				
		-4,189	Interest and Investment Income			-2,896	
		6,370	Interest Payable and similar charges			6,745	
		-1,150	Interest on the net defined benefit pensions liability			-3,525	
		-205	Income & expenditure in relation to investment properties, and changes in fair value			-195	
		170	Changes in the fair value of pooled investment funds			-81	
			Taxation and non specific grant income				
		-111,344	Council Tax income			-118,117	
		-43,318	Non domestic rates income			-44,787	
		-41,680	Government Grant not attributable to specific services			-52,156	21
		-42,472	Capital Grants			-30,136	21
		-6,738	**(Surplus) or deficit on the provision of services**			**34,434**	
			Other comprehensive income and expenditure				
			Will not be reclassified subsequently to the surplus or deficit on the provision of services				
		0	(Gains)/losses on the revaluation of financial assets designated to be measured at fair value through other comprehensive income.			-19	
		-3,098	(Surplus) / Deficit arising on the revaluation of non current assets			-3,387	
		-67,539	Remeasurement of the net defined benefit pension liability			-79,862	28
		-70,637	**Total other comprehensive (income) and expenditure**			**-83,268**	
		-77,375	**Total comprehensive (income) and expenditure**			**-48,834**	

The Movement in Reserves Statement

year ended 31st March 2025	General Fund Balance £'000	Earmarked GF Reserves £'000	Capital Grants Reserve £'000	Capital Receipts Reserve £'000	**Total Usable Reserves** £'000	**Unusable Reserves** £'000	**Total Net Worth** £'000
Balance at 1st April 2024	**7,254**	**59,249**	**54,953**	**0**	**121,456**	**396,848**	**518,304**
Total Comprehensive Income and Expenditure	-45,414	0	0	0	**-45,414**	**-76,456**	**-121,870**
Adjustments between accounting basis & funding basis under statutory provisions (note 7)	19,863	0	-20,986	228	**-895**	**895**	**0**
Transfers to / from Earmarked Reserves (note 19)	25,549	-12,235	0	0	**13,314**	**-13,314**	**0**
Increase / (Decrease) in Year	**-2**	**-12,235**	**-20,986**	**228**	**-32,995**	**-88,875**	**-121,870**
Balance at 31 March 2025	**7,252**	**47,014**	**33,967**	**228**	**88,461**	**307,973**	**396,434**

year ended 31st March 2024	General Fund Balance £'000	Earmarked GF Reserves £'000	Capital Grants Reserve £'000	Capital Receipts Reserve £'000	**Total Usable Reserves** £'000	**Unusable Reserves** £'000	**Total Net Worth** £'000
Balance at 1st April 2023	**6,482**	**67,022**	**42,405**	**0**	**115,909**	**326,402**	**442,311**
Total Comprehensive Income and Expenditure	6,738	0	0	0	**6,738**	**70,637**	**77,375**
Adjustments between accounting basis & funding basis under statutory provisions (note 7)	-18,994	0	12,548	0	**-6,446**	**5,065**	**-1,381**
Transfers to / from Earmarked Reserves (note 19)	13,028	-7,773	0	0	**5,255**	**-5,255**	**0**
Increase / (Decrease) in Year	**772**	**-7,773**	**12,548**	**0**	**5,547**	**70,447**	**75,994**
Balance at 31 March 2024	**7,254**	**59,249**	**54,953**	**0**	**121,456**	**396,849**	**518,305**

The Balance Sheet at 31st March 2025

31st March 2023 restated £'000	31st March 2024 £'000		31st March 2025 £'000	Note
		Long Term Assets		
541,159	553,182	Property, Plant & Equipment	556,330	8
3,728	3,741	Heritage Assets	3,741	10
18,042	17,773	Investment Property	17,417	11
0	260	Intangible Assets	1,222	
0	63,671	Net Pension Assets	0	28
7,039	6,869	Long term investments	6,955	27
4,836	4,497	Long term debtors	4,610	27
574,804	**649,993**	**TOTAL LONG TERM ASSETS**	**590,275**	
		Current Assets		
39,000	32,900	Short term investments	3,000	15
441	497	Inventories	679	
57,095	50,668	Short term debtors	65,538	14
11,912	13,926	Cash and cash equivalents	19,773	16
958	1,008	Assets held for sale	914	
109,406	98,999		89,904	
		Current Liabilities		
-671	0	Cash and cash equivalents - bank overdraft	0	16
-5,268	-8,578	Short term borrowing	-10,698	27
-70,321	-66,596	Short term creditors	-93,867	17
-3,991	-4,513	Short term provisions	-4,111	18
-2,680	-2,910	Other short term liabilities	-3,654	27
-82,931	-82,597		-112,330	
601,279	**666,395**	**TOTAL ASSETS LESS CURRENT LIABILITIES**	**567,849**	
		Other Liabilities		
-1,126	-1,182	Long term creditors	-1,241	
-601	-1,534	Provisions	-1,553	18
-131,704	-125,297	Long term borrowing	-137,969	27
-2,550	0	Net pension liabilities	-12,890	28
-22,987	-20,077	Other long term liabilities	-17,757	27
-158,968	-148,090		-171,410	
442,311	**518,305**	**TOTAL ASSETS LESS LIABILITIES**	**396,439**	
		Financed By:-		
		Usable Reserves		
0	0	Usable Capital Receipts Reserve	231	
42,405	54,953	Capital Grants Unapplied Reserve	33,967	
67,022	59,249	Earmarked Reserves	47,014	19
6,482	7,254	General Fund Balance	7,252	
115,909	**121,456**	**TOTAL USABLE RESERVES**	**88,464**	
		Unusable reserves		
193,418	204,705	Capital Adjustment Account	210,037	25
137,961	137,403	Revaluation Reserve	135,898	25
2,710	1,835	Collection Fund Adjustment Account	-181	25
502	502	Financial Instruments Revaluation Reserve	521	25
-638	-808	Pooled investment funds adjustment account	-727	25
-4,133	-4,336	Accumulated Absences Account	-5,246	25
-868	-6,123	Schools Funding Deficit	-19,437	25
-2,550	63,671	Pensions Reserve	-12,890	25/28
326,402	**396,849**	**TOTAL UNUSABLE RESERVES**	**307,975**	
442,311	**518,305**	**TOTAL RESERVES**	**396,439**	

The Cash Flow Statement

2023/24 £'000	2023/24 £'000		2024/25 £'000	2024/25 £'000	Note
	-6,738	Net (surplus) or deficit on the provision of services		45,414	
		Adjustments for:-			
-28,221		non cash movements	-44,597		26
45,862	17,641	items that are investing and financing activities	20,833	-23,764	26
	10,903	Net cash flows from Operating Activities		21,650	
		Investing Activities			
42,213		Purchase of property, plant and equipment, heritage assets and investment properties.	41,083		
-286		Purchase of long term investments and other investing activities			
-2,027		Proceeds from the sale of property, plant and equipment, heritage assets and investment properties.	-1,359		
-17		Proceeds from the sale of long term investments and other investing activities	-61		
-53,658		Other receipts for investing activites (capital grants and contributions)	-26,183		
-6,100		Net movement in short term investments	-29,900		
	-19,875			-16,420	
		Financing Activities			
-2,000		Net short term borrowing cash payments/(receipts)	2,000		
0		Other receipts from financing activities	0		
2,632		Cash payments for the reduction of the outstanding liability relating to on balance sheet PFI contracts	2,864		
0		Long term loans raised	0		
5,097		Long term loans repaid	-16,793		
558		Other payments for financing activities	852		
	6,287			-11,077	
	-2,685	**Net (increase) / decrease in cash and cash equivalents**		**-5,847**	
	11,241	**Cash and cash equivalents at 1st April**		**13,926**	
	13,926	**Cash and cash equivalents at 31st March**		**19,773**	16

Notes to the Core Financial Statements

1. Members' Allowances

Total members allowances and expenses of £849k were paid during the year (£815k in 2023/24)

2. Officers' Remuneration

Senior Officer Remuneration

The remuneration paid to the council's senior employees is as follows:

Remuneration of senior employees

Senior Officers		Salary, fees & allowances £'000	Expenses £'000	Pension contributions £'000	Total remuneration £'000
Chief Executive (R Tuddenham) [1]	2024/25	179		30	209
	2023/24	159		27	186
Director of Resources and Transformation [2]	2024/25	144		24	168
	2023/24	81		14	95
Head of Legal and Democratic Services	2024/25	101		17	118
	2023/24	98		17	115
Director of Adult Services and Wellbeing	2024/25	132		22	154
	2023/24	129		22	151
Director of Children and Young People's Services	2024/25	144		24	168
	2023/24	141		22	163
Director of Regeneration and Strategy	2024/25	144		24	168
	2023/24	141		24	165
Director of Public Services	2024/25	138		23	161
	2023/24	135		23	158
Director of Public Health	2024/25	119		17	136
	2023/24	117		17	134

[1] Includes £17k as returning officer for local elections (£9k in 2023/24).

[2] New Post Started September 2023

Employees earning over £50k.
The council's other employees receiving more than £50,000 remuneration for the year (excluding employer's pension contributions) were paid the following amounts:

No. of staff 2023/24 Teaching staff	No. of staff 2023/24 Non teaching staff	Officers' and Teachers' Remuneration £	No. of staff 2024/25 Teaching staff	No. of staff 2024/25 Non teaching staff
40	76	50,000 - 54,999	64	76
18	28	55,000 - 59,999	33	28
11	9	60,000 - 64,999	15	9
16	14	65,000 - 69,999	11	14
10	0	70,000 - 74,999	10	0
8	0	75,000 - 79,999	12	0
5	1	80,000 - 84,999	7	1
3	2	85,000 - 89,999	5	2
0	0	90,000 - 94,999	2	0
0	7	95,000 - 99,999	0	7
3	0	100,000 - 104,999	1	0
0	1	105,000 - 109,999	2	1
0	0	110,000 - 114,999	0	0
0	0	115,000 - 119,999	0	0
0	1	120,000 - 124,999	0	1
0	0	125,000 - 129,999	0	0
0	0	130,000 - 134,999	0	0
1	0	135,000 - 139,999	1	0
115	**139**		**163**	**139**

Exit Packages

The number of exit packages with total cost per band and total cost of the compulsory and other redundancies are set out in the table below (excluding any Senior Officers which are listed individually above):

2023/24 Other Departures Agreed no. of staff	2023/24 Other Departures Agreed Total value £'000	2023/24 Compulsory no. of staff	2023/24 Compulsory Total value £'000	£	2024/25 Other Departures Agreed no. of staff	2024/25 Other Departures Agreed Total value £'000	2024/25 Compulsory no. of staff	2024/25 Compulsory Total value £'000
12	70	4	8	0 - 19,999	7	26	17	89
2	49	2	52	20,000 - 39,999	4	103	3	94
1	55			40,000 - 59,999				
15	**174**	**6**	**60**		**11**	**129**	**20**	**183**

3. External Audit Costs

The council has incurred the following costs in relation to the audit of the statement of accounts:

2023/24 £'000	APPOINTED AUDITOR FEES	2024/25 £'000
99	External audit services fee specified by the Public Sector Audit Appointment (PSAA)	370
40	Certification of grant claims and returns	33
139	**Total Fees**	**403**

4. Related party transactions

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

Central Government
Central government has significant influence over the general operations of the council – it is responsible for providing the statutory framework within which the council operates, provides most of its funding in the form of grants and prescribes the terms of many of the transactions that the council has with other parties (e.g. council tax bills, housing benefits). Grant receipts are shown in Note 21 and year-end debtor balances with the Government are shown in Note 14.

Other Public Bodies
The Council collects and then pays over council tax and non-domestic rate income on behalf of other precepting authorities and the Government.

A levy of £8.5m (£4.1m in 2023/24 after an exceptional one-off reduction in that year) was paid to the West Yorkshire Combined Authority for public transport provision, which includes a contribution towards the West Yorkshire Transport Fund for major regional transport infrastructure projects.

The following related party transactions with other entities within the UK public sector are disclosed elsewhere in the accounts:

- Precepting authorities (see the Income and Expenditure and Collection Fund Accounts)
- West Yorkshire Pension Fund (see note 29)
- Pooled services (see note 24)

Members and Officers
Members of the council have direct control over the council's financial and operating policies. The total of members' allowances paid during the year is shown in Note 1. The Register of Members' Interests is available to be viewed on the council's website. Officers that might be in a position to significantly influence the policies of the council are considered to be members of the Corporate Leadership Team. All senior officers have been required to complete a related party declaration identifying organisations with which they have

influence/or control in, and which may have a related party interest with the council. Employees are required by the officers' code of conduct to declare any financial or non-financial interests which could conflict with those of the Council. Such declarations are registered with the Monitoring Officer. Senior Officer remuneration is disclosed in Note 2.

There are no circumstances or material transactions requiring disclosure.

5. Expenditure and Funding Analysis and Associated Notes

The Expenditure and Funding Analysis (EFA) shows how annual expenditure is used and funded from resources (government grants, rents, council tax and business rates) by councils in comparison with those resources consumed or earned by councils in accordance with International Financial Reporting Standards (IFRS). It also shows how this expenditure is allocated for decision making purposes between the service areas across the council. Income and expenditure accounted for under International Financial Reporting Standards (IFRS) is presented more fully in the Comprehensive Income and Expenditure Statement.

EXPENDITURE FUNDING ANALYSIS **2024/25**	**Reported Service net expenditure**	**Adjustments to reflect the CIES format**	**Adjust funding basis to accounting basis**	**Net Expenditure in the Comprehensive Income & Expenditure Statement**
	£'000	**£'000**	**£'000**	**£'000**
Directorate				
Adult Services and Wellbeing	81,062	0	849	81,911
Chief Executive's Office	2,084	382	513	2,979
Children & Young People's Services	63,786	383	5,007	69,176
Public Services	37,333	0	5,859	43,192
Regeneration and Strategy	22,431	558	14,204	37,193
Resources and Transformation	13,359	0	892	14,251
Centrally managed items	22,573	-5,650	-6,540	10,383
Net Cost of Services	**242,628**	**-4,327**	**20,784**	**259,085**
Other income and expenditure	0	4,327	16,218	20,545
Funding	-217,076	0	-17,140	-234,216
(Surplus)/Deficit on the provision of services	**25,552**	**-**	**19,862**	**45,414**

EXPENDITURE FUNDING ANALYSIS **2023/24**	**Reported Service net expenditure**	**Adjustments to reflect the CIES format**	**Adjust funding basis to accounting basis**	**Net Expenditure in the Comprehensive Income & Expenditure Statement**
	£'000	**£'000**	**£'000**	**£'000**
Directorate				
Adult Services and Wellbeing	80,741	0	1,668	82,409
Chief Executive's Office	5,046	0	149	5,195
Children & Young People's Services	41,937	444	8,128	50,509
Public Services	31,481	0	6,078	37,559
Regeneration and Strategy	22,287	529	12,771	35,587
Resources and Transformation	12,978	0	679	13,657
Centrally managed items	14,805	-3,555	-5,407	5,843
Net Cost of Services	**209,275**	**-2,582**	**24,066**	**230,759**
Other income and expenditure	0	2,582	-1,266	1,316
Funding	-197,216	0	-41,597	-238,813
(Surplus)/Deficit on the provision of services	**12,059**	**-**	**-18,797**	**-6,738**

Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts:

ANALYSIS OF ACCOUNTING ADJUSTMENTS 2024/25	Adjustments relating to capital items £'000	Adjustments relating to pensions £'000	Other adjustments £'000	Total Accounting Adjustments £'000
Directorate				
Adult Services and Wellbeing	558	268	23	849
Chief Executive's Office	427	71	15	513
Children & Young People's Services	3,542	664	801	5,007
Public Services	5,520	295	44	5,859
Regeneration and Strategy	13,927	239	38	14,204
Resources and Transformation	758	144	-10	892
Centrally managed items	-5,081	-1,459	0	-6,540
Other income and expenditure	19,823	-3,524	-81	16,218
Funding	-19,156	0	2,016	-17,140
(Surplus)/Deficit on the provision of services	**20,318**	**-3,302**	**2,846**	**19,862**

ANALYSIS OF ACCOUNTING ADJUSTMENTS 2023/24	Adjustments relating to capital items £'000	Adjustments relating to pensions £'000	Other adjustments £'000	Total Accounting Adjustments £'000
Directorate				
Adult Services and Wellbeing	1,017	569	81	1,667
Chief Executive's Office	0	141	7	148
Children & Young People's Services	6,910	1,318	-101	8,127
Public Services	5,415	589	74	6,078
Regeneration and Strategy	12,208	465	98	12,771
Resources and Transformation	331	305	42	678
Centrally managed items	-3,781	-1,626	0	-5,407
Other income and expenditure	-286	-1,150	170	-1,266
Funding	-42,472	0	875	-41,597
(Surplus)/Deficit on the provision of services	**-20,658**	**611**	**1,246**	**-18,801**

Adjustments relating to capital items

This includes the charge to services for depreciation, impairment and revaluation gains and losses.

