

2024/2025

Draft Statement of Accounts

February 2026



Cyngor Bwrdeistref Sirol
Blaenau Gwent
County Borough Council



Autumn Beech Woodland, Ebbw Fawr Valley

In Blaenau Gwent, the beech woodlands—most notably at the Silent Valley Nature Reserve—occur at the highest elevations and furthest westerly extent of their natural range in Britain.

Silent Valley's beech woodlands are exceptional not only for their geographical rarity, but also for their rich mosaic of plants and wildlife and their spectacular autumn colour. The combination of ancient beech trees, diverse ground flora, upland influences, and recovering post-industrial habitats makes the reserve one of the most distinctive woodland landscapes in South Wales.



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Abbreviations and Terms Used

Byrfoddau a Thermau a Ddefnyddir



Abbreviations and Terms Used in the Statement of Accounts

AEF	Aggregate External Finance	GJRC	Gwent Joint Records Committee
ALT	Aneurin Leisure Trust	GMIRS	Group Movement in Reserves Statement
AW	Audit Wales	GMP	Guaranteed Minimum Pension
BS	Balance Sheet	GTU	Gwent Transport Unit
BHAP CT	Bedwellty House & Park Charitable Trust	GWICES	Gwent Wide Integrated Community Equipment Service
CARE	Career Average Revalued Earnings	HMRC	His Majesty's Revenue & Customs
CBC	County Borough Council	HMT	His Majesty's Treasury
CC	City or County Council	HRA	Housing Revenue Account
CCP	Collaborative Change Programme	IAS	International Accounting Standard
CCRCD	Cardiff City Region City Deal	ICT	Information and Communications Technology
CDS	Credit Default Swap	IFRS	International Financial Reporting Standard
CIES	Comprehensive Income and Expenditure Statement	IPSAS	International Public Sector Accounting Standard
CIPFA	Chartered Institute of Public Finance and Accountancy	ISB	Individual Schools Budget
CPFA	Chartered Public Finance Accountant	JVA	Joint Venture Agreement
CPI	Consumer Price Index	LASAAC	Local Authority (Scotland) Accounts Advisory Committee
DRC	Depreciated Replacement Cost	LGPS	Local Government Pension Scheme
EAS	Education Achievement Service (for South-East Wales)	LLP	Limited Liability Partnership
EEA	European Economic Area	LMS	Local Management of Schools
EFA	Expenditure and Funding Analysis	LOBO	Lender's Option Borrower's Option
EFTA	European Free Trade Association	MiRS	Movement in Reserves Statement
EU	European Union	MMI	Municipal Mutual Insurance
EUV	Existing Use Value	MRICS	Member of the Royal Institution of Chartered Surveyors
FRS	Financial Reporting Standard	MRP	Minimum Revenue Provision
FSS	Funding Strategy Statement	MTFS	Medium Term Financial Strategy
FTSE	Financial Times Stock Exchange	NHS	National Health Service
GBS	Group Balance Sheet	NNDR	National Non-Domestic Rates
GCIES	Group Comprehensive Income and Expenditure Statement	NPV	Net Present Value
GGCJC	Greater Gwent Cremation Joint Committee	NRW	Natural Resources Wales

Abbreviations and Terms Used in the Statement of Accounts

PPE	Property, Plant and Equipment
PWLB	Public Works Loan Board
REFCUS	Revenue Expenditure Funded from Capital Under Statute
RICS	Royal Institution of Chartered Surveyors
RPI	Retail Price Index
RSG	Revenue Support Grant
SCAPE	Superannuation Contributions Adjusted for Past Experience
SCR	Standard Contribution Rate
SeRCoP	Service Reporting Code of Practice
SEWSPG	South East Wales Planning Group
SPA	State Pension Age
SRS	Shared Resource Services
SSP	Statutory Sick Pay
STCA	Short-Term (Accumulating) Compensated Absences
STRGL	Statement of Total Recognised Gains and Losses
SVWS Ltd.	Silent Valley Waste Services Ltd
TPS	Teachers Pension Scheme (<i>also</i> : uTPS)
UK GAAP	United Kingdom Generally Accepted Accounting Principles (and/or Practices)
UKGN	United Kingdom Guidance Notes (RICS)
UKVS	United Kingdom Valuation Standards (RICS)
uTPS	Unfunded Teachers Pension Scheme (<i>also</i> : TPS)
VAT	Value Added Tax
WAO	Wales Audit Office
WG	Welsh Government
WRAP	Waste & Resources Action Programme
WTO	World Trade Organisation



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1. Introduction

The purpose of this Narrative Report is to offer a guide to the context in which the Authority operates, provide an overview of the most significant matters affecting the Accounts, outline the changes in accounting policies applied in preparing the Accounts and explain the Authority's overall financial position.

The financial statements cover the period 1 April 2024 to 31 March 2025 and have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2024/2025 (the Code), issued by the Chartered Institute of Public Finance and Accountancy (CIPFA).

Amounts in these Accounts have been rounded and presented to the nearest thousand Pound (£000), except where disclosure to the nearest Pound is required to aid in presentation and understanding.

2. Background - Impact of Current Economic Climate on the Authority and the Services it Provides

During 2024/25, Blaenau Gwent County Borough Council continued to operate within a wider economic environment characterised by inflationary pressures, higher interest rates, and ongoing constraints on public sector funding. These factors have influenced both the cost of delivering services and the level of demand for certain Council services.

Inflation has increased costs across a range of areas, including employee costs, energy, supplies and commissioned services, and capital financing. At the same time, the economic environment has contributed to sustained demand pressures across a range of service areas. Funding and income levels have not fully offset these pressures.

For 2024/2025, the Welsh Government Revenue Settlement was broadly positive, with Aggregate External Finance increasing by 2.8% (£3.95m). However, inflationary pressures and rising pay costs resulted in a significant funding gap of £8m. To set a balanced revenue budget of £185m, the Council approved a range of measures including the utilisation of £1.5m from specific reserves, a Council Tax increase of 4.95%, provision of £2.8m for cost pressures and service growth, delivery of £6.48m in financial efficiencies, and the application of cash-flat funding to schools. Further detail is set out in the Revenue Budget Reports approved by Council in February and March 2024.

Throughout the year, the Council has managed these impacts through its established financial management arrangements, including regular budget monitoring, delivery of approved savings, and prudent use of reserves where appropriate. Financial assumptions and risks continue to be reviewed through the Medium-Term Financial Strategy.