Adjustments relating to pensions

These adjustments include the removal of the employer pension contributions made by the council as allowed by statute and the replacement with current service costs and past service costs, alongside the net interest on the defined benefit liability charged within other income and expenditure.

Other adjustments

Other statutory adjustments - between amounts charged/credited to the CIES and amounts payable/receivable to be recognised under statute – accumulated absences charges as required by IAS19 to services and adjustments involving the amount by which council tax and NDR income credited to the Comprehensive Income and Expenditure Statement is different from the amount calculated in accordance with statutory requirements.

Non-Statutory Adjustments – represents amounts charged/credited to service segments which need to be adjusted against the 'Other income and expenditure from the Expenditure and Funding Analysis' line to comply with the presentational requirements in the Comprehensive Income and Expenditure Statement – e.g. interest income and expenditure, changes in the fair values of investment properties, trading operations and non-ringfenced government grants.

Segmental Income and Expenditure

The following analysis shows revenues from external customers and depreciation and impairment expenditure included within the Net Expenditure chargeable to the General Fund in the Expenditure and Funding Analysis:

Analysis by operating segment of those items of income and expenditure required by the Code (£'000)	Adult services & wellbeing	Chief executive's office	Children & young people	Public services	Regeneration and strategy	Resources and Transformation	Centrally managed items	Total
Depreciation, impairment and revaluations								
2024/25	559	427	4,093	5,591	13,926	468	362	25,426
2023/24	271	0	4,299	6,254	12,109	331	3,298	26,562
Sales, fees, charges and other income								
2024/25	-19,703	-278	-5,766	-16,249	-7,332	-1,229	0	-50,557
2023/24	-17,430	-229	-5,801	-14,395	-6,932	-1,383	0	-46,170

6. Expenditure and Income analysed by nature.

The council's expenditure and income is analysed as follows:

Analysis of income and expenditure in the comprehensive income and expenditure statement	2024/25 £'000	2023/24 £'000
Expenditure		
Employees	193,430	186,189
Other operating expenses	109,177	104,855
Third party payments	197,073	162,612
Transfer Payments	59,326	56,881
Depreciation, impairment & revaluations	25,426	26,562
Interest Paid	6,665	6,540
Gain/loss on disposal of fixed assets	19,461	-609
Pension interest costs	-3,525	-1,150
Total expenditure	**607,033**	**541,880**
Income		
Government grant	-268,981	-295,069
Non Government grant & contributions	-76,281	-48,528
Sales, fees & charges and other income	-50,557	-46,170
Interest received	-2,896	-4,189
Council tax	-118,117	-111,344
Non domestic rate income	-44,787	-43,318
Total income	**-561,619**	**-548,618**
Net expenditure	**45,414**	**-6,738**

7 Adjustment between accounting basis and funding basis under regulations

The Comprehensive Income and Expenditure Statement shows the council's income and expenditure for the year on the basis of International Financial Reporting Standards. However, the amounts actually chargeable to a local authority's General Fund reserves and therefore to its council tax, are controlled by legislation and include a number of statutory adjustments and transfers to specific reserves. The statutory adjustments which are required largely relate either to the arrangements for the funding of a local authority's capital expenditure or to the timing with which some items are charged or credited to council tax. The table below summarises these adjustments:

2024/25	General fund balance £'000	Usable capital receipts reserve £'000	Capital grants unapplied reserve £'000	Movement in unusable reserves £'000
Adjustments relating to capital items				
Reversal of items charged to the CIES				
Charges for depreciation and amortisation of non current assets	24,447			-24,447
Valuation changes of non current assets	979			-979
Capital grants and contributions	-29,836		-20,986	50,822
Revenue expenditure funded from capital under statute	11,086			-11,086
Amounts of non current assets written off on disposal or sale	2,756			-2,756
Sale proceeds and other capital receipts	-1,378	1,378		0
Use of the capital receipts reserve to finance new capital expenditure		-1,150		1,150
Schools transferred out to Academy Status	18,084			-18,084
Insertion of items not charged to the CIES				
Minimum revenue provision for repayment of debt	-5,082			5,082
Capital expenditure funded from revenue	-738			738
Total adjustments relating to capital items	20,318	228	-20,986	440
Adjustments relating to pensions				
Reversal of IAS19 pension charges	16,332			-16,332
Employers' pension contributions	-19,633			19,633
Total adjustments relating to pensions	-3,301	0	0	3,301
Other adjustments				
Collection fund income recognised in the CIES	-145,536			145,536
Collection fund income recognised under statute	147,552			-147,552
Fair value changes in pooled investment funds	-81			81
Accrual for holiday pay and similar items	911			-911
Total other adjustments	2,846	0	0	-2,846
Total adjustments	**19,863**	**228**	**-20,986**	**895**

2023/24	General fund balance £'000	Usable capital receipts reserve £'000	Capital grants unapplied reserve £'000	Movement in unusable reserves £'000
Adjustments relating to capital items				
Reversal of items charged to the CIES				
Charges for depreciation and amortisation of non current assets	23,263			-23,263
Valuation changes of non current assets	3,298			-3,298
Capital grants and contributions	-53,123		12,548	40,575
Revenue expenditure funded from capital under statute	11,498			-11,498
Amounts of non current assets written off on disposal or sale	1,398			-1,398
Sale proceeds and other capital receipts	-2,008	2,008		0
Use of the capital receipts reserve to finance new capital expenditure		-2,008		2,008
Insertion of items not charged to the CIES				
Minimum revenue provision for repayment of debt	-3,781			3,781
Capital expenditure funded from revenue	-724			724
Total adjustments relating to capital items	-20,179	0	12,548	7,631
Adjustments relating to pensions				
Reversal of IAS19 pension charges	20,050			-20,050
Employers' pension contributions	-18,732			18,732
Total adjustments relating to pensions	1,318	0	0	-1,318
Other adjustments				
Collection fund income recognised in the CIES	-137,942			137,942
Collection fund income recognised under statute	138,817			-138,817
Fair value changes in pooled investment funds	170			-170
Accrual for holiday pay and similar items	203			-203
Total other adjustments	1,248	0	0	-1,248
Total adjustments	**-17,613**	**0**	**12,548**	**5,065**

8. Property, plant and equipment

Valuations

Property, valuations have been undertaken during the year by Capita (property & infrastructure) Ltd, an external firm of property valuation professionals. Two assets were valued internally by an in-house qualified valuer.

For the purpose of these disclosure notes, only material classes of assets have been separately identified, and all other classes have been grouped together as other operational assets. The different classes are valued as follows.

Schools and sports facilities	Current value on a depreciated replacement cost (DRC) basis based on a modern equivalent asset (MEA) using the instant build approach.
Other operational assets	This includes all other classes of operational assets valued on a mixture of bases including existing use for e.g. car parks and depots; DRC for e.g. children's centres, libraries and the theatre and depreciated historical cost for short life assets such as plant, vehicles and equipment, and difficult to value assets such as community assets (e.g. parks).
Infrastructure assets and assets under construction	Infrastructure assets (e.g. highways and bridges), and assets under construction are measured at historical cost and depreciated or impaired as appropriate.
Surplus assets	Surplus assets are carried at fair value, being an exit price based on highest and best use.

Depreciation

With the exceptions of land (unless it has a finite life), buildings under construction, and community assets (unless specifically appropriate), all items of property, plant and equipment are depreciated over their useful economic lives. These estimates remain unchanged from previous years.

- Buildings have been depreciated on a straight-line basis over periods calculated individually ranging from 10 to 60 years.
- Infrastructure assets have been depreciated on a straight-line basis over 25 years.
- Plant, vehicles and equipment have been depreciated on a straight-line basis over periods of between 5 and 15 years.

Capital Commitments

The Capital Strategy approved by Council covers expenditure on PPE, intangible assets and revenue expenditure funded from capital under statute. As at 31 March 2025, the council has entered into a number of contracts for the construction or enhancement of PPE in future years. Of these contracts, those considered to be major contracts are those having outstanding commitments in excess of £1m. At 31 March 2025, the following contracts met this criterion:

- A629 Phase 2 Halifax Town Centre scheme - £34.37m, which is fully funded by the West Yorkshire Combined Authority. The scheme will improve pedestrian and cycle access into the town centre area by addressing and is due to be completed in 2028.

Movement on property, plant & equipment y/e 31st March 2025	OPERATIONAL PROPERTY, PLANT & EQUIPMENT				NON OPERATIONAL		TOTAL PPE
	Schools	Sports facilities	Infrastructure	Other operational assets	Surplus Assets	Assets under Construction	
	£'000	£'000	£'000	£'000	£'000	£'000	**£'000**
Cost and valuation at 1st April 2024	141,073	41,277	317,111	207,686	1,513	2,131	**710,791**
IFRS 16 integration				1,462			
Accumulated depreciation	-7,415	-819	-130,634	-18,241	-500	0	**-157,609**
Net Book Value at 1st April 2024	**133,658**	**40,458**	**186,477**	**190,907**	**1,013**	**2,131**	**554,644**
Movements during the year							
Depreciation charged	-3,826	-1,866	-12,685	-5,976	-42		**-24,395**
Additions	3,270	132	30,941	8,126	60	1,419	**43,948**
Disposals				-2,638			**-2,638**
Revaluations							
- to revaluation reserve	744	1,049		5,601			**7,394**
- to surplus/deficit on provision of services	304	13		674	36		**1,027**
Impairments							
- to revaluation reserve				-4,007			**-4,007**
- to surplus/deficit on provision of services				-1,583	-60		**-1,643**
Reclassifications				84			**84**
Transfers to Academy Status	-18,069			-15			**-18,084**
Net Book Value at 31st March 2025	**116,081**	**39,786**	**204,733**	**191,173**	**1,007**	**3,550**	**556,330**
Cost and valuation at 31/3/25	126,067	41,377	348,052	212,699	1,562	3,550	**733,307**
Accumulated depreciation	-9,986	-1,591	-143,319	-21,526	-555		**-176,977**
Net Book Value at 31st March 2025	**116,081**	**39,786**	**204,733**	**191,173**	**1,007**	**3,550**	**556,330**
Nature of asset holding							
Owned	112,452	39,786	204,733	191,173	1,007	3,550	**552,701**
Finance lease							**0**
PFI	3,629						**3,629**
	116,081	**39,786**	**204,733**	**191,173**	**1,007**	**3,550**	**556,330**

Movement on property, plant & equipment y/e 31st March 2024	OPERATIONAL PROPERTY, PLANT & EQUIPMENT				NON OPERATIONAL		TOTAL PPE
	Schools	Sports facilities	Infrastructure	Other operational assets	Surplus Assets	Assets under Construction	
	£'000	£'000	£'000	£'000	£'000	£'000	**£'000**
Cost and valuation at 1st April 2023	142,351	41,220	293,463	199,568	2,768	1,496	**680,866**
Accumulated depreciation	-3,913	-50	-118,896	-16,825	-23	0	**-139,707**
Net Book Value at 1st April 2023	**138,438**	**41,170**	**174,567**	**182,743**	**2,745**	**1,496**	**541,159**
Movements during the year							
Depreciation charged	-3,831	-1,965	-11,738	-5,191	-538		**-23,263**
Additions	3,829	186	23,648	8,257	39	635	**36,594**
Disposals				-347	-386		**-733**
Revaluations							
- to revaluation reserve		1,093		5,376			**6,469**
- to surplus/deficit on provision of services				2,491	20		**2,511**
Impairments							
- to revaluation reserve	-1,924			-1,417	-30		**-3,371**
- to surplus/deficit on provision of services	-2,854	-26		-2,467	-139		**-5,486**
Reclassifications					-698		**-698**
Net Book Value at 31st March 2024	**133,658**	**40,458**	**186,477**	**189,445**	**1,013**	**2,131**	**553,182**
Cost and valuation at 31/3/24	141,073	41,277	317,112	207,686	1,513	2,131	**710,792**
Accumulated depreciation	-7,415	-819	-130,635	-18,241	-500		**-157,610**
Net Book Value at 31st March 2024	**133,658**	**40,458**	**186,477**	**189,445**	**1,013**	**2,131**	**553,182**
Nature of asset holding							
Owned	130,029	40,458	186,477	189,445	1,013	2,131	**549,553**
Finance lease							**0**
PFI	3,629						**3,629**
	133,658	**40,458**	**186,477**	**189,445**	**1,013**	**2,131**	**553,182**

9 Revaluations

All property, plant and equipment within a particular class are revalued each year within a 5 year rolling programme. Classes of assets are spread out over the 5-year cycle to create an even annual valuation programme. This year, a total of 104 assets were revalued at £33.2m by Michael Boaden MRICS and Chris Wilkinson MRICS of Capita, our external valuers. This included the Council's Car Parks, various land and buildings, as well as one investment property, the Northgate House Commercial Development. One PPE asset was revalued internally at £62.8m by an in-house qualified valuer who also valued the remaining investment properties and held for sale assets (£9.7m). Investment properties and held for sale assets are assessed annually to reflect values at the balance sheet date.

Where evidence shows valuation changes of more than 10% in our major asset classes, these are revalued internally, using the appropriate rates identified. The market review indicated that no such revaluations were required this year. In addition, any other individual PPE assets with a net book value over £10m are revalued internally.

Where there is impairment of or enhancement to a specific asset, these are revalued in isolation, rather than an entire class being revalued.

Year of revaluation of Property, Plant and Equipment by Net Book Value

Date valued	2024/25	2023/24	2022/23	2021/22	2020/21	Historical cost/ other	Net book value	NBV per PPE note
	£'000	£'000	£'000	£'000	£'000	£'000	**£'000**	£'000
Schools	3,070	-	135,660	6,676	-	203	**145,609**	116,081
Sports Centres	1,765	1,796	-	-	21,441	19,559	**44,561**	39,786
Other	81,971	116,434	11,202	80,745	23,384	60,747	**374,483**	191,173
Infrastructure	-	-	-	-	-	150,905	**150,905**	204,733
Surplus Assets	456	420	635	715	-	-	**2,226**	1,007
Assets under Construction						1,010	**1,010**	3,550
Total	**87,262**	**118,650**	**147,497**	**88,136**	**44,825**	**232,424**	**718,795**	556,330

The majority of the higher value assets are valued at depreciated replacement cost (DRC). These are valued using appropriate average building cost information indices reflecting property type and locality and, in echoing broader measures, they typically differ from simple market values. Land values are determined within the overall constraints of the Council's unitary development plan (UDP) or, within DRC valuations, calculated as a percentage of the build cost.

10 Heritage Assets

Heritage assets are accounted for generally in accordance with the accounting policy for property, plant and equipment, although some heritage buildings and structures have not been valued due to the lack of comparable market values and the difficult valuation issues surrounding such items. These assets have indeterminate lives and residual values commensurate with carrying values and hence depreciation is not considered necessary. The Balance Sheet includes collections of artworks £2.8m, civic regalia £0.5m, furniture £0.2m, and other artefacts £0.2m.

2023/24	Movement on Heritage Assets	2024/25
£'000		£'000
3,728	**Cost and valuation at 1st April**	**3,741**
	Movements during the year	
0	Depreciation charged in year	0
13	Additions	0
	Disposals	
	Revaluations	
	- to revaluation reserve	
	- to surplus/deficit on provision of services	
	Impairments	
0	- to revaluation reserve	
	- to surplus/deficit on provision of services	
	Reclassifications	
3,741	**Net Book Value at 31st March**	**3,741**
3,472	Cost and valuation	3,472
269	Accumulated spend	269
0	Accumulated depreciation	
3,741	**Cost and valuation at 31st March**	**3,741**
	Nature of asset holding	
3,741	Owned	3,741
	Finance lease	
	PFI	
3,741		**3,741**

11 Investment properties

Investment properties are those assets held solely to earn rentals or for capital appreciation and are not used to provide services or for administrative purposes. Investment properties comprise industrial, retail, residential and office units, development and grazing land. Rental income of £1,324k was earned in the financial year 2024/25, mainly from shop lettings and the previous acquisition of a commercial property. Expenditure on investment property for 2024/25 totalled £11k

Investment properties are accounted for under the fair value model and are valued at highest and best value, comparing current use to alternative possible uses. The main considerations in valuing investment properties are rental yields and sale values; size, location, configuration and access; condition and covenants. All investment property valuations are based on such observable inputs. We have assessed that subsequent developments have not materially altered our view as to conditions as at that date.

After initial recognition, gains and losses on revaluation are recognised in the Comprehensive Income and Expenditure Statement. Investment properties are not depreciated.

2023/24	Movement on Investment Properties	2024/25
£'000		£'000
18,042	**Cost and valuation at 1st April**	**17,773**
	Movements during the year	
54	Additions	7
	Disposals	
	Revaluations	
	- to revaluation reserve	
5	- to surplus/deficit on provision of services	272
	Impairments	
	- to revaluation reserve	
-328	- to surplus/deficit on provision of services	-635
	Reclassifications	
17,773	**Net Book Value at 31st March**	**17,417**
16,652	Certified Valuation at 31st March	16,289
1,121	Accumulated spend	1,128
17,773	**Net Book Value at 31st March**	**17,417**
	Nature of asset holding	
17,773	Owned	17,417
	Finance lease	
	PFI	
17,773		**17,417**

12 Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred in the year is shown in the table below (including the value of assets acquired under finance leases and PFI contracts), together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the council, the expenditure results in an increase in the capital financing requirement (CFR), a measure of the capital expenditure incurred historically by the council that has yet to be financed.

Capital expenditure that is to be paid for in future years (borrowing) increases the Council's Capital Financing Requirement (CFR), i.e. capital expenditure historically incurred which still has to be financed. This is written down annually, in accordance with Council policy, by charges to Council Tax or other resources. The overall CFR at the year-end stood at £239.6m (2023/24 - £238.1m).

2023/24	Capital Financing	2024/25
£'000		£'000
	Capital expenditure	
36,594	Property, plant and equipment	43,946
13	Heritage Assets	0
54	Investment properties	7
0	Held for sale assets	0
260	Intangible assets	1013
0	Investments	0
0	Long Term Debtors	0
11,498	Revenue expenditure financed by capital (refcus)	11,086
48,419		**56,052**
	Financed by	
5,112	Borrowing (Inc. Leasing)	3,342
2,008	Capital Receipts	1,150
40,575	Grants & Contributions	50,822
724	Revenue & Reserves	738
48,419		**56,052**

13 Leases

13a Finance leases

From 1 April 2024, Calderdale MBC has applied IFRS 16 Leases as adopted by the CIPFA Code of Practice on Local Authority Accounting. The new accounting standard requires that the rights to use items acquired under all leases are recognised as assets on the Balance Sheet, together with a liability for the payments to be made for the acquisition. Previously this was only done for leases where the Council acquired substantially all the risks and rewards of ownership of the leased item (finance leases).

Movement of Right-of-Use assets

Change in the value of the right-of-use assets held under lease by the Council:

Council as Lessee	2024/25 £'000 Land & Buildings	2024/25 £'000 Plant & Equipment	**2024/25 £'000 Total**
Balance 1 April 2024	-	-	**-**
Recognition of Right of Use Assets	937	697	**1,634**
Additions	235	63	**298**
Revaluation	-	-	**-**
Depreciation and Amortisation	-226	-201	**-427**
Disposals	-	-	**-**
Total	945	560	**1,505**

Maturity analysis of lease liabilities

The lease liabilities are due to be settled over the following time bands:

Council as Lessee	2024/25 £'000 Land & Buildings	2024/25 £'000 Plant & Equipment	**2024/25 £'000 Total**
Less than one year	-235	-258	**-493**
One to five years	-217	-368	**-585**
More than five years	-30	0	**-30**
Total liabilities	-482	-626	**-1,108**

Transactions under leases

The Council has acquired property & equipment by entering into leases.
The expenditure charged across the Council in the CIES during the year
in relation to leases was as follows:

Council as Lessee	2024/25 £'000 Land & Buildings	2024/25 £'000 Plant & Equipment	**2024/25 £'000 Total**
Interest expense on lease liabilities	9	70	**78**
Expense relating to short-term leases	3	-	**3**
Expense relating to low-value leases	-	5	**5**
Total liabilities	12	74	**86**

13b Operating Leases

Operating lease arrangements for a small number of buildings and equipment are immaterial for separate disclosure. All costs and income are included in the net cost of services. There have been no changes since the prior year.

14 Short term debtors

2024 £'000	ANALYSIS OF DEBTORS AT 31st MARCH	2025 £'000
	Grants, contributions & reimbursements	
8,711	Central Government	12,751
1,566	NHS bodies	1,515
1,565	Other local authoritites	1,316
	Sales, fees, charges and other income	
7,021	Receivables	15,906
18,754	Other accruals	19,908
	Taxation	
8,673	Council taxpayers	8,443
892	Non domestic ratepayers	865
3,486	*Prepayments*	4,834
50,668	**Total Debtors**	**65,538**

To mitigate against the risk of non-payment of debts, the main categories of debtor have been reviewed for impairment both individually and collectively, and appropriate provision made for monies due which it is anticipated may not be recovered.

A charge of £0.563m during the year for impairment of debtors has been made to the net cost of services in the CIES. The cost-of-living crisis does not appear to have adversely affected debt recovery rates and there has therefore been no specific revision to the rates used in the calculation of lifetime expected credit losses. A reduction in collection rates of 10% would increase expected credit losses by approximately £0.25m.

15 Short Term Investments

Short term investments are short term deposits with financial institutions or other local authorities, that have not been classified as cash equivalents. There was a balance of £3m on 31 March 2025 representing one investment with another local authority. This was a fixed term investment, which has been deemed to be not highly liquid. The balance of short-term investments on 31 March 2024 was £32.9m.

16 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand and in bank and short-term deposits and investments (considered to be cash equivalents due to them being highly liquid), net of outstanding bank overdrafts.

Cash and cash equivalents is made up of the following elements:

2023 £'000	2024 £'000	Cash and cash equivalents - cash held at 31st March	2025 £'000
11,829	11,829	Cash held in school bank accounts	10,866
	1,126	Cash held in Council bank accounts	8,885
83	971	Cash held by the Council	22
11,912	**13,926**		**19,773**
- 671	**-**	**Cash and cash equivalents - bank overdraft**	**-**
11,241	**13,926**	**Total cash and cash equivalents**	**19,773**

17 Short term creditors

These are amounts owed by the council in the next 12 months:

2024 £'000	ANALYSIS OF CREDITORS AT 31st MARCH	2025 £'000
	Employee taxes, pensions and accumulated absences	
-3,210	Tax & social security	-3,329
-46	Pension	44
-4,335	Accumulated absences	-5,246
	Trade and other payables	
-23,997	Trade payables	-27,047
-23,127	Other accruals	-37,984
	Taxation	
-1,302	Council taxpayers	-1,346
-859	Non domestic ratepayers	-578
-9,720	*Deferred income*	-18,381
-66,596	**Total Creditors**	**-93,867**

18 Provisions

A provision is a liability of uncertain timing or amount. Amounts and timings are subject to future insurance and NNDR appeal decisions.

ANALYSIS OF MOVEMENT IN PROVISIONS 2024/25	Insurance claims £'000	Business rate appeals £'000	Total £'000
Opening balance 1st April 2024	-2,382	-3,665	-6,047
Additional provision made	-193	-1,443	-1,636
Settlements made	748	1,271	2,019
Closing balance 2024/25	**-1,827**	**-3,837**	**-5,664**
Expected to be settled: -			
within 12 months	*-274*	*-3,837*	*-4,111*
after 12 months	*-1,553*	*0*	*-1,553*

ANALYSIS OF MOVEMENT IN PROVISIONS 2023/24			
Opening balance 1st April 2023	-2,039	-2,553	-4,592
Additional provision made	-1,130	-2,430	-3,560
Settlements made	787	1,318	2,105
Reversal of amounts not used			0
Closing balance 2023/24	**-2,382**	**-3,665**	**-6,047**
Expected to be settled: -			
within 12 months	*-848*	*-3,665*	*-4,513*
after 12 months	*-1,534*	*0*	*-1,534*

Insurance claims
This provision has been set aside to meet the estimated costs of current insurance claims that will not be met by the council's insurance policies.

There are a number of claim years for which cover was provided by an underwriter which has gone into liquidation. In compliance with issued levy notices, the Council has covered 25% of costs which would previously have been covered by the underwriter.

Provision has been made for insurance claims based on an independent assessment of liability. Claims can take a number of years to resolve with, on average, annual settlements of around £0.75m to £1.5m being made. Settlements of £0.7m were made during the year.

Business rate appeals
This provision has been established to meet the council's share of the estimated costs of settling appeals against the NNDR valuation of properties, currently lodged with the Valuation Office Agency (VOA). The figure of £3.8m is the council's share of the full £7.83m appeals provision made from the collection fund.

19 Transfers to/from Reserves

Earmarked Reserves
This note sets out the amounts set aside from the General Fund in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund Expenditure in 2024/2025.

Balance b/f 1/4/2023	Added to Reserves	Taken from Reserves	Balance c/f 31/3/2024	Reserves at 1st April	Balance b/f 1/4/2024	Added to Reserves	Taken from Reserves	Balance c/f 31/3/2025
£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000
2,567	434	-364	2,637	Public Health grant	2,637	714	-1,022	2,329
7,538	1,494	-5,673	3,359	Budget support	3,359	4,248	-5,924	1,683
5,010		-3,810	1,200	Covid-19 grant support	1,200		-1,200	-
1,177			1,177	IT reserves	1,177		-191	986
623	67	-197	493	s106 Planning Agreements	493			493
6,683	1,498	-2,229	5,952	Contingent Liabilities	5,952	1,498	-2,973	4,477
3,438	827	-226	4,039	Investment reserve	4,039		-200	3,839
2,443			2,443	Early retirement	2,443			2,443
3,475			3,475	Business rates support	3,475		-3,475	-
159			159	Policy reserves - carry forwards	159		-159	-
2,914		-2,914	-	MRP	-			-
2,059	31	-851	1,239	Covid-19 service grants	1,239		-429	810
1,968		-494	1,474	Better care fund	1,474		-298	1,176
-	500		500	Shared Prosperity Fund	500	47	-272	275
5,746	4,540	-2,023	8,263	Other Earmarked Reserves	8,263	6,055	-5,662	8,656
492		-34	458	Workforce Recruitment	458		-226	232
711		-567	144	Green Homes	144			144
701	73	-350	424	Homes for Ukraine	424		-135	289
593			593	CORE20 Funding	593			593
1,137			1,137	Social Care Reserve	1,137		-1,137	-
2,236			2,236	Collection Fund Reserve	2,236			2,236
1,614			1,614	Debt Charges	1,614		-666	948
-	556		556	Pupil Premium Plus	556	371	-427	500
53,284	**10,020**	**-19,732**	**43,572**	**Total non schools reserves**	**43,572**	**12,933**	**-24,396**	**32,109**
971	254		1,225	Schools staff absences	1,225			1,225
2,616	1,128	-407	3,337	School contingencies	3,337	355	-140	3,552
10,151	1,044	-80	11,115	Statutory schools reserves	11,115	448	-1,435	10,128
13,738	**2,426**	**-487**	**15,677**	**Total school reserves**	**15,677**	**803**	**-1,575**	**14,905**
67,022	**12,446**	**-20,219**	**59,249**	**Reserves at 31st March**	**59,249**	**13,736**	**-25,971**	**47,014**

Public Health Grant Reserve - This reserve has been set aside to hold the balance of the ringfenced Public Health Grant received, but not yet spent.

Revenue Grants – Included in the above are various government grants where the conditions of use have been met but remain unapplied at year end.

Corporate Risk Reserves – Included in the above are reserves set-aside as part of the Reserves Strategy in the Medium-Term Financial Plan and includes an Insurance Reserve.

Other Earmarked Reserves – The remaining reserves are set aside for specific service priorities.

Schools Reserves - In accordance with section 48 of the School Standards and Framework Act 1998, the CMBC Scheme for the financing of schools provides for the carry forward of individual school surpluses. These reserves are earmarked only to schools and are committed to be spent on education services. The total level of schools' reserves at the year-end is £14.9m, including carry-forward Schools Dedicated Schools Grant and the accumulated balances in the school staff absence scheme.

Capital Reserves
The following reserves are earmarked to finance projects within the Capital Programme. The usable capital receipts reserve is the unapplied balance of sums received from the sale of fixed assets. The capital grants unapplied reserve is the balance of grants recognised where the relevant expenditure has not yet been incurred.

2023/24 £'000	Usable capital receipts reserve	2024/25 £'000
0	Balance at 1st April	0
2,008	Capital receipts received	1,378
-2,008	Used to fund capital expenditure	-1,150
0	**Balance at 31st March**	**228**

2023/24 £'000	Capital grants unapplied reserve	2024/25 £'000
42,405	Balance at 1st April	54,953
24,185	Grants recognised but not applied	-17,883
-11,637	Grants used for capital financing	-3,103
54,953	**Balance at 31st March**	**33,967**

20 Contingent Liabilities

This note details contingent liabilities which may result in future costs but cannot be estimated accurately or are considered sufficiently uncertain. The main contingent items are for matters arising under: -

- Insured events. Contingent liabilities exist for some outstanding claims at the balance sheet date and claims not yet received in respect of events occurring in earlier years, including further possible sums due under the scheme of administration for claims in years for which the underwriter has gone into liquidation. Appropriate provision has been made where claims have been received.
- The Council acts as guarantor for a small number of staff across various bodies admitted to the pension fund. On cessation of the body's participation in the fund, any shortfalls are initially claimed from the admitted body. If they cannot be recovered from that source, the pension fund would look at the guarantee arrangements and draw down from bonds that are in place and, if still insufficient, from the guarantor. Several schemes have bonds in place and no material deficits exist. Because of the uncertainty surrounding them, these events have not been accrued into the accounts.

21 Government Grants

The council credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement during the year.

Government grant not attributable to specific services	2024/25 £000	2023/24 £000
Revenue support grant	9,202	8,631
Business rates relief grant	14,749	12,847
Adult social care support grant	25,526	14,941
PFI grant re interest	1,743	1,975
Other non ringfenced government grants	936	3,286
Total Government revenue grants not attributable to specific services	**52,156**	**41,680**
Government capital grants	-2,037	41,303
Non-government capital grants*	32,172	1,169
Total capital grants not attributable to specific services	**30,135**	**42,472**

*This includes £29,783m of grant funding provided by the West Yorkshire Combined Authority to develop and deliver policies, programmes and services within the borough, including a range of schemes within the West Yorkshire Plus Transport and Transforming Cities Programmes.

Government grant credited to the Net Cost of Services	2024/25 £000	2023/24 £000
Dedicated Schools' Grant	120,128	110,030
Mandatory Rent Allowances	34,643	34,880
Public Health grant	14,807	14,459
Improved Better Care Fund*	7,516	7,516
Pupil Premium Grant	6,992	5,278
The Private Finance Initiative (PFI)	3,116	2,884
Unaccompanied Asylum Seeking Children	2,163	1,535
Universal Infants Free School Meals	1,255	1,305
Mandatory Rent Rebates outside HRA	1,202	1,018
Family Hubs and Start for Life	1,154	1,636
Troubled Families grants	1,086	909
Winter Pressures Grant	921	921
Holiday Activities and Food Programme	919	922
Youth Justice Board	539	532
Discretionary Housing Payments	310	263
ASC Market Sustainability and Improvement Fund Grant*	0	3,556
Adult Social Care Discharge Fund*	0	1,183
Other Government Grants**	12,049	12,838
Total	**208,800**	**201,665**

*2024/25 Adult Social Care Discharge Fund and ASC Market Sustainability and Improvement Fund Grant amounts included in grant not attributable to specific services - Adult social care support grant, as this is now part of core spending.

**The other grants total includes funding of £6.606m provided by the West Yorkshire Combined Authority including Gainshare, UK Shared Prosperity Fund and Calderdale Adult Learning programmes.

22 Dedicated Schools Grant

The Council's expenditure on schools is funded primarily by Dedicated Schools Grant (DSG) monies provided by the Department for Education. An element of the grant is recouped by the Department to fund academy schools in the Council's area. DSG is ring fenced and can only be applied to meet expenditure properly included in the Schools Budget, as defined in the School Finance and Early Years (England) regulations. The Schools Budget includes elements for a range of educational services provided on an authority-wide basis, and the Individual Schools Budget (ISB) which is divided into a budget share for each school and early years' setting.