3. Background - Significant Events

Prior to the completion of the Accounts, the following significant events occurred that have had an impact on the financial statements themselves or the environment in which the Authority operates:

3.1 Annual Governance Statement

In the Annual Governance Statement, the Audit & Risk Manager has concluded that Blaenau Gwent County Borough Council's system of internal control during the 2024/2025 financial year operates to a level which gives reasonable assurance on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.

3.2 Federated Council Approach

During 2024/2025, Blaenau Gwent County Borough Council, alongside Torfaen County Borough Council, became the first councils in Wales to adopt a federated council approach. This model enables shared leadership, governance, and integrated management arrangements across agreed service areas, while each council remains a legally separate authority with independent democratic and financial accountability.

As part of this approach, both councils have adopted the Marmot Principles, placing fairness and social justice at the heart of decision-making and resource allocation. These principles guide efforts to reduce health inequalities and improve well-being across communities, with a focus on giving every child the best start in life, creating fair employment and good work, ensuring healthy living standards, and tackling discrimination.

The federated approach is intended to strengthen service resilience, improve efficiency, and support long-term sustainability while maintaining strong local accountability. Key features of the federated council approach include:

- Shared strategic leadership and senior management, where appropriate, to reduce duplication and strengthen capacity.
- Joint governance and decision-making arrangements for federated services, ensuring transparency and accountability to both councils.
- Aligned policies, processes, and operating models across participating services, while allowing for local flexibility where required.
- Separate political sovereignty, with each council continuing to set its own budget, priorities, and policy decisions through its elected members.
- A focus on value for money and service sustainability, particularly in the context of financial pressures, workforce challenges, and increasing demand for public services.

The federated model is designed to support long-term service resilience by pooling expertise, standardising best practice, and enabling more efficient use of resources, while avoiding the complexity and loss of local control often associated with full structural reorganisation or merger. Overall, the federated council approach represents a pragmatic and innovative form of collaboration, balancing the benefits of integration and scale with the need to maintain strong local democratic accountability for the communities of Torfaen and Blaenau Gwent.

3.3 Silent Valley Waste Services Ltd.

Silent Valley Waste Services Ltd was a wholly-owned subsidiary of the Authority. The Company ceased trading following the transfer of its services and employees to the Authority on 1 May 2023.

The future of the Company was considered by the Council in January 2024, at which it was determined that the Company should be formally dissolved. During 2024/2025, all remaining assets and liabilities were transferred to the Authority, the Company's bank accounts were closed, and final statutory accounts and tax returns were prepared and submitted. An application for voluntary strike-off was submitted to Companies House and the statutory notice was published in *The Gazette* on 24 December 2024. As no objections were received, Silent Valley Waste Services Ltd was formally dissolved on 11 March 2025.

As a result, the Company no longer forms part of the Authority's group accounts for the year ended 31 March 2025.

3.4 Ebbw Valley Railway Infrastructure Loan

In March 2021 the Council agreed to accept a £70million interest free loan from Welsh Government to progress infrastructure works on the Ebbw Valley Railway project. The acceptance of the loan was subject to the development and acceptance of a quadripartite agreement between Blaenau Gwent Council, Welsh Government, Transport for Wales and Transport for Wales (Rail). This agreement was signed by all parties by September 2021, with the loan to be repaid over a 50-year period after the conclusion of the infrastructure works. In accordance with the quadripartite agreement, the Council will receive from Transport for Wales (Rail) a guaranteed Asset Development Fee on an annual basis to meet the loan repayments.

The total expenditure incurred on the Infrastructure works was lower than the original loan value and on completion in 2024, £6.590m of the loan was passed back to Welsh Government. The relevant figures in the Council's accounts have been amended to reflect the reduced loan value.

3.5 Lime Avenue Joint Venture Agreement

In 2019, the Council entered into a Joint Venture Agreement (JVA) with Welsh Government for the development of business units at Lime Avenue, Ebbw Vale. Funding for this development was provided by Welsh Government, WEFO and the Council, with the majority of the financial benefits arising from the development falling to Welsh Government in line with the share of funding provided.

Following completion of the development and a review of the terms of the original contract (and supplemental agreements), it was determined that this JVA should be treated as a Joint Operation, with the Council's accounts including only its proportion of transactions and balances. A summary of these transactions can be found in the Joint Operations - Lime Avenue Joint Venture Agreement disclosure (*note 45*).

The Council has the option to purchase the Welsh Government Capital Share at any point. However, prior to the signing of the Third Supplemental Agreement to the Joint Venture Agreement on 18 March 2025, the Authority was required to either repay sums received from Welsh Government in the development of the business units, or to purchase any unsold units at market value in September 2039. At 31 March 2024 this liability was included on the Authority's Balance Sheet, valued as the cumulative total grant funding received from Welsh Government at that date (£9.036m).

The Third Supplemental Agreement between Welsh Government and Blaenau Gwent Council in relation to the Lime Avenue Joint Venture amended the terms and process for disposal of any remaining assets at 29 September 2039, and removed the requirement for the Council to purchase the Welsh Government capital share at that time. As a result this long-term liability has been removed from the Balance Sheet in the 2024/2025 Accounts.

4. Summary of Outturn

4.1 Revenue

Revenue expenditure relates to the Council's day-to-day running costs and the delivery of services within the financial year, including employee costs, supplies and services, and payments to third parties. The management accounts for 2024/2025 reported an overall underspend of £2.3 million, after net contributions of £0.28 million to specific reserves. As a result of this favourable financial position, there was no requirement to draw on specific reserves to balance the revenue budget.

Key factors contributing to the underspend include:

- Specific grant funding from Welsh Government to support the NIC pay award (£1.2m) and in year cost pressures (£1.012m);
- Strategic use of specific grant funding to fund core expenditure to ensure that grants are fully utilised;
- Higher than anticipated Council Tax collection rates; and
- The Inflation Contingency budget not being utilised during the year.

A number of budget pressures were identified during the financial year and these have been managed within the overall budget.

Further details can be found in the Provisional Outturn report to Cabinet on 13 October 2025.

The provisional outturn presented above is reported on a management accounting basis, in line with the budget reports used for internal management and decision-making. Consequently, the figures differ slightly from those included in the Comprehensive Income and Expenditure Statement (CIES), which is prepared in accordance with statutory financial accounting standards.

4.2 Capital

Capital expenditure is money the Council invests in long-term assets such as buildings, roads, schools, and other infrastructure, which are intended to support service delivery and benefit communities over a number of years. During 2024/2025, the Council's approved capital programme totalled £76 million and was financed through a combination of external funding and Council resources. This included £45.7 million of Welsh Government grant funding, £14.4 million from other grant sources, and £16.0 million funded directly from the Council's own resources.