Details of the deployment of DSG receivable for the year are as follows:

	Central Expenditure £000's	Individual Schools Budget £000's	Total £000's
Final DSG for 2024/25 before academy and high needs recoupment			254,671
Academy and high needs figure recouped for 2024/25			133,495
Total DSG after academy and high needs recoupment for 2024/25			121,177
Plus: Brought forward from 2023/24			**0**
Less: Carry-forward to 2025/26 agreed in advance			
Agreed initial budgeted distribution in 2024/25	48,694	72,483	121,177
In-year adjustments			
Final budget distribution for 2024/25	48,741	70,435	119,176
Less: Actual central expenditure	62,056		62,056
Less: Actual ISB deployed to schools		70,435	70,435
Plus: Local authority contribution for 2024/25			
In-year carry-forward to 2025/26	-13,314		-13,314
Plus: Carry-forward to 2025/26 agreed in advance			
Carry-forward to 2025/26			
DSG unusable reserve at the end of 2023/24			-6,123
Addition to DSG unusable reserve at the end of 2024/25			-13,314
Total of DSG unusable reserve at the end of 2024/25			-19,438
Net DSG position at the end of 2024/25			**-19,438**

	Central Expenditure £000's	Individual Schools Budget £000's	Total £000's
Final DSG for 2023/24 before academy and high needs recoupment			234,447
Academy and high needs figure recouped for 2023/24			124,206
Total DSG after academy and high needs recoupment for 2023/24			110,241
Plus: Brought forward from 2022/23			**3,335**
Less: Carry-forward to 2024/25 agreed in advance			
Agreed initial budgeted distribution in 2023/24	51,718	61,859	113,577
In-year adjustments			
Final budget distribution for 2023/24	51,718	61,859	113,577
Less: Actual central expenditure	56,973		56,973
Less: Actual ISB deployed to schools		61,859	61,859
Plus: Local authority contribution for 2023/24			
In-year carry-forward to 2024/25	-5,255		-5,255
Plus: Carry-forward to 2024/25 agreed in advance			
Carry-forward to 2024/25			
DSG unusable reserve at the end of 2022/23			-868
Addition to DSG unusable reserve at the end of 2023/24			-5,255
Total of DSG unusable reserve at the end of 2023/24			-6,123
Net DSG position at the end of 2023/24			**-6,123**

23 Other Long Term Commitments

Private Finance Initiative (PFI)

In June 2003, the Council entered into a contract with a private sector partner to provide and manage 5 new build/refurbished schools (4 secondary, 1 primary) through a private finance initiative scheme. For these schemes, the annual amount payable under the contract is subject to indexation factors. The council also receives government grant in support of its expenditure on each of the schemes (£29m over the remaining life of the contract). A unitary charge covers the financing costs of construction as well as the operating costs. This note shows the future payments to which the Council is committed.

The contract is for a period of 28 years (6 remaining), and the annual unitary charge is broken down into three notional elements – a service charge (including provision for lifecycle replacement costs which are expensed in line with the original PFI operator model agreement); and the lease costs associated with the construction - repayment of the liability, and associated interest charges.

The liability to pay future lease rentals is included in the balance sheet. The four secondary schools have now become academies, and these assets are no longer on the Council's balance sheet. The remaining primary school is valued at £3.6m at the year end.

Commitments to future payments under the schools PFI scheme are as follows: -

Year ended 31st March 2025	Service Charges £m	Repayment of liability £m	Interest costs £m	Total unitary charge £m
Less than one year	3.2	3.1	1.5	7.8
Between one and two years	3.2	3.5	1.2	7.9
Between two and five years	10.1	12.1	1.7	23.9
Between five and ten years	0.3	0.4	0.0	0.7
	16.8	**19.1**	**4.4**	**40.3**

2023/24 £m		2024/25 £m
24.4	Liability outstanding at start of year	21.8
-2.6	Payments made during the year	-2.7
21.8	Liability outstanding at end of year	**19.1**

These commitments are based on the original model and are index linked at an assumed 2% p.a. An actual annual inflation rate is applied based on specified factors. This rate has, on average, proved to be slightly higher than that assumed in the model. This increase (known as contingent rent) forms part of the service charge.

24 Pooled Budget

The Council is a partner with the West Yorkshire Integrated Care Board (ICB) in the Calderdale Better Care Fund (BCF). This is a section 75 agreement as permitted under regulations by the secretary of state. The Integrated Commissioning Executive, consisting of officers from the Council and the ICB, agrees how these monies are to be spent in accordance with the BCF Plan. The BCF Plan is approved by the Health & Wellbeing Board.

The agreed programme covers a range of intervention and prevention measures across the Borough, and schemes to promote independence, recovery, reablement, rehabilitation, discharge from hospital and end of life support. Each partner progresses its own schemes. The following table shows funding to the pool and expenditure met from the pool.

	2024/25			2023/24		
	CMBC (£m's)	ICB (£m's)	Total (£m's)	CMBC (£m's)	ICB (£m's)	Total (£m's)
BCF Contribution						
Funding provided to the pool	£15.171	£7.335	£22.506	£14.716	£6.751	£21.467
Expenditure met by the pool	£15.171	£7.335	£22.506	£14.716	£6.751	£21.467
Surplus /Deficit	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000
iBCF Contribution						
Funding provided to the pool	£8.437	£0.000	£8.437	£8.436	£0.000	£8.436
Expenditure met by the pool	£8.437	£0.000	£8.437	£8.436	£0.000	£8.436
Surplus /Deficit	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000
Hospital Discharge Contribution						
Funding provided to the pool	£1.971	£1.820	£3.791	£1.183	£1.173	£2.356
Expenditure met by the pool	£1.971	£1.820	£3.791	£1.183	£1.173	£2.356
Surplus /Deficit	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000
Overall Contribution						
Funding provided to the pool	£25.579	£9.155	£34.734	£24.335	£7.924	£32.259
Expenditure met by the pool	£25.579	£9.155	£34.734	£24.335	£7.924	£32.259
Surplus /Deficit	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000

25 Unusable reserves

Unusable revenue reserves are those established by statute in order to adjust the timing with which certain items affect council tax payers.

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 accounting charges to the CIES for depreciation; asset valuations; disposals; and expenditure funded by capital resources are reversed through the MIRS and charged to the capital adjustment account. There are also movements from the revaluation reserve to convert current and fair value figures to a historical cost basis. The account is credited with amounts set aside by the Council to repay debt, or as finance for the costs of acquisition, construction and enhancement of fixed assets.

The account contains accumulated gains and losses on investment properties, heritage assets and held for sale assets. The account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

2023/24 £'000	Capital adjustment account	2024/25 £'000
193,418	**Balance at 1st April**	**204,705**
-23,263	Charges for depreciation and amortisation of non current assets	-24,447
-3,298	Valuation changes in non current assets	-979
53,123	Capital grants and contributions recognised	29,836
-11,498	Revenue expenditure funded from capital under statute	-11,086
-1,398	Amounts of non current assets written off on disposal or sale	-2,756
3,781	Provision for the financing of capital investment charged against the General Fund	5,082
724	Capital expenditure charged against the General Fund	738
0	Transfer of Schools to Academy Status	-18,084
18,171	*Reversal of items charged to the Comprehensive Income and Expenditure Statement:*	-21,696
2,008	Funding of capital expenditure from the capital receipts reserve	1,150
3,656	Adjusting amounts written out of the Revaluation Reserve	4,892
-12,548	Adjusting amounts written out of the Capital Grants Unapplied Reserve	20,986
-6,884	*Total movements from other reserves*	27,028
204,705	**Balance at 31st March**	**210,037**

Revaluation Reserve

The Revaluation Reserve contains the gains made by the Council 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
- depreciated, with the reserve being written down by that part of the depreciation charge incurred only because assets have been revalued
- disposed of and the gains are realised

The reserve contains only revaluation gains accumulated since 1 April 2007, the date that the reserve was created. Accumulated gains arising before that date have been consolidated into the balance on the capital adjustment account.

2023/24 £'000	Revaluation reserve	2024/25 £'000
137,961	**Balance at 1st April**	**137,403**
6,469	Upward revaluation of assets	7,394
-3,371	Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the Provision of Services	-4,007
3,098	*Surplus or deficit on revaluation of non-current assets not posted to the Surplus or Deficit on the Provision of Services*	*3,387*
-3,075	Difference between fair value depreciation and historical cost depreciation	-4,192
-581	Accumulated gains on assets sold or scrapped	-700
-3,656	*Amount written off to the Capital Adjustment Account*	*-4,892*
137,403	**Balance at 31st March**	**135,898**

Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Council accounts for post-employment benefits in the CIES as the benefits are earned by employees accruing years of service. Liabilities are updated to recognise the effect of inflation, and assumptions are amended for investment returns and any resources set aside to meet the costs.

However, statutory arrangements require benefits earned to be financed both by employee contributions, and by the Council making employer contributions to pension funds or paying any pensions for which it is directly responsible. The debit balance on the Pensions Reserve shows a shortfall between the benefits earned by past and current employees, and the resources the Council has set aside to meet them. It therefore represents the beneficial impact on the General Fund of funding retirement benefits on cash flows rather than on the basis of benefits earned in accordance with accounting requirements. Statutory arrangements ensure that funding should have been set aside by the time the benefits come to be paid.

2023/24 £'000	Pensions reserve	2024/25 £'000
-2,550	**Balance at 1st April**	**63,671**
67,539	Actuarial gains or losses on pensions assets and liabilities	-79,862
-20,050	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	-16,332
18,732	Employer's pensions contributions and direct payments to pensioners payable in the year	19,633
63,671	**Balance at 31 March**	**-12,890**

Collection fund adjustment account

The collection fund adjustment account manages the differences arising from the recognition of council tax and non-domestic rates income in the Comprehensive Income and Expenditure Statement as it falls due from council tax and business rate payers 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
2,710	Surplus at 1st April	1,835
137,942	Collection fund income recognised in the CIES	145,536
-138,817	Collection fund income recognised under statute	-147,552
1,835	**Surplus / (Deficit) at 31st March**	**-181**

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 31 March. Statutory arrangements require that the impact on the General Fund is neutralised by transfers to or from the account.

2023/24 £'000	Accumulated absences account	2024/25 £'000
-4,133	**Balance at 1st April**	**-4,336**
4,133	Settlement or cancellation of accrual made at the end of the preceding year	4,336
-4,336	Amounts accrued at the end of the current year	-5,246
-203	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	-910
-4,336	**Balance at 31st March**	**-5,246**

Financial Instruments Revaluation Account and Pooled Investment Fund Adjustment Account

The Financial Instruments Revaluation Reserve and the Pooled Investment Fund Adjustment Account show the accumulated gains and losses on certain financial assets measured at fair value.

Dedicated Schools Grant adjustment account (England)

The Dedicated Schools Grant adjustment account holds accumulated deficits relating to the schools' budget. Where the authority has incurred a deficit on its schools' budget in years beginning 1 April 2020 ending 31 March 2028 (recently extended from 31 March 2026), the Local Authorities (Capital Finance and Accounting) Regulations do not allow for such amounts to be included in the General Fund and instead must be held in this adjustment account.

The overspend of £13.314m in 2024/25 has been added to the balance brought forward giving a year end cumulative deficit of £19.437m.

26 Cash Flow Notes

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

2023/24 £'000		2024/25 £'000
	Non cash movements	
-23,263	Depreciation and amortisation	-24,447
-3,298	Impairments/downward revaluation through the revenue a/c	-979
-1,455	Change in provisions	383
28,221	Change in debtors/creditors	-19,471
56	Change in inventories	182
-1,318	Change in pension liability	3,301
-1,398	Non current assets sold	-2,756
0	Movement in Other Reserves	-890
-170	Change in the valuation of pooled investment funds	81
-2,625		**-44,597**

The surplus or deficit on the provision of services has been adjusted for the following investing and financing activities:

2023/24 £'000		2024/25 £'000
	Items that are investing and financing activities	
2,008	Proceeds from the sale of PPE, Investment Property and held for sale assets	1,378
43,854	Capital grants recognised in year as financing cash flows	19,455
45,862		**20,833**

The cash flows from operating activities include the following items: -

2023/24 £'000		2024/25 £'000
-205	Dividends Received	-36
-3,984	Interest Received	-3,020
6,398	Interest Paid	6,922

27 Financial Instruments

Financial instruments included in the Balance Sheet are analysed below.

Financial Instruments	31st March 2025 Carrying Amount £'000	31st March 2025 Fair Value £'000	31st March 2024 Carrying Amount £'000	31st March 2024 Fair Value £'000
Financial Assets measured at Fair Value:				
Investments through Net Cost of Services	4,273	4,273	4,192	4,192
Investments through Other Comprehensive Income	2,682	2,682	2,677	2,677
Financial Assets measured at Amortised Cost:				
Long term debtors	4,610	2,931	4,497	2,818
Current debtors	51,397	51,397	37,617	37,617
Short term investments	3,000	3,000	32,900	32,900
Cash and cash equivalents	19,773	19,773	13,926	13,926
Total financial assets	**85,735**	**84,056**	**95,809**	**94,130**
Financial Liabilities measured at Amortised Cost:				
Borrowings	148,667	162,458	133,875	160,458
PFI and other long term liabilities	21,411	19,973	22,987	35,870
Current creditors	68,360	68,360	50,334	50,334
Total financial liabilities	**238,438**	**250,791**	**207,196**	**246,662**

Long term Investments

Fair Value through Profit and Loss (£4.3m)

The Council has an investment of £5m in the CCLA local authority property fund, giving exposure through a pooled fund to commercial property. Gains and losses are charged to Surplus or Deficit on Provision of Services in the CIES. Regulations permit these charges to be reversed out such that the charges do not affect the amounts to be met through local taxation. The asset is shown on the balance sheet at fair value with any changes in fair values being taken to the Pooled Investment Fund Adjustment Account.

Fair Value through Other Comprehensive Income (£2.7m)

These assets are shown on the balance sheet at fair value with any changes in fair values being taken to the Financial Instruments Revaluation Reserve:

Equity Homebuy scheme (£1.2m) - To facilitate the decanting of householders from sites which are being redeveloped for social housing, loans may be offered under the Homebuy scheme to enable those affected to buy properties elsewhere so that the proposed development sites can be vacated. These loans are repayable and legal charges have been put on the properties to ensure repayment on sale. Equity loans represent a share of equity in the purchased property.

Revolving Investment Fund (£1.4m) - The Council has a share in a limited partnership set up to have oversight of the Revolving Investment Fund (RIF) and to establish and determine the authority of a company wholly owned by Leeds City Council to control it. The RIF is designed to support viable projects within the region which lever in private sector funding. The focus is on asset-based construction projects (including housing) within the geographical areas of the founder members.

Amortised Cost (£78.8m)

The following assets are shown on the Balance Sheet at amortised cost. Unless otherwise stated, all balances shown are an adequate approximation of fair value in view of the amounts involved.

• Long term debtors	£4.6m
• Current debtors	£51.4m
• Short term investments	£3.0m
• Cash and cash equivalents	£19.8m
	£78.8m

Long Term Debtors (£4.6m)

The Council has a small number of debtors being repaid over various periods longer than one year. These are shown in the Balance Sheet at principal outstanding. Cash homebuy scheme loans are loans advanced as detailed above. Repayments are determinable as their value is not linked to the value of the property. Loans to Academy schools are sums previously advanced by the Council for building work at schools which have subsequently converted to academies and which the schools are continuing to repay with interest in accordance with an agreed timetable. The sums due have been recognised on transfer as capital receipts. The Piece Hall is being run by an independent trust. The Council has loan agreements in place (of up to £3.5m) to cover some residual building work and to facilitate initial operations. £3.2m has so far been drawn down. The loans have been offered on deferred repayment terms at favourable rates of interest. The fair value of these advances is therefore lower than the carrying amount included on the balance sheet.

2022/23 £'000	2023/24 £'000	ANALYSIS OF LONG TERM DEBTORS	2024/25 £'000
610	610	Cash homebuy / improvement schemes	554
262	226	Loans to Academy schools	183
2,920	2,920	Loans to Piece Hall Trust	3,164
-	-	Loan to WEAVE	-
440	154	Foster Carers Loan	154
604	587	Other	555
4,836	**4,497**		**4,610**

Current Debtors (£51.4m)

The sum of £51.4m (for grants, contributions & reimbursements and sales, fees, charges & other income, net of expected credit losses) has been included as an amortised cost financial asset. Council tax and business rate arrears are statutory debts and do not arise from contracts and so do not class as financial assets, and prepayments are not included as financial assets as they are not contracts giving rise to financial assets and liabilities.

Short term investments (£3.0m)

The Council holds on short-term investment at the 31st March. This relates to surplus cash held over the year end and lent out temporarily as part of treasury management operations to another local authority. To mitigate against the risk of loss, the Council places investment limits (approved annually) on financial organisations depending on their credit rating and asset base.

The Council can also lend money to the Bank of England, the UK Government and other local authorities. Although the Council does not have a maximum investment limit with the Bank of England and UK Government, a limit of £6m per individual authority is in place. All of the Council's counterparties operate in the UK.

The Council has not suffered any counterparty defaults during the year. The deposit invested at the year-end has been assessed for impairment by looking at general standing. It has not been considered necessary to write off or impair any of this investment held at the balance sheet date.