The provisional outturn for 2024/2025 reports a minor underspend of £48,000 against in-year capital approvals of £37.5million. This variance relates to the delivery of the 20 mph scheme within the grant allocation provided.

4.3 Reserves

Usable reserves represent amounts set aside by the Council that can be applied to support future expenditure, manage financial risk, or fund one-off investment and service pressures. These reserves provide an important element of financial resilience and flexibility. During 2024/2025, the Council's usable reserves reduced by £0.898 million overall, reflecting the planned use of reserves to support approved spending and financial management decisions during the year and the Council's financial resilience over the medium to long-term.

5. Revenue Expenditure Outturn and Funding

5.1 2024/2025 Outturn

The following table reconciles the net service expenditure reported on a statutory basis in the Comprehensive Income & Expenditure Statement with net outturn as reported to management during the year. The Expenditure and Funding Analysis together with the accompanying notes provide details of the adjustments that have been made in reconciling between the statutory and management accounts. The table also indicates the Authority's net service expenditure (as reported to management) compared with the budget for the year.

Service Expenditure Compared to Budget	2024/2025					
	CIES Net Expenditure £000	Accounting Code Adjustments £000	Funding and Accounting Basis Adjustments £000	Net Outturn - Management Accounts £000	Revised Budget £000	Variance: Adverse / (Favourable) £000
Portfolio/Committee:						
Corporate Services	26,889	(107)	(489)	26,293	25,724	569
Education *	19,941	59,091	(2,963)	76,069	74,868	1,201
Environment	24,074	13,661	(4,667)	33,068	33,302	(234)
Regeneration & Economic Development	(4,394)	3,516	4,453	3,575	1,573	2,002
Social Services	51,717	(79)	1,533	53,171	53,550	(379)
Licensing	112	0	13	125	124	1
Planning	1,107	(1)	72	1,178	1,145	33
Sub-Total:	119,446	76,081	(2,048)	193,479	190,286	3,193
Education - School Spending **	59,556	(49,008)	(4,228)	6,320	0	6,320
Cardiff Capital Region City Deal	735	(707)	(28)	0	0	0
Total:	179,737	26,366	(6,304)	199,799	190,286	9,513

*: *Education* refers to centralised education functions and non-school transactions.

** : *Education - School Spending* refers to financial transactions related specifically to school establishments.

***: *Cardiff Capital Region City Deal* refers to the Authority's contributions to revenue and capital costs, as apportioned in accordance with the terms of the joint arrangement.

5.2 Impact of Inflation on Revenue Expenditure

Consumer price inflation (CPI) at April 2025 was 3.5%, having increased from 2.3% at April 2024 following a period of easing earlier in the year. Inflation fell steadily during the first half of 2024/25, reaching a low of 1.7% in September 2024, below the 2% target set by the Bank of England, before rising again towards the end of the financial year to 3.0% in January 2025. The increase reflected a combination of base effects, higher services inflation and renewed pressures from transport and food prices.

The impact of inflationary pressures on the Authority varies across different areas of expenditure. A significant proportion of the Authority's costs relate to employee expenditure, with a 1% increase in employee costs equating to approximately £1.37m. Although inflation moderated during parts of the year, pay settlements continued to exceed historic assumptions, contributing to ongoing financial pressures across local government.

As part of its response to changing inflationary conditions, the Bank of England's Monetary Policy Committee (MPC) began easing monetary policy during 2024/25. Bank Rate was reduced from 5.25% to 5.00% in August 2024, followed by a further reduction to 4.75% in November 2024. These decisions reflected progress in disinflation, although the MPC continued to highlight the persistence of domestic price and wage pressures and confirmed that future changes would remain dependent on the economic outlook.

Overall, increases in the prices at which the Authority procures goods and services, where not offset by corresponding increases in income from fees, charges or government grant funding, continue to have a detrimental impact on the cost of service delivery and the Authority's medium-term financial position

5.3 Funding Sources

The majority of the Authority's ongoing service expenditure is funded through external support provided by the Welsh Government. This core funding is referred to as Aggregate External Finance (AEF) and comprises the Revenue Support Grant and the Authority's share of Non-Domestic Rates. AEF represents the principal source of general funding available to the Authority to support the delivery of local services and is distributed through the Welsh Government's annual local government financial settlement.

For 2024/2025, the Authority's AEF (adjusted for transfers) increased by 2.8% compared with 2023/2024, which was below the average increase of 3.3% across Welsh unitary authorities. For the Authority, a 1% change in AEF equates to approximately £1.5 million, representing around 0.77% of total revenue funding. However, the real-terms value of this increase is reduced by inflationary pressures.

During 2024/2025, the Council operated within a challenging financial environment, characterised by a lower-than-average funding settlement, ongoing inflationary pressures, and elevated interest rates. These factors increased cost pressures across services and financing activities, requiring careful financial management, the delivery of approved savings plans, and continued monitoring of financial risks.

6. Capital Expenditure Outturn and Funding

Capital Expenditure

In year, total capital expenditure amounted to £41.099m, an increase of £19.058m compared to the previous year, largely due to increased expenditure on Regeneration Schemes and Schools Band B projects, offset by the reduction in spending further to completion of the Ebbw Valley Railway Scheme.

The major items of expenditure, categorised by scheme type, are identified in the table below.

Capital Expenditure by Scheme	2024/2025		2023/2024	
	£000	£000	£000	£000
Rail Infrastructure Programme	606		30,059	
Schools & Education Establishments	14,758		11,422	
Regeneration Schemes	11,803		5,147	
Road Network & Maintenance Schemes	2,822		3,950	
Lime Avenue JVA	0		4,544	
Flying Start Schemes	816		551	
Social Services Adults	371		559	
Social Services Children	887		40	
Housing General	920		962	
Corporate Property	86		148	
Waste Management	3,239		1,089	
Finance Leases	2,502		0	
Industrial Units	139		250	
Leisure Schemes	193		393	
City Deal	0		0	
Town Centre Regeneration	1,689		855	
Other	268		188	
Total:		41,099		60,157

Further details of capital expenditure are contained in Core Statement note 25.

Financing of Capital Expenditure

Capital expenditure totalling £41.099m was financed by local authority borrowing (£5.795m), leasing arrangements (£2.502m), grants (£31.648m), capital receipts (£0.003m) and revenue contributions (£1.151m).