Investment income from all financial assets (principally short-term investments) is credited to SDOPS and shown as part of financing and investment income and expenditure. It varies with interest rate fluctuations and the level of cash balances available to the Council. It is monitored regularly, and prudent forecasts of anticipated future market conditions in the coming year are made as part of the annual budget setting process.

Cash and cash equivalents (£19.8m)

This is cash balances held in individual school bank accounts as part of the delegated financial management of schools and cash held in the Council's bank accounts, the majority of which is the former. The Council's bank figure is the reconciled position on the Council's bank accounts at 31st March. The cash position is monitored daily and managed to ensure that, through a combination of active investment management, short-term borrowing on the money markets and agreed overdraft facilities with the bank, the Council has sufficient funds with which to meet its commitments, and can earn interest on any surplus balances.

Financial liabilities

• Borrowings	£148.7m
• Other liabilities	£21.4m
• Current creditors	£67.9m
	£238.0m

Financial liabilities are shown on the Balance Sheet at amortised cost. Fair values are disclosed below for each type of financial liability where the carrying value on the Balance Sheet is not an adequate approximation.

Borrowings (£148.7m)

All borrowings are shown at amortised cost which for these loans is the same as principal outstanding. Of the total borrowings, £147.6m has been borrowed from the PWLB, £0.9m from Salix Finance Ltd (which provides interest-free Government funding to the public sector to improve their energy efficiency, reduce carbon emissions and lower energy bills) and a small residual balance (£0.2m) of historical loans. No other sources such as short-term loans from other financial institutions, local authorities and other bodies were being used as at the balance sheet date. Contractual obligations (both principal repayments and associated interest charges) arising from Council borrowings are detailed below.

2023/24			2024/25	
Principal	Interest due to maturity	ANALYSIS OF LOANS BY MATURITY AT 31st MARCH	Principal	Interest due to maturity
£'000	£'000		£'000	£'000
8,578	142	Maturing within one year	10,698	142
15,097	1,340	Maturing within 1 - 2 years	8,957	1,340
18,800	3,609	Maturing within 2 - 5 years	22,212	3,609
15,400	4,649	Maturing within 5 - 10 years	25,000	4,649
76,000	66,662	Maturing in more than 10 years	81,800	66,662
133,875	**76,402**	**Total borrowing**	**148,667**	**76,402**

As the Council has ready access to borrowings from the PWLB, there is no significant risk that it will be unable to raise finance to meet its commitments under financial instruments. The main risk is that the Council will need to replace a significant proportion of its borrowings at a time of unfavourable interest rates. The main treasury management strategy to deal with this is to manage the Council's debt maturity profile so that it is as smooth as possible taking account of historic debt and available interest rates.

All PWLB borrowings are at fixed rates and therefore unaffected by interest rate movements (though these would affect any maturing debt which needed to be re-financed). Changes in interest rates will affect the fair value of debt. Interest payable is charged to the CIES and shown as part of financing and investment income and expenditure.

There is a range of possible fair values for these borrowings at the balance sheet date. A fair value of £102.5m is based on 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 Council will pay over the remaining terms of the loans under the agreements with the PWLB, against what would be paid if the loans were at prevailing market rates.

However, the Council has a continuing ability to borrow at concessionary rates from the PWLB rather than from the markets. A supplementary measure of the additional interest that the Council will pay as a result of its PWLB commitments for fixed rate loans is to compare the terms of these loans with the new borrowing rates available from the PWLB. The fair value on this basis would be £111.0m.

If the Council were to seek to repay all PWLB debt at the balance sheet date, the sum required would be £120.6m. This amount is lower than the carrying amount as the portfolio of borrowings is all at fixed rates where the interest rates payable are lower than the rates available at the balance sheet date for similar loans. This commitment to repay our debts would result in either early redemption penalties (premiums) charged by the PWLB or payments (discounts) payable by them to us. It is this calculation of fair value which is deemed to be most appropriate.

Borrowings of £0.9m have been secured on favourable terms to support green energy initiatives. There weren't any short-term loans as at the balance sheet date but the fair value of these would equal the balance outstanding anyway.

Other liabilities (£21.4m)

This reflects long term commitments by the Council relating to future rentals required under the schools PFI scheme, and to the repayment of loan debt administered by other local authorities in relation to transferred assets as part of statutory reorganisations of functions.

These liabilities are carried at amortised cost which for these items is the same as principal outstanding. The fair value of these liabilities is £19.97m based on discounting future cash flows at prevailing interest rates.

2023/24 £'000	ANALYSIS OF OTHER LIABILITIES BY MATURITY AT 31st MARCH	2024/25 £'000
2,910	Maturing within one year	3,654
3,161	Maturing within 1 - 2 years	3,927
11,222	Maturing within 2 - 5 years	12,485
4,928	Maturing within 5 - 10 years	610
766	Maturing in more than 10 years	735
22,987	**Total borrowing**	**21,411**

Current creditors (£67.9m)

The total of £67.9m for trade payables and other accruals, and for tax and social security creditors has been included in financial liabilities. All other categories of creditor arise from statutory debts (council tax and business rates), are governed by more specific reporting standards (pension fund and accumulated absences), or are not contracts giving rise to financial assets and liabilities (deferred income).

28 Pension Costs

Defined Contribution Schemes

The Teachers' Pension Scheme (TPS)

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

The scheme is a multi-employer defined benefit scheme. The scheme is unfunded and the DfE uses a notional fund as the basis for calculating the employers' contribution rate paid by local authorities. Valuations of the notional fund are undertaken every four years.
The arrangements for the teachers' scheme mean that the council is not able to identify its share of the underlying financial position and performance within the scheme with sufficient reliability for accounting purposes. For the purposes of this statement of accounts, it is therefore accounted for on the same basis as a defined contribution scheme.

In 2024/2025, the council paid £9.4m to Teachers' Pensions in respect of teachers' retirement benefits, representing 28.68% of pensionable pay. The figures for 2023/2024 were £7.7m and 23.68% of pensionable pay. The contributions due to be paid in the next financial year are estimated to be £7.9m. The council is responsible for the costs of any additional benefits awarded upon early retirement outside of the terms of the teachers' scheme. These costs are accounted for on a defined benefit basis and detailed below. The council is not liable to the Scheme for any other entities' obligations under the plan.

The NHS Staff Pension Scheme (NHS scheme)

Since 1 April 2013, public health staff have been employed by the council. These members of staff retained access to the NHS Pension Scheme, administered by the NHS Business Services Authority on behalf of the Department of Health and Social Care. The scheme is run on the same basis as the teachers' pension scheme.

In 2024/2025 the council paid £0.1m to the NHS Pension Scheme in respect of the retirement benefits of public health staff representing 16.88% of pensionable pay. In 2023/2024 the council paid £0.1m to the NHS Pension Scheme, representing 16.88% of pensionable pay. Contributions due to be paid in the next financial year are estimated to be £0.1m.

The council is not liable to the Scheme for any other entities' obligations under the plan.

Defined Benefit Schemes

Local Government Pension Scheme (LGPS).
The LGPS is a statutory scheme, and the benefits are paid under the provisions of LGPS Regulations. This is a funded scheme meaning that members and the employer pay contributions into a fund, with these contributions being calculated at a level to balance pension liabilities and investment assets over the expected lifetime of the membership. These calculations are revised every 3 years as part of a full actuarial valuation. The last full valuation was in March 2022 as a result of which employer rates were set to be subject to annual review and are currently at 16.8% (17.0% 2023/24). Regular employer contributions charged in 2024/25 were £17.7m and are forecast to be £17.7m in 2025/26.

Calderdale is part of the West Yorkshire Pension Fund (WYPF), which is part of the LGPS. The City of Bradford Metropolitan District Council is the administering authority for WYPF and therefore has overall legal and strategic responsibility for it. Bradford Council’s administering authority responsibilities are met by WYPF’s in-house pension’s administration and investment teams.

The fund is advised by three boards - the WYPF Investment Advisory Panel, the WYPF Joint Advisory Group and the WYPF board. The Investment Advisory Panel establishes the investment principles of the scheme. The Joint Advisory Group oversees the administration of the fund and responds to legislative changes. The WYPF pension board aims to ensure effective governance and regulatory compliance.

Although it is a multi-employer defined benefit plan, there is no cross subsidy, and individual employer contributions are determined with reference to the contributing Authority’s membership, funding profiles, and particular circumstances. The employer contribution rate of 16.8% is the rate needed, together with employee contributions, to cover the cost of service being earned by current active members and reduced to recover existing funding surpluses. The Council builds these changes into its Medium-Term Financial Strategy.

Based on a prudent assessment of the amount of assets to be set aside to meet forecast future pension commitments, discounted back to the valuation date using a rate which takes into account future expected investment returns, the latest formal fund valuation showed that assets were sufficient to cover the estimated liability for pension benefit payments at that date. This surplus meant that employer contribution rates could be reduced modestly. The risks to this position are that investment performance may be lower than forecast, or that assets held (in the expectation of greater returns) do not match expected benefit payments. Liabilities will increase if members live longer and as pay and inflation rates rise, increasing the value of pensions which have to be paid out in the future. Liabilities extend many years into the future.

The Council also meets the unfunded costs of discretionary pension benefits as they become due. Added pensions are no longer given, but sometimes the Council will meet the cost of allowing employees to retire and draw their pensions earlier than usual where this generates longer term savings. Discretionary benefits are accounted for as defined benefit schemes. They are unfunded but the liabilities can be identified to the Council. The cost of such contributions during the year was £8k.

Both funded and unfunded LGPS schemes are accounted for as defined benefit schemes.

Accounting charges and asset and liability valuations under IAS 19

All the principal financial and demographic assumptions used by the actuary are shown below.

Financial assumptions	2024/25	2023/4
Consumer price index inflation	2.50%	2.60%
Rate of Increase in salaries	3.75%	3.85%
Rate of increase in pensions	2.50%	2.60%
Rate for discounting scheme liabilities	5.80%	4.80%
Mortality Assumptions:		
Longevity at 65 for current pensioners:		
men	20.9	21.0
women	24.1	24.2
Longevity at 65 for future pensioners:		
men	21.8	22.3
women	24.8	25.2

Specific judgements and risks include: -

- Changes in the discount rate used: Pension liabilities extend many years into the future. They are discounted back to a present value at the balance sheet date using a rate based on high quality AA corporate bond yields of an appropriate term at that date. A reduction in the discount rate used to value pension liabilities will lead to a higher present value being placed on future pension payments and so will increase the deficit. The dataset used to determine the discount rate has been expanded to include all bonds rated at AA by at least one of the main ratings agencies. This has led to an increase in the discount rate and a consequent reduction in scheme liabilities and creation of a scheme asset
- Changes in pay and price inflation: Scheme benefit obligations are strongly linked to salary expectations and inflation. Increases in these measures will lead to higher pension liabilities and so will increase the deficit. Inflation assumptions are set by reference to inflation rates priced into the gilts market. These rates are currently based on the (typically higher) Retail Price Index. However, other technical amendments to moderate the perceived supply and demand effect on market implied inflation rates have had the opposite effect, reducing forecast liabilities by a similar amount. Pensions increases are set as being equal to the CPI assumption. Salary increases are set at CPI with an additional allowance for promotional increases within scale.
- Changes in life expectancy: An increase in life expectancy means that pensions are expected to be paid for a longer period, so increasing the liability and the scheme's deficit. Due to the pandemic, recent deaths have been well outside the usual range. It is considered too early to fully assess what the impact of these higher rates might be on future cashflows and so mortality assumptions do not reflect the impact of the pandemic pending a more measured consideration within the model used.

The effect on the Council's pension fund liability of marginal changes in these factors is shown below: -

	Effect on liability	
	£m	%
0.1% change in discount rate	12	1.5
0.1% change in salary increases	1	0.1
0.1% change in pension increases	10	1.3
1 year change in member life expectancy	17	2.2

Only the LGPS has pension fund assets. These were valued at 31st March 2025 at £786.7m (2024: £987.1m) and the accounting liabilities for this scheme were calculated to be £800.3m (2024: £923.4m). Including the unfunded LGPS and TPS pension enhancements (for which the pension liabilities were £8.5m and £4.3m respectively), total IAS 19 pension fund liabilities of £800.5m (2024: £923.4m) have been recorded. The overall net pension liability for all defined benefit schemes has fallen to £12.9m over the year.

The Council's asset share is invested as follows:-

	% split of pension fund assets								
	31st March 2025 %			31st March 2024 %			31st March 2023 %		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Equity investments	64.4	14.9	79.3	63.9	15.5	79.4	66.1	14.7	80.8
Government Bonds	9.0	0.0	9.0	4.2	0.0	4.2	6.9	0.0	6.9
Other Bonds	4.0	0.0	4.0	8.5	0.0	8.5	4.6	0.0	4.6
Property	0.8	2.0	2.8	1.0	1.8	2.8	1.1	2.2	3.3
Cash liquidity	0.0	2.6	2.6	0.0	1.8	1.8	0.0	2.3	2.3
Other assets	0.1	2.2	2.3	0.1	3.2	3.3	0.0	2.1	2.1
Total	**78.3**	**21.7**	**100**	**77.7**	**22.3**	**100**	**78.7**	**21.3**	**100**

Fuller details of fund asset holdings and maturity profiles can be found within the West Yorkshire Pension Fund valuation report.

Movement in assets & liabilities and the impact on the surplus or deficit on the provision of services, and other comprehensive income and expenditure.

Pension benefits are earned by employees as part of their contracts. Although the pensions are not payable until the employees retire, the commitment which the Council has as the employer is recognised during the working lifetime of the employee. Pension contributions are invested in assets intended to provide funding at a future date when the pensions become due. Where the asset holdings fall short of expected commitments, there is said to be a net pension liability. Where asset holdings exceed expected commitments, there is said to be a net pension asset.

Pension accounting charges included within SDOPS were £27.7m. However, the statutory charge against council tax is based on the amounts payable by the Council to the pension fund in the year (£19.6m). Appropriations from a pensions reserve are made within the MIRS to replace the real cost of retirement benefits with the statutory charge so that the additional costs of providing for retirement benefits in accordance with IAS19 do not impact on levels of local taxation.

The total pension liability (or defined benefit obligation) represents the current cost of meeting the future benefits forecast to be paid out by the scheme. The net defined benefit pension liability is the difference between the total pension liability and scheme assets. The following table shows the pensions costs and income charged during the year into the accounts in accordance with IAS 19 and the effect of these on the net pension liability.

- Current service cost is the value of pension benefits earned in year by current employees, net of the contributions paid by the employees themselves in respect of those benefits.
- Past service costs are those scheme liabilities relating to service rendered in previous periods arising in the current period as a result of changes to retirement benefits.
- Net interest on the net defined benefit liability is a charge based on the net pension liability multiplied by the discount rate at the start of the period. Future pension obligations are stated at present value. A discount rate is used to calculate this current value of the future liability. The net interest on pensions liabilities is the unwinding of this discount rate as benefits move one period closer to settlement, partly offset by an amount earned on fund assets.
- Remeasurements arise from the uncertainty in making assumptions about future events when calculating the liability. These may be due to changes in assumptions, or

to actual experience differing from previous actuarial assumptions made. Remeasurement gains and losses are recognised in OCI.

- Contributions are paid into the scheme by employers and participating members. These contributions reduce the value of the net pension liability.
- Net benefits paid out reduce the defined benefit obligation.
- Changes in assets and liabilities due to business elements being transferred into or out of the fund are shown as disposals/acquisitions.