7. Contingencies, Provisions and Reserves

7.1 Contingencies

A number of contingent liabilities are disclosed in relation to issues where an event has taken place that gives the Authority a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Authority, where it is not probable that an outflow of resources will be required or where the amount of the obligation cannot be measured reliably. For 2024/2025, disclosures cover:

- The Municipal Mutual Insurance run-off claims and liability under the Scheme of Arrangement;
- Warranties and indemnities to Tai Calon arising from the transfer of housing stock;
- Part 1 compensation claims arising from public works projects;
- Guarantees to the Greater Gwent (Torfaen) Pension Fund in the event that pension liabilities are not settled by Aneurin Leisure Trust; and
- Potential liabilities that may arise following decisions of the courts in relation to specific past actions of the Authority.
- Possible obligations that may arise but for which no claims have yet been presented.

No contingent assets have been identified.

It is not possible to place a value on these contingent liabilities, which may or may not crystallize at a point in the future. In the event of these issues and the sums involved becoming more certain, the appropriate accounting treatment will be applied and relevant charges made to the accounting statements.

Further details of contingent liabilities can be found in note 35.4.

7.2 Provisions

The level of provisions held by the Authority varies each year in relation to the level of liabilities identified. Total provisions held by the Authority at the beginning of the year amounted to £8.359m, increasing by £0.374m to £8.733m during 2024/2025. This was largely due to the establishment of a provision for Reservoir Safety Works and increases in the estimated liabilities required for lease dilapidation/decommissioning of assets and post-transfer aftercare and leachate responsibilities at Silent Valley.

All provisions have been assessed to reflect payments made against them during the financial year and have been increased or decreased in line with anticipated outstanding liabilities.

Details of the movements of individual provisions are shown in note 35 to the Core Statements.

7.3 Reserves

Movements on usable reserves are detailed in note 41 to the Core Statements. Total usable reserves amounted to £62.864m at 31 March 2024, decreasing by £0.898m to £61.966m at 31 March 2025:

Aggregate Usable Reserves - year on year movement	2023/2024	2024/2025	(Increase) / Decrease	
	£000	£000	£000	%
Council Fund	(13,072)	(13,969)	(897)	(6.86)
Earmarked Reserves	(35,610)	(32,676)	2,934	8.24
Usable Capital Reserves	(14,182)	(15,321)	(1,139)	(8.03)
Total Usable Reserves	(62,864)	(61,966)	898	1.43

Over the financial year, the Council Fund General Reserve has increased by £0.897m (+6.86%), from £13.072m to £13.696m. This was due to the management of the reserve in accordance with the Authority's policy of maintaining General Reserves at a minimum target level of 4% of Revenue Outturn Expenditure.

The year on year decrease of £0.898m in the Usable Reserves (the Council Fund, Earmarked Reserves and Usable Capital Reserves) is a result of a number of factors, including:

- the review of reserves and balances in line with the budget underspend to ensure they are adequate to support the council's financial resilience in the short, medium and long term;
- the use of earmarked reserves to deliver relevant service outcomes, for example the use of LMS balances within school settings, and unwinding of the Rail Loan Interest Reserve on payment of interest generated on the Rail Project Loan to Wales Government.

Establishment, retention and use of earmarked reserves are subject to review during the year in accordance with the Authority's risk-assessment based Reserves Management Protocol.

Impact of Pension Deficit on Reserves

The Authority holds total usable reserves of £61.966m at 31 March 2025 (£62.864m at 31 March 2024). The effect of applying the net superannuation fund deficit of £86.971m to the Authority's usable reserves would be a deficit of £25.005m (2023/2024: the superannuation deficit of £100.988m exceeded usable reserves by £38.124m).

However, the reported pension deficit is after adjustment for the impact of the asset ceiling and the recognition of agreed past service cost contributions, and the actuarial figures are dependent on a number of factors such as investment performance and retirement benefits payable. The long-term funding of the Local Government Scheme is addressed over a number of years by staged changes to employer contributions. Consequently, the total liability would not arise in one financial year. The overall financial standing of the Superannuation Fund is regularly reviewed by Actuaries on behalf of the administering Authority (Torfaen CBC).

Further details on Pension balances and transactions can be found in notes 39-40.

The most significant net contributions to/from usable reserves were:

Summary Reserves Movements	2024/2025		2023/2024	
	£000	£000	£000	£000
Balance at 1 April		(62,864)	Balance at 1 April	(60,690)
Significant net contributions (to)/from earmarked reserves:			Significant net contributions (to)/from earmarked reserves:	
Cardiff Capital Region City Deal	291		Cardiff Capital Region City Deal	(227)
Downsizing, Redundancy & Transitional Costs	(623)		Downsizing, Redundancy & Transitional Costs	(189)
Energy Centre	(69)		Energy Centre	(189)
Future Interest Rate	(602)		Future Interest Rate	(432)
Individual Schools Budget (ISB)	93		Individual Schools Budget (ISB)	(247)
Invest to Save	(40)		Invest to Save	(565)
LMS	2,481		LMS	3,505
Pay and National Insurance Contingency	(1,300)		Pay and National Insurance Contingency	0
Rail Loan Interest	1,617		Rail Loan Interest	(713)
Revenue Grants & Contributions Unapplied	(202)		Revenue Grants & Contributions Unapplied	(493)
Reserves Related to Portfolio Services	431		Reserves Related to Portfolio Services	(755)
Silent Valley Waste Services	461		Silent Valley Waste Services	(1,504)
		2,538		(1,809)
Significant net contributions (to)/from other usable reserves:			Significant net contributions (to)/from other usable reserves:	
Usable Capital Receipts	(1,057)		Usable Capital Receipts	(497)
Capital Grants Unapplied	(82)		Capital Grants Unapplied	218
Other net contributions (to)/from usable reserves	(501)		Other net contributions (to)/from usable reserves	(86)
		(1,640)		(365)
Balance at 31 March		(61,966)		(62,864)

8. Treasury Management Activities

In March 2024, the Authority approved the Treasury Strategy Statement, Annual Investment Strategy and MRP Policy Statement for the 2024/2025 financial year. The prime objectives of these policies were firstly to ensure the security of capital and secondly to maximise the liquidity of investments. In doing so, the policies sought to minimise the revenue costs of debt whilst maintaining a prudent level of debt redemption.

All borrowing and investing activities have been conducted within the framework set out in the Treasury Strategy. In particular the Authority has adopted a low risk strategy in order to give priority to the security of its investments.

Investing Activities

During the year, transactions related to investments were as follows:

Investments	2024/2025 £000	2023/2024 £000
Balance at 1 April	22,531	66,065
Investments Made	273,119	298,800
Investments Repaid	(289,531)	(342,334)
Balance at 31 March	6,119	22,531

The balance of investments held at year-end can be analysed as follows:

Analysis of Investments	31 March 2025 £000	31 March 2024 £000
Call Account Cash Deposits	3,000	3,000
Fixed Term Cash Deposits	0	19,500
Short Term Investments	3,119	31
Total	6,119	22,531

Borrowing Activities

Total external loan debt at 31 March 2025 amounted to £155.866m (31 March 2024: £149.946m). On 1 April 2024, the Cardiff Capital Region City Deal (CCRCD) formally transitioned from the Joint Working Agreement to the Corporate Joint Committee model. As a separate corporate and legal entity, the CCRCD obtained powers to borrow in its own right. The £155.866m total for external loan debt (above) includes the Authority's share of long-term loans raised by CCRCD, being £0.462m at 31 March 2025 (31 March 2024: £0).

Following the increases in the Bank of England base rate, new long-term borrowing has been kept to a minimum to avoid committing the Council to higher interest payments in future years. Further opportunities to raise long term loans will be explored when interest rates reduce from their current high levels.

In March 2021 the Authority received a £70m interest free loan from the Welsh Government in relation to the Ebbw Valley Railway Infrastructure Project. This loan has been classified as non-current (long-term) borrowing to be repaid over a 50 year period commencing on completion of the project (expected to be from 2024/2025). The loan was discounted to its fair value in 2020/2021 and the sum in excess of the fair value was included as capital grant unapplied as required by the Accounting Code of Practice. This value was reassessed at 31 March 2025 resulting in an increase in the fair value of £4.234m, due to repayment of £6.590m that had not been utilised in delivery of the project objectives.

Transactions relating to external loan debt during the year were as follows:

Borrowing	2024/2025			2023/2024		
	Temporary Loans £000	Other Loans £000	Total £000	Temporary Loans £000	Other Loans £000	Total £000
Balance at 1 April	(38,452)	(111,494)	(149,946)	(48,367)	(141,658)	(190,025)
Adjustment to Present Value of Rail Loan	0	(4,234)	(4,234)	0	16,910	16,910
Loans Raised	(78,100)	(601)	(78,701)	(64,355)	0	(64,355)
Loans Repaid	58,000	21,039	79,039	74,270	13,166	87,436
Effective Interest Adjustment	0	(51)	(51)	0	(9)	(9)
Soft Loan Adjustment	0	(1,973)	(1,973)	0	97	97
Balance at 31 March	(58,552)	(97,314)	(155,866)	(38,452)	(111,494)	(149,946)

Minimum Revenue Provision

The 2003 Capital Finance Regulations require amounts to be set aside from revenue for the repayment of external loans. This is known as the Minimum Revenue Provision (MRP) and in 2024/2025 the sum of £2.423m (2023/2024: £1.807m) has been set aside by the Authority based on statutory guidance, as disclosed in note 1.17.

Interest on external loan debt of £5.243m has been charged to the Comprehensive Income & Expenditure Statement in 2024/2025 (2023/2024: £5.797m).

9. Pension Assets and Liabilities

The value of pension assets and liabilities disclosed in the accounting statements is:

Pension Assets and Liabilities	31 March 2025	31 March 2024
	£000	£000
Assets	441,671	505,419
Liabilities	(528,642)	(606,407)
Net Liabilities	(86,971)	(100,988)

All Pension Assets held relate to the Greater Gwent Local Government Scheme. Total liabilities at 31 March 2025 include £23.657m related to the Teachers Pension Fund (31 March 2024: £26.773m), with the remainder being in respect of liabilities held with the Local Government Scheme.

Impact of IAS 19 Asset Ceiling

IAS 19 limits the measurement of the pension scheme defined benefit asset to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Actuarial assessment of the net pension asset at 31 March 2025 (for funded obligations) indicated a surplus (i.e. asset) before asset ceiling adjustments of £103.264m (£11.117m at 31 March 2024). However, this amount is restricted by the entitlement of the Authority to any refunds for contributions made, or any agreed reductions in future contributions to reduce this surplus.

Under the terms of the Local Government Pension Scheme, the Council has no right to receive refunds in relation to payments made. At the Balance Sheet date, there has also been no agreement to reduce future contribution rates as a result of fund surpluses.

Therefore, IAS 19 restricts the level of assets to the level of funded obligations - i.e. there can be no surplus asset. Consequently, having been reduced by £11.117m in 2023/2024, the funded pension asset has been restricted by an additional £92.147m in the 2024/2025 Accounts, with a corresponding adjustment to the Pensions Reserve.

In addition, IFRIC 14 requires an additional liability to be recognised where agreed past service contributions would give rise to a future surplus and not be available after they are paid (i.e. available as a refund or reduction in future contributions). The Actuary has determined that the Present value of agreed past service contributions at 31 March 2025 is £59.699m (31 March 2024: £70.118m). Fund liabilities have therefore been reduced by £10.419m during 2024/2025, with a corresponding adjustment to the Pensions Reserve.

Therefore, the overall impact of applying the asset ceiling requirements of IAS 19 and IFRIC 14 to the Council's pension scheme assets and liabilities is an increase in net liabilities of £162.963m, (£81.235m in 2023/2024; £81.728m in 2024/2025) effectively taking the fund from a surplus position of £103.264m at 31 March 2025 to a deficit position of £59.699m.

10. Movement in Valuation of Non-Current Assets

During 2024/2025, the net cost or valuation of non-current assets (Property, Plant & Equipment) recorded on the Authority's Balance Sheet showed an increase of £26.359m, from £356.405m to £382.764m. This can be analysed between the decrease arising from in-year disposals, revaluations and depreciation of £6.567m, offset by expenditure on the addition, construction and enhancement of assets of £32.903m, including expenditure on Assets Under Construction of £7.3m on the Hi Value Engineering Centre (HiVE), £5.9m on the Welsh Medium Primary School, and £4.9m on the Ebbw Fawr Valley Primary School.

The overall movements on the net cost or valuation of non-current assets is summarised below:

Movement in Property, Plant & Equipment Assets	2024/2025	2023/2024
	£000	£000
Balance Brought Forward at 1 April	356,405	358,957
Adjustment to Balances Brought Forward	23	0
Revised Balance Brought Forward at 1 April	356,428	358,957
Expenditure on Assets Under Construction	20,489	47,306
Additions/Enhancements	12,414	5,535
Disposals	(47)	(62,753)
Revaluations	(3,743)	13,953
Depreciation Written Back on Revaluation	11,769	5,397
In-Year Depreciation & Impairment	(14,546)	(11,990)
Balance Carried Forward at 31 March	382,764	356,405

Note 25 provides further detail of the additions, disposals, appropriations, depreciation and revaluations that comprise the overall net increase in value during the year.