IAS 19 pensions accounting charges (£'000)	Assets	Liabilities	Net pension asset/(liability)	Expenses recognised in SDOPS	Total (gains)/losses recognised in OCIE
Value as at 1st April 2024	**987,070**	**-923,399**	**63,671**		
Current service costs		-19,636	**-19,636**	19,636	
Past service cost		-221	**-221**	221	
Net interest on the net defined benefit liability			**3,525**	-3,525	
Of which: - interest on the defined benefit obligation		-43,430			
- interest income on plan assets	46,955				
Remeasurement of the net defined benefit liability					
- on plan assets	-1,207		**-1,207**		1,207
- on liabilities - financial assumptions		142,687	**142,687**		-142,687
- on liabilities - demographic assumptions		6,346	**6,346**		-6,346
- on liabilities - experience		-1,026	**-1,026**		1,026
Employer contributions	19,633		**19,633**		
Contributions by plan participants	6,668	-6,668	**0**		
Net benefits paid out	-45,047	45,047	**0**		
Net decreases from disposals and acquisitions			**0**		
Net asset restriction	-226,652	-10	**-226,662**		226,662
Value as at 31st March 2025	**787,420**	**- 800,310**	**- 12,890**	**16,332**	**79,862**

Adjustment to charges made in accordance with IAS 19 to those required under regulations 3,301

Amount falling due to be met by council taxpayers (employer contributions to the scheme) 19,633

IAS 19 pensions accounting charges (£'000)	Assets	Liabilities	Net pension asset/(liability)	Expenses recognised in SDOPS	Total (gains)/losses recognised in OCIE
Value as at 1st April 2023	**929,831**	**-932,381**	**-2,550**		
Current service costs		-20,471	**-20,471**	20,471	
Past service cost		-20	**-20**	20	
Net interest on the net defined benefit liability			**441**	-441	
Of which: - interest on the defined benefit obligation		-43,082			
- interest income on plan assets	43,523				
Remeasurement of the net defined benefit liability					
- on plan assets	32,157		**32,157**		-32,157
- on liabilities - financial assumptions		29,621	**29,621**		-29,621
- on liabilities - demographic assumptions		14,991	**14,991**		-14,991
- on liabilities - experience		-9,227	**-9,227**		9,227
Employer contributions	18,729		**18,729**		
Contributions by plan participants	6,269	-6,269	**0**		
Net benefits paid out	-43,439	43,439	**0**		
Net decreases from disposals and acquisitions					
Value as at 31st March 2024	**987,070**	**- 923,399**	**63,671**	**20,050**	**- 67,542**

Adjustment to charges made in accordance with IAS 19 to those required under regulations - 1,321

Amount falling due to be met by council taxpayers (employer contributions to the scheme) 18,729

A fund review is used to judge the money we need to put into the pension scheme. It will always be different to the IAS 19 accounting deficit, which is an accounting standard about how employee benefit obligations are to be shown on the balance sheet. The accounting standard requires all reporting entities to assume their pension funds grow at a standard rate reflecting a fairly low level of risk. The fund review can take a more expansive view of returns.

IAS 19 thus produces results that are different from, and more volatile than, the actuarial valuation, as members' liabilities at the balance sheet date are valued using market rates of corporate bonds and do not reflect the expected future returns on the assets the fund owns. This tends to increase the value of liabilities.

Differences can also arise due to changes in market conditions between the two valuation dates (31 March 2023 and 31 March 2025). Some key assumptions for the IAS 19 accounting valuation are based on those used for the most recent actuarial valuation (March 2022). In between triennial revaluations, some assumptions are updated annually (e.g. inflation, pay increases, discount rates, asset values) whilst others taking a longer term view (e.g. mortality rates, demographic factors) may not be. There can be a noticeable effect following scheme triennial reviews when mortality rates and other less easily identifiable data are updated.

29 Post Balance Sheet Events

Events taking place after the date the statement of accounts were signed are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31 March 2025, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

There are no non-adjusting events after the balance sheet date.

30 Accounting Policies

General Principles

The Statement of Accounts summarises the council’s transactions for the 2024/2025 financial year and its position at the year-end of 31 March 2025. The council is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2015 which require it to be prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2024/2025, 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. The Statement of Accounts is produced on a Going Concern basis.

Accruals of Income and Expenditure

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

- Revenue from 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.
- 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.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Tax income is an annual charge and is recognised in the year in which it is due when it is probable that economic benefits or service potential associated with the transaction will flow to the Council, and the amount of revenue can be reliably measured.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments maturing within three months from the date of acquisition and are readily convertible to known amounts of cash with no risk of change in value. In the Cash Flow Statement, cash and cash equivalents are shown net of any bank overdrafts that are repayable on demand and form an integral part of the Council’s cash management.

Collection Fund

Billing authorities are required by statute to maintain a separate fund for the collection and distribution of amounts due in respect of Council Tax and Non-domestic Rates (NDR). The key feature of the accounting policy is that billing authorities act as agent collecting and distributing monies on behalf of the Government and other Council Tax and NDR preceptors.

The total of NDR and Council Tax income included in the CIES is the Council’s share of the accrued income for the year. However, regulations determine the amount of Council Tax and

NDR that can be released from the collection fund to the general fund. This is the Council's precept plus any share of the previous year's surplus or deficit. Any 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 in the MIRS.

The balance sheet includes the Council's share of year end balances in respect of Council Tax and NDR arrears, impairment allowances for doubtful debts; overpayment, prepayments and appeals. Any difference between cash collected on behalf of the Government or other preceptors and cash paid over to them is included as a creditor (where more cash has been collected than paid over) or a debtor.

The Cash Flow Statement includes as operating activities only the Council's share of council tax and NDR collected in the year, and the net cost of pursuing arrears. Cash collected as agent does not arise from revenue activities, and is excluded from operating activities. Cash held as agent, being the difference between cash collected and paid over, is included in other receipts/payments within financing activities.

Contingent Liabilities
A contingent liability arises where an event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

Employee benefits
Benefits Payable During Employment
Short-term employee benefits are those due to be settled within 12 months of the year end. They include accrued annual leave, lieu time and flexi time earned by employees but not taken before the year end, which employees can carry forward into the next financial year. They are recognised as an expense in the year in which employees render service to the Council. The accrual is made at the pay rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to SDOPS, but then reversed out through the MIRS so that such benefits are charged against council tax in the financial year in which the holiday absence occurs.

Termination Benefits
Termination benefits are amounts payable as a result of a decision by the Council to terminate an officer's employment before the normal retirement date, or an officer's decision to accept voluntary redundancy. They are charged to service costs in SDOPS when the Council can no longer withdraw the offer of those benefits.

Where termination benefits involve the enhancement of pensions, the cost of this lifetime benefit is recognised in the CIES. Statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund, not the amount calculated according to the relevant accounting standards. In the MIRS, 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 any such amounts payable but unpaid at the year end.

Post Employment Benefits
Pension schemes providing members with defined benefits (retirement lump sums and pensions) earned as employees working for the Council are accounted for as defined benefit schemes. All retirement benefits are accounted for in accordance with the relevant reporting standard IAS19 which stipulates how such commitments are to be recognised in the CIES and on the Balance Sheet.

Pension schemes which provide defined benefits to members, but where the liabilities for these benefits cannot be identified to the Council on a consistent and reasonable basis, are accounted for as defined contribution schemes. No liability for future payments of benefits is recognised on the Balance Sheet.

Where liabilities can be identified to the Council on a consistent and reasonable basis, they are included in the Balance Sheet on an actuarial basis using the projected unit method, i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates etc. and projections of earnings for current employees. Liabilities are discounted to their value at current prices.

The associated assets of the fund attributable to the Council are included in the Balance Sheet at fair value based on current bid price (securities), market value (property) and professional estimate for unquoted assets.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund, not the amount calculated according to the relevant accounting standard (IAS19). There are appropriations in the MIRS 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 any such amounts payable but unpaid at the year end. This ensures that the additional costs of providing for retirement benefits in accordance with IAS19 do not impact on levels of local taxation.

Discretionary Benefits
The Council can make discretionary awards of retirement benefits in the event of early retirement or voluntary redundancy. Liabilities estimated to arise as a result of any such award to any member of staff (including teachers) are accrued in the year of the award, and are accounted for as defined benefit schemes.

Events after the balance sheet date
Events after the balance sheet date are those that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. The Statement of Accounts is adjusted to reflect those events that provide evidence of conditions that existed at the end of the reporting period. Where the event is indicative of conditions that arose after the reporting period, appropriate disclosures are made, but the amounts in the Statement of Accounts are not adjusted. Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

Financial Assets
The classification of financial assets is based on the business model for holding the assets and their cashflow characteristics.

Financial assets are classified into three types:
- Amortised cost. Such assets are those where there are contractual terms giving rise on specified dates to cash flows which are solely payments of principal and interest on the principal outstanding, and where the business model is to collect the cash flows arising.
- Fair value through other comprehensive income (FVOCI). Such assets are those where these conditions hold true, but the business model includes selling the financial assets,
- Fair value through profit and loss (FVPL). All other financial assets with different contractual cashflows and business models.

Election can be made on initial recognition for some FVPL equities to be classed as FVOCI if the equity instrument is not held for trading (i.e. they are not held principally for selling in the "near term" and/or are held for reasons which are not purely financial).

Amortised cost.
Financial assets that are measured at amortised cost are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument, and they are initially measured at fair value. They are subsequently measured at amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in SDOPS for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For the majority of financial assets, this means that the amount presented in the Balance Sheet is the outstanding principal receivable and interest credited to SDOPS is the amount receivable for the year in the loan agreement.

Where any material soft loans are made (extended credit at less than market rates), a loss is recorded in SDOPS (debited to the appropriate service) for the present value of the interest that will be foregone over the life of the instrument, resulting in a lower amortised cost than the outstanding principal. Interest is credited to the Financing and Investment Income and Expenditure line in SDOPS at the (higher) effective rate of interest rather than the rate receivable, with the difference serving to increase the amortised cost of the loan in the Balance Sheet. Statutory provisions require that the impact of soft loans on the General Fund Balance is the interest receivable for the financial year. The reconciliation of amounts debited and credited to the CIES to the net gain required against the General Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the MIRS.

Any gains and losses that arise on the derecognition of an asset are credited or debited to the CIES. Short duration receivables with no stated interest rate, and any small value loans considered immaterial for valuation as above are measured at the original invoice amount.

Fair value through other comprehensive income and fair value through profit and loss
The Council has one investment which is measured at FVPL and two long term investments which would ordinarily fall to be classed as FVPL but which, as these investments are made for reasons other than commercial gain, the Council has elected to value these assets as FVOCI.

Financial assets that are measured at fair value are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and they are initially measured and carried at fair value. Subsequent remeasurement gains and losses are, for FVOCI assets, taken to the Financial Instrument Revaluation Reserve (FIRR) and charged to OCI and, for FVPL assets, taken to the Pooled Investment Fund Adjustment Account (PIFAA) and charged to the financing and investment income and expenditure line in SDOPS.

Depending on the market for such assets, fair value might be the quoted market price (where there is one), cost less impairment, or other amount based on valuation techniques. Inputs used in measurement are categorised into three levels: - level 1 (quoted prices in active markets for identical assets); level 2 (other observable inputs); level 3 (unobservable inputs). Measurements rely on inputs drawn from the highest available level.

Any gains or losses on derecognition of an asset are recognised in the CIES along with any gains/losses previously recognised in the FIRR/PIFAA.

Impairment of financial assets
The Council recognises expected credit losses on all financial assets held at amortised cost and fair value. Impairment losses are calculated to reflect the prospect that expected future cash flows might not take place due to default.

If risk has increased significantly between initial recognition and the balance sheet date, impairment is based on expected credit losses from all possible defaults over the expected life of the instrument, otherwise impairment is based on a 12 month expected loss (that is the lifetime expected credit loss multiplied by the probability of the default occurring within the next 12 months).

A simplified approach is applied to trade receivables whereby the loss allowance is measured at an amount equal to lifetime expected credit losses thus avoiding the need to consider annually whether there has been an increase in credit risk. This is based on probability weighted outcomes and other supporting information.

Financial Liabilities
Financial liabilities are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument. Financial liabilities are initially measured at fair value and are then carried at amortised cost. Annual charges for interest payable are based on the carrying amount of the liability multiplied by the effective interest rate of the instrument. This is the rate that discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised. These charges are taken to financing and investment income and expenditure within SDOPS.

For the borrowings which the Council has, this results in the Council's financial liabilities being included in the Balance Sheet at the outstanding principal repayable, and interest charged is the amount payable for the year according to the loan agreement.

Premium payments and discounts on the repurchase or early settlement of debt are taken in year directly to financing and investment income and expenditure within SDOPS unless, in accordance with certain specific conditions, a repurchase/restructure has taken place and the modification to the financial instrument is not considered substantial. In such cases, the loan debt carrying amount is adjusted rather than being taken directly to SDOPS, and the adjustment is written down to SDOPS over the life of the loan by an adjustment to the effective interest rate.

Going Concern

The Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 (the Code) requires local authority accounts to be prepared on a going concern basis – that is, that the functions of the Council should be expected to continue as a going concern, and the authority will continue to provide services.
Management has identified the main uncertainties, and, making appropriate judgements and assumptions, are satisfied that that these accounting statements are properly produced on a going concern basis.

Government grants and other contributions
All grants and contributions are recognised as income within SDOPS when there is reasonable assurance that the Council will comply with the grant conditions, and the grants or contributions will be received. Conditions are stipulations requiring repayment of the grant if they are not met.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, 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 SDOPS.

Where capital grants are credited to SDOPS, they are reversed out of the General Fund Balance in the MIRS. Where the grant has yet to be used to finance capital expenditure, it is posted to the
s 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.

The Council sometimes acts as Accountable Body for various partnerships and in that role receives grant funding on behalf of the partnership. Where it is considered that the Council determines partner allocations, the grant is recognised as income and allocations as expenditure. Where the Council does not exercise such control, only such grant as may ultimately be awarded to the Accountable Body is recognised as grant receivable.

Heritage Assets
These are assets with historical, artistic, scientific, technological, geophysical or environmental qualities held principally for their contribution to knowledge and culture rather than for any operational reasons (mainly museum exhibits). They are held mainly at insurance value (though some difficult to value items with no comparable market values have not been valued) as permitted under FRS102. Depreciation is not required for those assets with indefinite lives. Valuations are reviewed where there is clear evidence of impairment such as damage or doubts as to provenance. Impairments and gains and losses on disposal are accounted for in accordance with the policies for impairment, and property, plant and equipment.

Investment property
Investment properties are separately identifiable properties used solely and specifically to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost or are revalued immediately prior to reclassification. They are subsequently measured at fair value, based on the amount 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. Investment properties are not depreciated but valuations are assessed annually to ensure they reflect market conditions at the year end.

After initial recognition, gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in SDOPS. Gains and losses on disposal are included under other operating expenditure. Such charges are not permitted by statutory arrangements to have an impact on the General Fund Balance. Therefore, these gains and losses are reversed out of the General Fund Balance in the MIRS, and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

Income and expenditure relating to investment properties are also charged to the financing and investment income and expenditure line in SDOPS.

Leases

The new accounting standard requires that the rights to use items acquired under all leases are recognised as assets on the Balance Sheet, together with a liability for the payments to be made for the acquisition. Previously this was only done for leases where the Council acquired substantially all the risks and rewards of ownership of the leased item (finance leases).

Finance leases.

Initial Measurement Leases are recognised as right-of-use assets with a corresponding liability at the date from which the leased asset is available for use (or the IFRS transition date, if later).

The leases are typically for fixed periods in excess of one year but may have extension options. The authority initially recognises lease liabilities measured at the present value of lease payments, discounting by applying the authority's incremental borrowing rate wherever the interest rate implicit in the lease cannot be determined.

At the commencement of a lease, a liability is recognised for the obligation to make future payments (discounted to their present value using the interest rate implicit in the lease or (where this is not readily determinable) incremental borrowing rate. The right acquired under the lease to use the leased item is recognised as an asset, measured on the commencement date at cost based on the lease liability plus any payments made before that date. Initial direct costs of the Council are added to the carrying amount of the asset.

Liabilities are recalculated where rents change as a result of a change in an index or rate used to determine future payments. Adjustments to liabilities are matched with adjustments to the cost of the right-of-use asset.

Lease payments are apportioned between:

• a charge for the acquisition of the right to use the property, plant or equipment which is applied to write down the lease liability, and

• a finance charge which is debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

Right-of-use assets recognised under leases are accounted for using the policies applied generally to Property, Plant and Equipment assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life.

O*perating leases.*
Rentals paid under operating leases are charged to SDOPS as an expense of the services benefitting from use of the leased property, plant or equipment. Charges are made on a straight-line basis over the life of the lease, even where this may not match the pattern of payments.

Where the Council grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income credits are made to SDOPS on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g. where there is a premium paid at the commencement of the lease).

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 continued use, the asset is reclassified as Held for Sale. This is when the asset is available for immediate sale in its present condition subject to terms that are usual and customary for sales of such assets, and when the sale is highly probable (the appropriate level of management must be committed to the sale, and an active programme to locate a buyer for the asset at a fair value must have been initiated with the sale being expected to qualify for recognition as a completed sale within one year).

The asset is revalued immediately before reclassification, and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the other operating expenditure line in SDOPS. Gains in fair value are recognised only up to the amount of any previous losses recognised in SDOPS.

Gains and losses on disposal are included under other operating expenditure, and any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account. Such charges are not permitted by statutory arrangements to have an impact on the General Fund Balance. Therefore these gains and losses are reversed out of the General Fund Balance in the MIRS, and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10k) the Capital Receipts Reserve.

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 any depreciation or revaluations that would have been recognised had they not been classified as Held for Sale), and their recoverable amount at the date of the decision not to sell. Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale.