Balances brought forward were adjusted to include assets transferred from Silent Valley Waste Services in 2023/2024.

11. Significant Changes in Accounting Policies

11.1 CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2024/2025

The 2024/2025 Accounting Code of Practice requires the implementation of the new Leasing Standard (IFRS 16) from 1 April 2024, with a significant impact on the Accounting Statements:

- IFRS 16 Leases -
The previous operating and financing lease classifications were replaced with a requirement to recognise all leases on the balance sheets as right-of-use assets (with exemptions for short-term and low value leases), together with a corresponding liability representing the obligation to make lease payments for the asset. On implementation, an additional £1.692m of assets were recognised, with a matching Leasing Liability Creditor.

Revisions to the following standards had no significant impact on the 2024/2025 Accounts:

- IAS 1 Presentation of Financial Statements -
Amendments enhance clarity on the classification of liabilities, ensuring that obligations are properly categorised as current or non-current.
- IAS 12 Income Taxes -
Amendments to International Tax Reform: Pillar Two Model Rules.
- IAS 7 Statement of Cash Flows and IFRS 7 Financial Disclosure -
Amendments to Supplier Finance Agreements requiring additional disclosures in the financial statements.

12. Main Financial Statements

The Code interprets the requirements of IAS1 *Presentation of Financial Statements* for the local government context and requires the following main financial statements to be included:

12.1 The Comprehensive Income and Expenditure Statement (CIES)

The Income and Expenditure Account and Statement of Total Recognised Gains and Losses (STRGL) required by UK GAAP have been combined into one statement that records the full accounting cost of providing services during the financial year.

12.2 The Movement in Reserves Statement (MiRS)

Equivalent to the IAS1 Statement of Changes in Equity, this records the movement in the year on the different reserves held by the Authority, analysed into usable (those that can be used to fund expenditure or reduce local taxation) and unusable reserves (those that typically arise from timing differences between the identification of liabilities and the funding or settlement of those liabilities, which could be over a long period).

Whilst increases in usable reserves represent additional sums that can be utilised in the short term to provide funding for services, increases in unusable reserves represent an increasing burden on future taxpayers.

The MiRS includes adjustments that remove accounting entries made in accordance with proper accounting practice in order that the Council Taxpayer is charged only with amounts required by statute and regulations.

12.3 The Balance Sheet

Derived from the IAS1 requirement for a Statement of Financial Position, the Balance Sheet sets out the assets and liabilities of the Authority, and the usable and unusable reserves and balances that underlie those net assets. Much of the detail is presented within notes to the Balance Sheet, rather than in the Statement itself.

12.4 The Cash Flow Statement

The Cash Flow Statement summarises the cash and cash equivalents arising from transactions with third parties for revenue and capital purposes during the reporting period. The statement shows how the Authority generates and uses cash and cash equivalents by classifying cash inflows and (outflows) as operating, investing and financing activities.

13. Expenditure and Funding Analysis

The objective of the Expenditure and Funding Analysis is to demonstrate to council tax payers how the funding available to the Authority (i.e. government grants, council tax and business rates) for the year has been used in providing services in comparison with those resources consumed or earned by the Authority in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes between the Council's directorates. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

The following table summarises the transactions recorded in the EFA for 2024/2025.

Expenditure & Funding Analysis - Summary	2024/2025					2023/2024				
	Management Account Net Expenditure	Accounting Code Adjustments	Net Expenditure Chargeable to the Council Fund	Funding and Accounting Basis Adjustments	CIES Net Expenditure	Management Account Net Expenditure	Accounting Code Adjustments	Net Expenditure Chargeable to the Council Fund	Funding and Accounting Basis Adjustments	CIES Net Expenditure
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
(Surplus)/Deficit on the Provision of Services	199,799	(197,778)	2,021	(18,760)	(16,739)	180,982	(182,896)	(1,914)	12,261	10,347
Tax Expenses			16					19		
Transfers to/(from) earmarked reserves			(2,934)					1,733		
(Increase)/Decrease in year			(897)					(162)		
Opening council Fund Balance as at 1 April			(13,072)					(12,910)		
Closing Council Fund Balance as at 31 March			(13,969)					(13,072)		

14. Group Accounts

The Authority is required to prepare Group Accounting Statements including Bedwellty House & Park Charitable Trust (BHAP CT).

Bedwellty House & Park Charitable Trust was formally registered in 1981 with the Council as the sole trustee. The Trust Seal Documentation specifies that the assets of the Trust are vested with the Trustee (i.e. the Council) and as a result the transactions and balances of the charitable trust have been included in the Group Accounts.

The Authority's interest in the Education Achievement Service for South-East Wales has not been consolidated in the Group Accounts. Whilst the Authority holds a 20% interest in the company, which would normally trigger the requirements for inclusion as an associate company within group accounts, there are a number of factors that counter-indicate the Authority having significant influence over the EAS, including the level of control exercised by Welsh Government, and therefore the presumption for inclusion has been rebutted.

Group Accounts have been prepared in compliance with the Accounting Policies set out on pages 24-33 and 137-138 and are included in the Statement of Accounts on pages 133-149.

15. Future Developments

15.1 'The Deal'

The Council, alongside Torfaen County Borough Council, has launched The Deal—a partnership between the councils, residents, and key partners—to transform how services are designed and delivered. The Deal is founded on the principles of prevention, empowerment, and collaboration, and is structured around five long-term missions:

- **Mission One: Early Years – Building Bright Futures**
Supporting every child to thrive by building strong foundations for lifelong learning and development, with a focus on cognitive, emotional, social, and physical wellbeing.
- **Mission Two: Inspiring Lifelong Learning, Ambition and Resilience**
Empowering people of all ages to lead informed, independent, and healthy lives, fostering ambition and resilience throughout the life course.
- **Mission Three: Wellbeing through Community Leadership**
Working in partnership with communities to harness local strengths, improve wellbeing, and reduce the need for early access to statutory services.
- **Mission Four: Thriving Economy, Vibrant Places**
Driving sustainable economic growth and creating vibrant, well-connected places where people and businesses can thrive.
- **Mission Five: Empowered Communities, Shared Power and Success**
Working alongside communities to harness their ambition and energy in shaping and delivering services, building community resilience, self-reliance, and shared success.

The Deal continues to develop, but its ambitions will increasingly shape decisions within the Medium-Term Financial Strategy (MTFS). By embedding both the Marmot Principles and The Deal's missions into the MTFS, the Council ensures that financial planning is not solely focused on balancing budgets, but also on investing in long-term health equity, community resilience, and sustainable development. This approach supports the Council in responding to demographic and economic challenges while creating the conditions for a fairer, healthier, and more prosperous Blaenau Gwent.

15.2 Cardiff Capital Region City Deal (CCRCD)

The Cardiff Capital Region City Deal between the UK Government, the Welsh Government and the 10 constituent Councils in South East Wales, including Blaenau Gwent, was formally ratified on 1 March 2017. The City Deal offers the opportunity to deliver an investment package of £1.2 billion into the City Region economy between now and 2036. Whilst much of this is already earmarked for certain activities, particularly investment in the South East Wales Metro, there are funds available as part of the £1.2 billion to leverage wider economic benefits. The City Deal has a small number of key targets. Notably, these include the creation of 25,000 new jobs by 2036, leveraging £4 billion of private sector investment and securing economic growth.

Since inception, the City Deal has evolved from a single funding programme into a broader set of regional functions and accountabilities. The South East Wales Corporate Joint Committee (CJC) was established under the South East Wales Corporate Joint Committee Regulations 2021 and came into effect on 1 April 2021.

A phased transition to the CJC operating as the accountable body for the City Deal was undertaken to ensure business continuity. While the CJC initially operated on a limited basis, a number of technical and legal issues delayed full operational delivery. During 2024/2025, these issues were resolved and the CJC assumed full responsibility for the delivery and governance of the City Deal programme, with the previous 'twin-track' arrangements coming to an end.

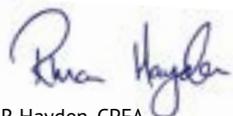
The Authority continues to recognise its funding commitment to the City Deal and to monitor associated financial risks and obligations as part of its medium-term financial planning.

16. Conclusion

The production of the IFRS-compliant annual Statement of Accounts continues to provide a considerable challenge.

In recent years, the Council has experienced significant delays in the production of its statutory Accounts, arising in part from the need to consider and finalise a number of complex accounting arrangements. As reported to the Governance and Audit Committee, the audit of the 2023/2024 Accounts was concluded in July 2025, at which point an unqualified opinion was issued. The timing of this conclusion has had a consequential impact on the Council's capacity to prepare and progress the 2024/2025 Accounts in accordance with the statutory timetable.

The Council is working hard to ensure that future years accounts can be produced within statutory deadlines and in presenting this Statement of Accounts I wish to recognise the professionalism and unstinting commitment of the Resources Team together with the support and assistance from colleagues in other departments, whose collaboration remains essential in the production of this document.



R. Hayden, CPFA
Corporate Director of Corporate Services



Statement of Responsibilities

Datganiad O Gyfrifoldebau



Cyngor Bwrdeistref Sirol

Blaenau Gwent

County Borough Council



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Statement of Responsibilities

The Authority's Responsibilities

The Authority is required to:

- Make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Authority, that officer is the Strategic Director - Corporate Services.
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- Approve the Statement of Accounts.

The Responsibilities of the Strategic Director - Corporate Services

The Strategic Director - Corporate Services is responsible for the preparation of the Authority's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code). In preparing this Statement of Accounts, the Strategic Director - Corporate Services has:

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

The Strategic Director - Corporate Services has also:

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

Certification of Accounts

In my opinion the Statement of Accounts gives a true and fair view of the financial position of Blaenau Gwent County Borough Council and the Blaenau Gwent County Borough Council Group as at 31 March 2025, and of their expenditure and income for the year then ended

February 2026

Strategic Director - Corporate Services

Date



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The report of the Auditor General for Wales to the Members of Blaenau Gwent County Borough Council

Opinion on financial statements

I have audited the financial statements of:

- Blaenau Gwent County Borough Council and
- Blaenau Gwent County Borough Council Group

for the year ended 31 March 2025 under the Public Audit (Wales) Act 2004.

Blaenau Gwent County Borough Council's financial statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, and the related notes, including the material accounting policies.

Blaenau Gwent County Borough Council's Group financial statements comprise the Group Movement in Reserves Statement, the Group Comprehensive Income and Expenditure Statement, the Group Balance Sheet, the Group Cash Flow Statement and the related notes, including the material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2024-2025.

Draft - Subject to Audit

Draft - Subject to Audit

Draft - Subject to Audit



...the Statement of Accounts comprise the financial statements and the notes to the accounts, including the summary of significant accounting policies...



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Comprehensive Income and Expenditure Statement

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

Comprehensive Income & Expenditure Statement	2024/2025			2023/2024			Note:
	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	
	£000	£000	£000	£000	£000	£000	
Continuing Operations							
Corporate Services	49,314	(22,425)	26,889	48,665	(22,842)	25,823	17
Education	29,968	(10,027)	19,941	22,413	(9,553)	12,860	
Education - Schools	65,951	(6,395)	59,556	71,131	(6,290)	64,841	30
Environment	39,519	(15,445)	24,074	41,307	(14,796)	26,511	
Cardiff Capital Region City Deal	1,468	(733)	735	1,650	(1,662)	(12)	46
Regeneration & Economic Development	22,624	(27,018)	(4,394)	8,136	(11,658)	(3,522)	
Social Services	79,508	(27,791)	51,717	79,773	(27,937)	51,836	12
Licensing	218	(106)	112	230	(96)	134	
Planning	1,400	(293)	1,107	1,064	(766)	298	
Total Deficit on Continuing Services	289,970	(110,233)	179,737	274,369	(95,600)	178,769	7

Comprehensive Income & Expenditure Statement (Continued)	2024/2025			2023/2024			Note:
	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	
	£000	£000	£000	£000	£000	£000	
Total Deficit on Continuing Services	289,970	(110,233)	179,737	274,369	(95,600)	178,769	
Other Operating Expenditure	12,475	(358)	12,117	74,255	(22,054)	52,201	9, 19, 20
Financing and Investment Income & Expenditure	39,355	(28,380)	10,975	30,663	(26,019)	4,644	10
Taxation & Non-Specific Grant Income	0	(219,568)	(219,568)	0	(225,267)	(225,267)	8, 18, 19, 21
(Surplus)/Deficit on Provision of Services	341,800	(358,539)	(16,739)	379,287	(368,940)	10,347	7
Tax Expenses			16			19	46.1
(Surplus)/Deficit on Provision of Services <i>less</i> Tax Expenses			(16,723)			10,366	MiRS
(Surplus)/Deficit Arising on the Revaluation of Non-Current Assets			(13,395)			(16,887)	
Remeasurement of the net defined benefit pension liability			(11,020)			28,360	40
Other Comprehensive Income & Expenditure			(24,415)			11,473	MiRS, 23
Total Comprehensive Income & Expenditure			(41,138)			21,839	MiRS

Note: In the Comprehensive Income & Expenditure Statement, amounts relating to expenditure are disclosed as positive and amounts relating to income are disclosed as negative (i.e. enclosed in brackets). Consequently, total figures disclosed in brackets are surpluses, representing net income to the Authority, whilst those not in brackets are deficits, where expenditure exceeds income.