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

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

Private Finance Initiative
PFI contracts are agreements with private sector operators to construct or enhance property used to provide public services and to operate and maintain that property for a specified period of time. The operator is paid for its services over the period of the arrangement. Such arrangements are accounted for in line with IFRIC12 Service Concession Arrangements.

IFRIC12 specifies that properties used to provide services under PFI contracts should be recognised as an asset by whichever party exercises control over the property in terms of stipulating the services provided, and any residual interest. As the Council is deemed to control the services that are provided under its 5 school PFI scheme, and as ownership of the property, plant and equipment (other than for schools which convert to academies) will pass to the Council at the end of the contract for no additional charge, the Council carries the assets used under the contracts on its Balance Sheet as part of Property, Plant and Equipment.

Assets and liabilities
The school buildings are recognised as assets of the Council together with a liability to pay future rentals. These assets are then treated like any other Council assets in accordance with the accounting policy for property, plant and equipment, i.e. they are subject to annual depreciation and regularly revalued so that the carrying amount included in the Balance Sheet is at current value. The liability is written down annually over the period of the contract by the amount of the unitary charge recognised for this purpose.

Comprehensive Income and Expenditure Statement entries
Each year, the Council pays the operator an agreed unitary charge for occupation of the premises and the service provided. This unitary charge is broken down into 3 parts based on the current value of the property involved and estimated service element costs. The current value of the property is the amount initially recognised on the Balance Sheet together with an offsetting liability. This is accounted for as a finance lease, with part of the unitary charge therefore being recognised as a repayment of the liability, and part being the associated

interest cost based on the rate implicit in the lease. The rest of the unitary charge reflects the cost of the services provided.

Service costs are included within the net cost of services figure in SDOPS. Interest costs are included in the financing and investment income and expenditure line. The principal element is applied to write down the liability towards the PFI operator on the Balance Sheet.

In accordance with statutory requirements, revenue provision has to be made towards the reduction of the borrowing requirement relating to this transaction. In line with the Council's policy for such provision, this charge is based on the asset life and, being written off over this longer period, is different from the amount notionally calculated as the principal repayment of the liability which is based on the (shorter) lease term.
The Council also receives an annual revenue grant towards the above costs. Grant equivalent to the interest charge is recognised as non specific grant income in SDOPS. All remaining grant is included in net cost of services.

Property, plant and equipment
Physical assets that are controlled or held on a continuing basis for use in the provision of services or for administrative purposes are classified as Property, Plant and Equipment (PPE).

Recognition
Expenditure in excess of £10k on the acquisition or creation of, or which adds to an asset is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Council for periods in excess of one year, 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.

Measurement
Capital expenditure is recognised initially at cost, comprising all expenditure that is directly attributable to bringing an asset into working condition for its intended use. All acquired and newly created assets, and assets which have had significant enhancement works completed during the year have been formally revalued. All other capital expenditure has been added to property, plant and equipment at cost until such time as the asset is revalued as part of the 5 year rolling programme.

Assets in major classes and individual assets with a net book value over £10m are reviewed each year to assess whether there are any indications of material change in value. Increases in valuations are recognised as unrealised gains in the revaluation reserve (or credited to SDOPS where they arise from the reversal of an impairment or revaluation loss previously charged to a service revenue account). Where decreases in value are identified, they are written down against any balance of revaluation gains for the asset in the Revaluation Reserve, and then to the relevant service line(s) in SDOPS.

Assets are assessed at each year end for indications of material impairment. Where indications exist, impairment losses are recognised and accounted for in the same way as revaluation losses.

Assets are included in the Balance Sheet as follows: -

- Operational property, plant, and equipment have been included in the Balance Sheet at current value – a measurement reflecting the economic environment prevailing for the service or function the asset is supporting at the reporting date. Measurement bases include: -
    - Existing use value for assets providing service potential where an active market exists (e.g. offices)
    - Depreciated replacement cost for specialised properties for which no market evidence exists (e.g. schools and sports facilities);

- Depreciated historical cost (as a proxy for current cost) for items of plant, vehicles and equipment which are short lived and of relatively low value, and for infrastructure assets (e.g. highways and bridges);
- Historical cost for assets under construction and community assets (e.g. parks), but these are assessed for impairment and depreciated where appropriate.
- Fair value for surplus assets. These are assets which are not currently operational, but which do not yet meet the criteria to be classed as held for sale or investment properties. Such assets might, for example, be currently held vacant pending future use. They are valued at highest and best use from a market participant's perspective.

Depreciation
With the exceptions of land (unless it has a finite life), buildings under construction, and community assets (unless specifically appropriate), all items of property, plant and equipment are depreciated over their useful economic lives. Depreciation is calculated by writing off the valuation of the asset less estimated residual value over the useful life of the asset. Asset lives are provided by the valuers on an individual basis.

Where an item of Property, Plant and Equipment has a major component whose cost is significant in relation to the total cost of the item and whose asset life is significantly different from the life of the asset to which it is attached, the component is separately identified and depreciated.

Depreciation charges are made to service revenue accounts. However, under statute, the charge to be met by council taxpayers for property, plant and equipment is the minimum revenue provision. There are reversing entries within the MIRS taking out depreciation charges and replacing these with the minimum revenue provision. These entries are charged to the Capital Adjustment Account.

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

Disposals
On disposal, the net book value of an asset is written off to the Other Operating Expenditure line in SDOPS, and the receipt is credited to the same line. This shows the gain or loss on disposal. Any remaining balances relating to the asset in the revaluation reserve are transferred to the capital adjustment account.

Since the costs of fixed assets have already been provided for under separate capital accounting arrangements, the costs of any write offs are not charges against council tax. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the MIRS.

Receipts in excess of £10k are categorised as capital receipts and are required to be credited to the usable capital receipts reserve. As these are credited in the first instance to SDOPS, receipts are appropriated to the reserve from the General Fund Balance in the MIRS. The usable capital receipts reserve can be used to redeem debt or finance capital expenditure.

The Council's policy is to pool all capital receipts (unless specific application is made) and to reinvest them in the capital programme. Where the receipt arises from the sale of a revenue earning asset, a specific decision is taken as to whether or not to use that receipt to redeem debt (to minimise the impact of the sale on the revenue account) rather than reinvesting it in the capital programme.

Infrastructure Assets

Highways Infrastructure assets
Highways infrastructure assets include carriageways, footways and cycle tracks, structures (e.g. bridges), street lighting, street furniture (e.g. illuminated traffic signals, bollards), traffic management systems and land which together form a single integrated network.

Recognition
Expenditure on the acquisition or replacement of components of the network is capitalised on an accrual basis, provided that it is probable that the future economic benefits associated with the item will flow to the authority and the cost of the item can be measured reliably.

Measurement
Highways infrastructure assets are generally measured at depreciated historical cost. However, this is a modified form of historical cost – opening balances for highways infrastructure assets were originally recorded in balance sheets at amounts of capital undischarged for sums borrowed as at 1 April [1994 England and Scotland] [1996 Wales], which was deemed at that time to be historical cost.

Where impairment losses are identified, they are accounted for by the carrying amount of the asset being written down to the recoverable amount.

Depreciation
Depreciation is provided on the parts of the highways network infrastructure assets that are subject to deterioration or depletion and by the systematic allocation of their depreciable amounts over their useful lives. Depreciation is charged on a straight-line basis over 25 years. Annual depreciation is the depreciation amount allocated each year.

Disposals and Derecognition When a component of the network is disposed of or decommissioned, the carrying amount of the component in the Balance Sheet is written off to the 'Other operating expenditure' line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (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).

The written-off amounts of disposals are not a charge against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are transferred to the capital adjustment account from the General Fund Balance in the Movement in Reserves Statement.

Provisions
Provisions are made where an event has taken place that gives the Council a legal or constructive obligation that probably requires settlement by a transfer of economic benefits, and a reliable estimate can be made of the amount of the obligation. Provision is also made where there are many similar obligations which in isolation depend on some future decision or judgment and would not therefore be considered a provision, but for which cumulatively there is evidence to suggest that a proportion of such obligations are likely to be settled and therefore a reliable estimate can be made. Provisions are charged as an expense to an appropriate revenue account or recognised as capital expenditure in the year in which the Council becomes aware of the obligation. All provisions are reviewed annually and adjusted to reflect the best estimate at the balance sheet date of the anticipated expenditure required to settle the obligation. When expenditure is incurred to which the provision relates, it is charged to the provision carried in the Balance Sheet.

Impairment of assets
Assets are assessed at each year end for evidence of impairment to ensure that they are carried at no more than their recoverable amount. The main asset categories are assessed for impairment in line with the requirements of specific accounting standards for property, plant and equipment, and financial instruments.

- Property, plant and equipment (PPE) assets and heritage assets are assessed in accordance with the policy for accounting for PPE assets. Impairments are written off against any revaluation gains attributable to the relevant assets, with any excess being charged to the relevant service revenue account. Impairments of investment properties and held for sale assets are written off to specific lines within SDOPS.

- Financial assets are assessed annually for impairment in accordance with the policy for accounting for financial assets. Credit losses for anticipated cashflows being less than expected are recognised in the CIES.

Earmarked Reserves
Earmarked reserves are funds set aside at the discretion of either the Council or individual service departments for future policy purposes, contingencies, or to meet future items of revenue or capital expenditure. Reserves are created by appropriating amounts out of General Fund balances in the MIRS and so count against council tax when set aside. Expenditure funded from reserves is charged directly in the year it is incurred to service revenue accounts in SDOPS. The reserve is then appropriated back into the General Fund balance in the MIRS so that there is then no net charge against council tax for the expenditure.

Certain reserves are kept to manage the differences in timing between statutory recognition and the accounting treatment of non-current assets, financial instruments, local taxation, retirement and employee benefits. These are not usable resources for the Council.

Revenue expenditure financed by capital under statute (REFCUS)
REFCUS is expenditure on assets not owned by the Council but which is permitted to be capitalised under statutory provisions. It does not give rise to assets which can be controlled by the Council. Examples include grants given to third parties for capital purposes, expenditure on private sector housing renewal, or on schools not in Council ownership. There is no on-going controlling benefit to the Council of such expenditure, and so it is charged to the relevant service line in SDOPS within the year.

As this expenditure can be met from capital resources or by borrowing, a transfer in the MIRS from the General Fund Balance to the Capital Adjustment Account reverses out the amounts charged so that there is no impact on the level of council tax.

Minimum Revenue Provision (MRP)
The Council's MRP Policy was amended between 2021/22 and 2022/23. For supported borrowing incurred before 1st April 2008, the Council applies an average asset Life Method basis in conjunction with the annuity method to calculate MRP. The interest rate chosen is the average Public Works Loan Board rate for the accounting year for the period of the asset life.

Unsupported prudential borrowing is subject to MRP using an average Asset Life Method charged over a period which is commensurate with the estimated useful life of the assets. This MRP calculation is again discounted on an annuity basis using the average Public Works Loan Board interest rate for the accounting year in question for the period calculated for the asset life.

The level of MRP charged is subject to regular review to determine if it is at a level which is considered prudent based on the Authority's financial circumstances at that time taking into account medium/long term financial plans and current and future capital expenditure plans. Dependent on this review, the MRP charge may be varied by making Voluntary Revenue Provision (VRP) or reclaiming previous VRP. The amount of MRP charged shall not be less than zero in any financial year.

Schools
Where the balance of control of maintained schools is adjudged to lie with the Council, the school buildings are deemed to be those of the Council and accounted for like other Council held fixed assets. The Code stipulates that the other assets, liabilities, reserves and cash flows of all maintained schools are recognised not in group accounts but in the Council's

single entity accounts, as if they were the transactions, cash flows and balances of the Council.

Value Added Tax
Income and expenditure are reported exclusive of VAT as all VAT collected is payable to HM Revenue and Customs, and all VAT paid is recoverable from them. VAT is therefore only included in service income and expenditure to the extent that it is irrecoverable, or has been recovered retrospectively from amounts paid over in previous years.

31 Accounting Standards Issued, Not Adopted

Under the Code of Practice on Local Authority Accounting in the United Kingdom 2024/2025 (the Code), the council is required to disclose information setting out the impact of an accounting change required by a new accounting standard that has been issued but not yet adopted by the Code.

At the Balance Sheet date, there are no new standards, or amendments to existing standards, which have been issued but not adopted:

The following is provided for information purposes:

- Infrastructure Assets – Temporary Relief: Following a consultation in the summer of 2022, CIPFA/LASAAC issued a code update on 29 November 2022. The update includes specifications for future Codes on the disclosure of gross cost and accumulated depreciation for infrastructure assets.

  At present, the temporary relief remains in place until 31 March 2029

32 Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in Note A, the council has had to make certain judgements about complex transactions or those involving uncertainty about future events. Group Boundaries The council has used its judgement in assessing its group boundaries using the criteria outlined in the Code of Practice. All organisations assessed did not meet the criteria for group accounts.

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

Accounting for Schools – Each school is assessed to determine the treatment of the school asset. Where the school is considered a maintained school the land and buildings are included on the Council’s balance sheet. Where the school is Voluntary Controlled (VC) or Voluntary Aided (VA) these assets are controlled and owned by the religious body therefore not recognised on the Council’s balance sheet. Where schools are Academies, the assets are on a long-term lease (125 years) by the Council, these are not included on the Council’s balance sheet. There are 30 schools on balance sheet and 15 schools off balance sheet (voluntary aided, voluntary controlled and foundation schools).

Transfers to Academy Status When a school held on the council’s balance sheet transfers to academy status, the council treats this as an asset disposal for nil consideration. The disposal is completed on the date that the school converts to academy status, rather that treat as an asset impairment on the date that approval to transfer to academy status is announced. During 2024/2025 3 schools transferred to academy status.

Four schools provided under the Public Finance Initiative agreement have become academies leaving one primary school to be accounted for as a Council school (even though legal ownership rests elsewhere) as it is considered that the Council effectively controls the school through contractual arrangements. The other four schools included in the agreement have been written out on conversion, although the Council retains the ongoing contractual liability to make payments for the building of the schools until the end of the contract.

Pension Fund Liability - An actuarial evaluation of the West Yorkshire Pension Fund is undertaken every three years by the fund's actuary, AON LLP, with annual updates in intervening years. The methodology used is in line with IAS19. Estimates of the pension assets and liabilities are sensitive to actuarial assumptions and can vary significantly based on changes to these assumptions. A sensitivity analysis can be found in Note 30.

33 Assumptions Made about the Future and Other Major Sources of Estimation Uncertainty

The statement of accounts contains estimated figures that are based on assumptions made by the council about the future or that are otherwise uncertain. Estimates are made using historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates. The items in the council's balance sheet at 31 March 2025, for which there is a risk of material adjustment in the next financial year, are as follows:

Property, Plant and Equipment
Assets are valued on a five-year rolling programme by either an internal, qualified, professional or by the District Valuer.

Owned other land and buildings (schools, sports facilities and operational assets) have a net book value of £343.4m. A 1% difference in the valuations would be £3.4m.

Pensions Liability
Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets.
A firm of consulting actuaries is engaged to provide the council with expert advice about the assumptions to be applied. The assumptions interact in complex ways.
During 2024/2025 the council's actuary advised that the net pension asset decreased by £73.6m, with a net pension liability balance of £12.9m as at 31 March 2025, as a result of updating the discount rate, assumptions, actual contributions made and considering the asset ceiling adjustment. A sensitivity analysis can be seen in the Defined Benefit Pension Schemes note 28.

National Non-Domestic Rates (NNDR) Provision
The council set aside, from its collection fund, £7.83m as a provision against the cost of the future settlement of current appeals outstanding against NNDR rateable values. The council's share of this provision of £3.8m is shown in the Provisions Note 18. The impact of appeals is highly uncertain and outside of the control of the council

The Collection Fund

This account reflects the statutory requirements for billing authorities to maintain a separate collection fund to account for the income from Council Tax and Business Rates. The statement shows the transactions of the billing authority in relation to the collection from taxpayers and distribution to the Council (including parish councils), West Yorkshire Combined Authority (on behalf of the Mayor for West Yorkshire for the Police), the West Yorkshire Fire and Rescue Authority and Central Government**.** The balance on this fund is shared between the Council, the Government and the other preceptors. That element due to the Council is incorporated into the Council's Balance Sheet in the Collection Fund Adjustment Account. The balance due to/from the Government and other preceptors is included in creditors and debtors.

Council Tax £'000	Business Rates £'000	2023/24 £'000	COLLECTION FUND	2024/25 £'000	Council Tax £'000	Business Rates £'000
			INCOME			
134,061		134,061	Billed to Council Taxpayers	142,121	142,121	
	2,576	2,576	Business rates transitional relief received	678		678
0	53,545	53,545	Non -Domestic Rating income (net of interest on refunds)	55,608	0	55,608
25	0	25	Contribution to previous year's collection fund deficit	143	143	0
134,086	56,121	190,207	**TOTAL INCOME**	198,550	142,264	56,286
			EXPENDITURE			
			Precepts and Demands			
111,925	26,137	138,062	Calderdale Metropolitan Borough Council	145,959	119,177	26,782
14,920	0	14,920	Police and Crime Commissioner for West Yorkshire	15,958	15,958	0
4,874	533	5,407	West Yorkshire Fire & Rescue Authority	5,636	5,089	547
131,719	26,671	158,389		167,553	140,224	27,329
			Business Rates			
	26,670	26,670	Payment to Government	27,329		27,329
	0	0	Business Rates Transitional Relief Paid over	0		0
	603	603	Disregarded amount re Renewable Energy	732		732
	347	347	Cost of Collection	348		348
0	27,620	27,620		28,409	0	28,409
			Impairment of debts and appeals			
740	-547	193	Write offs of uncollectable amounts	499	722	-223
2,287	396	2,683	Allowance for impairment of collectable amounts	2,932	2,422	510
	2270	2,270	Allowance for losses on Appeal	352		352
3,027	2119	5,146		3,783	3,144	639
			Contributions			
-	360	360	From previous year's collection fund Surplus	2,027	0	2,027
134,746	56,769	191,515	**TOTAL EXPENDITURE**	201,772	143,368	58,404
-660	-648	-1,308	MOVEMENT ON FUND BALANCE IN YEAR	-3,222	-1,104	-2,118
763	4,237	5,000	Opening Fund Surplus / (deficit) at 1st April	3,692	103	3,589
103	**3,589**	**3,692**	**SURPLUS / (DEFICIT) AT 31 MARCH C/FWD**	**470**	**-1,001**	**1,471**

Notes to the Collection Fund

1. Business Rates

Income from business rates 2024/25

Under statutory arrangements business rates, based on a rate poundage determined nationally by the Government and applied to rateable values determined by HM Revenue and Customs, are collected locally by the Council. The rate specified by the Government for 2024/25 was 54.6p (51.2p in 2023/24) and 49.9p for small businesses (49.9p in 2023/24). In 2024/25, the gross amount collectable net of refunds was £55.608m (£53.545 in 2023/24), based on a non-domestic rateable value at the 31 March 2025 of £169,972,313 (£170,443,656 at 31 March 2024).

Under the business rates retention scheme introduced in April 2013, business rate income is shared between Central Government (50%), the Council (49%) and the West Yorkshire Fire and Rescue Authority (1%). The total business rate shares of £54.658m payable in 2024/25 are estimated before the start of the year. The Council shares directly in the risks and benefits of business rate collection. There is a general risk of non-collection for which there is a provision of £3.047m. There are also potential losses on appeal which is estimated at £7.832m for appeals as 31 March 2025. The Council accounts for its proportionate share (49%) of these balances.

2. Council Tax

Calculation of Council Tax Base 2024/25

In accordance with Section 67(2) of the Local Government Finance Act 1992, the Council Tax base was approved by the Council on 15th January 2024. The amount calculated as Calderdale's Council Tax base for 2024/25 (allowing for a 98% collection rate), was as follows:-

Council Tax Band	Number of dwellings*	Proportion of band D tax	Band D equivalent
A-	83.25	5/9	46.25
A	31,510.75	6/9	21,007.17
B	15,451.25	7/9	12,017.65
C	13,926.50	8/9	12,379.11
D	7,008.75	9/9	7,008.75
E	5,226.75	11/9	6,388.25
F	2,931.75	13/9	4,234.75
G	1,283.25	15/9	2,138.76
H	51.75	18/9	103.50
	77,474.00		65,324.19
Less allowance for non-collection			-1,306.48
Council tax base - band D equivalent			**64,017.71**

** The number of dwellings adjusted for discounts and exemptions such as single person discount and council tax support.*

The total Council Tax requirement in 2024/25 (including Parishes, Police and Fire Authorities) was £140.224m (£131.719m in 2023/24. The Council Tax at Band D equivalent was set at £2,190.39 in 2024/25 (£2,085.92 in 2023/24).

Bad Debts Provision
The total bad debt provision for Council Tax as at 31 March 2025 was £16.365m (£13.944m in 2024).

3. Payments to Precepting Bodies

The Collection Fund made the following payments during the year:-

Precept 2023/24 £m	Share of surplus / (deficit) £m	Payments made £m	Payments made to Government / precepting bodies	Precept 2024/25 £m	Share of surplus / (deficit) £m	Payments made £m
			Council Tax			
111.925	-0.024	111.901	Calderdale MBC	119.177	-0.121	119.056
14.920	0.000	14.920	Police and Crime Commissioner for West Yorkshire	15.958	-0.016	15.942
4.874	-0.001	4.873	West Yorkshire Fire and Rescue Authority	5.089	-0.006	5.083
131.719	**-0.025**	**131.694**		**140.224**	**-0.143**	**140.081**
			Business Rates			
26.137	0.176	26.313	Calderdale MBC	26.782	1.004	27.786
26.670	0.180	26.850	Central Government	27.329	1.025	28.354
0.533	0.004	0.537	West Yorkshire Fire and Rescue Authority	0.547	0.021	0.568
53.340	**0.360**	**53.700**		**54.658**	**2.050**	**56.708**

Glossary

Accounting Policies The principles, bases, conventions, rules and practices applied to specify how the effects of transactions and other events are to be reflected in the financial statements through recognising, measuring and presenting assets, liabilities, gains, losses and changes to reserves.

Accruals The concept that income and expenditure is accounted for as earned or incurred, not as money received or paid.

Actuarial Gains and Losses For a defined benefit pension scheme, the changes in actuarial deficits or surpluses that arise because:

a) events have not coincided with the actuarial assumptions made for the last valuation (experience gains and losses); or
b) the actuarial assumptions (financial and demographic) have changed.

Balances The accumulated surplus on the Council's General Fund.

Capital Expenditure Expenditure on the acquisition or creation of a fixed asset, or expenditure which adds to and does not merely maintain the value of an existing asset.

Capital Receipts Proceeds from the sale of capital assets such as land and buildings. Such receipts can be used to repay debt or to finance new capital expenditure.

Cash and cash equivalents Cash, deposits or investments readily convertible to known amounts with no risk of change in value or penalty charge.

CIES – the **c**omprehensive **i**ncome and **e**xpenditure **s**tatement (this statement brings together Th Net Cost of Services, Other Operating Expenditure and Other Comprehensive Income and Expenditure.

Collection Fund A statutory account maintained by the Council to account separately for the collection and distribution of council tax and non domestic rates. The Government, West Yorkshire Combined Authority (on behalf of the Mayor for West Yorkshire for the Police), the West Yorkshire Fire and Rescue Authority and the Council's General Fund can all make demands upon this fund to help pay for running their services throughout the year. Any surpluses or deficits on this fund are borne in prescribed shares by the Government and the 3 precepting authorities.

Community Assets These are assets that the Council intends to hold forever and which have an indeterminable useful life. There may be restrictions on their disposal. Examples include parks and cemetery land.

Consistency The concept that the accounting treatment of like items within an accounting period and from one period to the next should be the same.

Constructive Obligation An obligation that derives from a Council's actions where:

a) by an established pattern of past practice, published policies or a sufficiently specific current statement, the Council has indicated to other parties that it will accept certain responsibilities; and
b) as a result, the Council has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Contingent Liability A condition that exists at the balance sheet date which may arise in the future dependent on the occurrence, or non-occurrence, of one or more uncertain future events not wholly within the control of the Council.

Council Tax This is a banded property tax that is levied on domestic properties throughout the Borough. The banding is based on estimated property values as at 1st April 1991.

Creditors An amount owed by the Council for work done, goods received or services rendered, but for which payment has not been made at the end of the year.

Current Service Cost (Pensions) For a defined benefit scheme, the value of the pension benefits earned by active employees in the period, net of the contributions paid by employees in respect of those benefits.

Current Value The basis for valuing operational fixed assets. The valuation recognises service potential and the economic environment prevailing for that service at the measurement date. Current value measurement bases include existing use, depreciated replacement cost and depreciated historical cost.

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

a) termination of employees' services earlier than expected, for example as a result of discontinuing a service activity; and
b) termination of, or amendment to the terms of, a defined benefit scheme so that some or all future service by current employees will no longer qualify for benefits or will qualify only for reduced benefits.

Debtors Sums of money owed to the Council but not received at the end of the year.

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

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

Depreciation A charge to service revenue accounts reflecting the wearing out, consumption, or other reduction in the economic life of a fixed asset, whether arising from use, passage of time or obsolescence through technological or other changes.

Discretionary Benefits Retirement benefits awarded at the discretion of the Council and which there are no legal, contractual or constructive obligations to pay.

Earmarked Reserve A sum set aside for a specific purpose to meet expected future expenditure.

Expected Credit Loss For a financial asset, the prospect that the net present value of expected cashflows will not match the net present value of contractual cashflows. This difference is the lifetime expected credit loss. When multiplied by the probability of the default occurring within the next 12 months, this equals the twelve month expected credit loss. Financial assets are impaired by these amounts as appropriate.

Fair Value The price to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date.

Finance Lease The new accounting standard requires that the rights to use items acquired under all leases are recognised as assets on the Balance Sheet, together with a liability for the payments to be made for the acquisition. Previously this was only done for leases where the Council acquired substantially all the risks and rewards of ownership of the leased item (finance leases).

Financial Asset A financial instrument such as bank deposits, investments, trade debtors and other receivables.

Financial Instrument A contract giving rise to a financial asset in one entity, and a financial liability or equity instrument in another.

Financial Liability A financial instrument such as borrowings, bank overdraft, financial guarantees, trade creditors and other payables.

General Fund The total services of the Council (except for the Collection Fund), the net cost of which is met by Council Tax, retained Business Rates and Government grants.

Government Grants Specific assistance by Government and inter-government agencies and similar bodies in the form of cash or transfers of assets to a Council. Sometimes, there is expected to be compliance with certain conditions relating to the activities of the Council but many grants provided are “general” rather than service specific, and are used to help pay for the net cost of Council services generally.

Gross Book Value For assets valued at current value, the current value determined by the valuer in line with valuation principles excluding any provision made for cumulative depreciation. For assets valued at historical cost, the historical cost of those assets excluding any provision made for cumulative depreciation.

Held for sale assets A held for sale asset is an asset available for immediate sale with an active programme to locate a buyer for the asset, being actively marketed for sale at a reasonable price in relation to its fair value, and for which a sale is highly probable.

Heritage Assets Heritage assets are those assets held for their historical, artistic, scientific, technological, geophysical or environmental qualities and are held and maintained for future generations for their contribution to knowledge and culture rather than for any operational benefit. They include historical buildings, decorative structures, civic regalia, museum collections and works of art.

Impairment A reduction in the value of a fixed asset below its carrying amount on the Balance Sheet.

Infrastructure Assets These are assets such as highways, footpaths, bridges and drainage facilities. Benefit can be obtained only by continued use of the asset created.

Interest on the net defined pension liability For a defined benefit scheme, a charge based on the net liability of the scheme multiplied by the discount rate at the start of the period. It reflects the net effect of the expected increase during the period in the present value of the scheme liabilities because the benefits are one period closer to settlement, and an amount for interest earned on fund assets.

International Financial Reporting Standards (IFRS) International Financial Reporting Standards are accounting standards developed by the International Accounting Standards Board (IASB) to promote a single set of high quality global accounting standards.

Investment Properties Properties held solely to earn rental income or for capital appreciation, and not used to provide services or for administrative purposes.

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

Liquid Resources Current asset investments that are readily disposable by the Council without disrupting its business and are either of fixed, short term duration readily convertible to known amounts of cash at or close to the carrying amount, or traded in an active market.

Materiality Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that users of general purpose financial statements make on the basis of those financial statements.

Minimum Revenue Provision This is the minimum amount chargeable under statutory regulations each year to the Council's revenue account to provide for the repayment of loans used to finance capital expenditure.

MIRS – the **m**ovement **i**n **r**eserves **s**tatement (this statement shows the movement in the year on the different reserves held by the Council, analysed into usable and unusable reserves. Usable reserves can be applied to fund expenditure and manage local taxation levels).

Net Book Value The amount at which fixed assets are included in the Balance Sheet, i.e. their current value or historical cost less the cumulative amounts provided for depreciation.

NCOS – Net Cost of Service. This is the final cost of a service after all sources of income have been deducted from gross expenditure.

Net Current Replacement Cost The cost of replacing or recreating an asset in its existing condition and in its existing use.

Net Realisable Value The open market value of an asset in its existing use less any expenses incurred in realising the asset.

Non-Domestic Rates These are often referred to as Business Rates. An NDR poundage (the Multiplier) is set annually by the Government to be levied on the defined rateable value of business properties determined by the Valuation Agency Office. This is the sum to be collected by local authorities and shared with the fire authority and Central Government after the deduction of specific costs. These transactions are accounted for within the Collection Fund. The Council draws down from this fund an amount specified at the start of the year.

Operating Lease An agreement in which the use of an asset is derived in exchange for rental payments, but where the risks and rewards of ownership are not substantially all transferred.

Other Comprehensive Income (OCI) – other **c**omprehensive **i**ncome and expenditure (this includes other recognised gains and losses during the year due to valuation changes in assets and liabilities rather than to economic performance in service delivery) and is added to the SDOPS sub total to provide the Total comprehensive income and expenditure for the year.

Past Service Cost For a defined benefit scheme, the increase in the present value of the scheme liabilities related to employee service in prior periods arising in the current period as a result of the introduction of, or changes to, retirement benefits.

Precept The payment demanded from the Collection Fund by the West Yorkshire Combined Authority (on behalf of the Mayor for West Yorkshire for the Police), the West Yorkshire Fire and Rescue Authority and the Council's General Fund in relation to Council Tax. It is collected and distributed on behalf of all precepting authorities by the Council. These transactions are accounted for within the Collection Fund.

Prior Period Adjustments Those 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.

Private Finance Initiative (PFI) A Government initiative which enables authorities to carry out capital projects through partnership with the private sector, who then typically operate and maintain the property for a specified period of time in return for annual "unitary charge" payments.

Projected Unit Method An accrued valuation method in which pension scheme liabilities make allowance for projected earnings. An accrued benefits valuation method is a valuation method in which the scheme liabilities at the valuation date relate to;

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

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

Property, Plant and Equipment These are fixed assets such as land, buildings, and vehicles which yield benefits to the Council for more than one year and which are controlled, held, occupied, used or consumed in the direct delivery or administration of those services for which the Council has responsibility.

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

Public Works Loan Board This facility is operated by the UK Government's Debt Management Office (DMO) on behalf of HM Treasury. It provides loans to authorities at favourable rates and the Council can borrow from this source to fund its borrowing requirements.

REFCUS (Revenue Expenditure Funded from Capital Under Statute) Expenditure that is properly capitalised but does not result in, or remain matched with, assets of the Council. Examples of Refcus are expenditure on items such as grants for home adaptations or to businesses or other third parties for capital works.

Remeasurement of net defined liability (pensions) The movement in the value of the liabilities and assets of a defined benefit pension scheme due to gains and losses derived by actuarial revision of assumptions, and actual experience differing from previous actuarial assumptions made. These actuarial gains and losses are included in other comprehensive income and expenditure.

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

Residual Value The net realisable value of an asset at the end of its useful life. Residual values are based on current prices prevailing at the balance sheet date taking into account the expected age and condition at the end of the asset's useful life.

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

Revenue Expenditure The day to day running costs incurred in providing Council services (e.g. employee costs, supplies and services).

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

SDOPS – **S**urplus or **D**eficit on the **P**rovision of **S**ervices (represents the accounting cost of providing Council services during the year) and is a sub-total in the CIES.

Settlement An irrevocable action that relieves the employer (or the defined benefit scheme) of the primary responsibility for a pension obligation and eliminates significant risks relating to the obligation and the assets used to effect the settlement. Settlements include:

a) lump-sum cash payments to scheme members in exchange for their rights to receive specified pension benefits;
b) the purchase of an irrevocable annuity contract sufficient to cover vested benefits; and
c) the transfer of scheme assets and liabilities relating to a group of employees leaving the scheme.

Surplus Assets These are assets that are not directly occupied, used or consumed in the delivery of services, or held specifically to earn rental income or for capital appreciation, and which do not meet the criteria to be classed as held for sale or investment properties. Examples include land of indeterminate use.

Useful Life The period over which the Council will derive benefits from the use of a fixed asset.

Vested Rights In relation to a defined benefit scheme, these are: -

a) for active members, benefits to which they would unconditionally be entitled on leaving the scheme;
b) for deferred pensioners, their preserved benefits;
c) for pensioners, pensions to which they are entitled.

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