Movement in Reserves Statement

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

Movement in Reserves Statement	Council Fund	Earmarked Council Fund Reserves	Capital Reserves		Total Usable Reserves	Unusable Reserves	Total Authority Reserves	Note
			Capital Receipts Reserve	Capital Grants Unapplied				
			£000	£000				
Balance at 1 April 2023	(12,910)	(33,877)	(8,602)	(5,301)	(60,690)	(105,674)	(166,364)	
Total Comprehensive Income and Expenditure	10,366	0	0	0	10,366	11,473	21,839	CIES
Adjustments between accounting basis & funding basis under statutory provisions	(12,261)	0	(497)	218	(12,540)	12,540	0	24
Net (Increase)/Decrease before transfers to Earmarked Reserves	(1,895)	0	(497)	218	(2,174)	24,013	21,839	
Transfers from Council Fund (to) Earmarked Reserves	1,733	(1,733)	0	0	0	0	0	41
(Increase)/Decrease in 2023/2024	(162)	(1,733)	(497)	218	(2,174)	24,013	21,839	
Balance at 31 March 2024	(13,072)	(35,610)	(9,099)	(5,083)	(62,864)	(81,661)	(144,525)	BS

The *(Surplus) or Deficit on the Provision of Services* line shows the true economic cost of providing the Authority's services, more details of which are shown in the Comprehensive Income and Expenditure Statement. This cost is different from the statutory amount required to be charged to the Council Fund for Council Tax setting purposes. The *Net (Increase)/Decrease before Transfers to Earmarked Reserves* line shows the statutory Council Fund Balance before any discretionary transfers to or from earmarked reserves undertaken by the Authority. Earmarked Reserves have been disclosed separately in the MiRS to provide users with information regarding the use of these balances in comparison to the use of the Council Fund.

Movement in Reserves Statement 2024/2025	Council Fund £000	Earmarked Council Fund Reserves £000	Capital Reserves		Total Usable Reserves £000	Unusable Reserves £000	Total Authority Reserves £000	Note
			Capital Receipts Reserve £000	Capital Grants Unapplied £000				
Balance at 1 April 2024	(13,072)	(35,610)	(9,099)	(5,083)	(62,864)	(81,661)	(144,525)	
Total Comprehensive Income and Expenditure	(16,723)	0	0	0	(16,723)	(24,415)	(41,138)	CIES
Adjustments between accounting basis & funding basis under statutory provisions	18,760	0	(1,057)	(82)	17,621	(17,621)	0	24
Net (Increase)/Decrease before transfers to Earmarked Reserves	2,037	0	(1,057)	(82)	898	(42,036)	(41,138)	
Transfers from Council Fund (to) Earmarked Reserves	(2,934)	2,934	0	0	0	0	0	41
(Increase)/Decrease in 2024/2025	(897)	2,934	(1,057)	(82)	898	(42,036)	(41,138)	
Balance at 31 March 2025	(13,969)	(32,676)	(10,156)	(5,165)	(61,966)	(123,697)	(185,663)	BS

Balance Sheet

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Authority. The net assets of the Authority (assets less liabilities) are matched by reserves held, reported in two categories:

- Usable reserves are those reserves that the Authority may use to provide services, subject to any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt) and the need to maintain a prudent level of reserves.
- Unusable reserves are those that the Authority is not able to use to provide services. This category includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under statutory provisions' (e.g. the Capital Adjustment Account, Pensions Reserve and Accumulated Absences Account).

Balance Sheet	31 March 2025		31 March 2024		Note:
	£000	£000	£000	£000	
Property, Plant & Equipment	382,764		356,405		25, 27, 30
Investment Properties	7,147		2,888		25.5, 46
Heritage Assets	726		726		26
Intangible Assets	94				25.4
Non-Current Investments	593		1,018		28
Non-Current Debtors	25,185		24,753		29
Non-Current Deferred Tax Asset	115		0		
Sub Total: Long-Term Assets		416,624		385,790	
Current Investments	3,119		31		31
Inventories	247		395		32
Current Debtors	55,488		37,290		33
Deferred Tax Asset	0		99		46
Cash and Cash Equivalents	2,573		17,990		44
Sub Total: Current Assets		61,427		55,805	
Current Borrowing	(75,625)		(54,299)		37-38
Current Creditors	(34,153)		(22,160)		34
Current Grants Receipts in Advance	(3,732)		(2,886)		21
Current Donated Assets	(28)		(73)		32
Current Provisions	(2,213)		(936)		35
Sub Total: Current Liabilities		(115,751)		(80,354)	
Non-Current Borrowing	(80,241)		(95,647)		37-38
Non-Current Provisions	(6,520)		(7,423)		35
Other Long-Term Liabilities	(89,876)		(113,646)		36, 40
Sub Total: Long-Term Liabilities		(176,637)		(216,716)	
Total Net Assets/(Liabilities)		185,663		144,525	
Usable Reserves	(61,966)		(62,864)		41.1
Unusable Reserves	(123,697)		(81,661)		41.2
Total Reserves		(185,663)		(144,525)	

Cash Flow Statement

The Cash Flow Statement summarises the cash and cash equivalent transactions of the Authority during the reporting period. The statement shows how the Authority generates and uses cash and cash equivalents by classifying cash inflows and (outflows) as operating, investing and financing activities.

Cash Flow Statement	2024/2025		2023/2024		Note:
	£000	£000	£000	£000	
Net surplus/(deficit) on the provision of services <i>less</i> tax expenses	16,723		(10,366)		CIES
Adjustments to the provision of services for non-cash movements	18,569		10,919		42.1
Adjustments for items included in the provision of services that are investing and financing activities	(39,139)		(79)		42.2
Net Cash Inflows/(Outflows) from Operating Activities		(3,847)		474	
Investing activities		(9,994)		(15,888)	43.1
Financing activities		(1,576)		(17,977)	43.2
Net increase or (decrease) in cash and cash equivalents		(15,417)		(33,391)	
Cash and cash equivalents at the beginning of the reporting period		17,990		51,381	BS, 44
Cash and cash equivalents at the end of the reporting period		2,573		17,990	BS, 44

- The amount of net cashflows arising from operating activities is a key indicator of the extent to which the operations of the Authority are funded by way of taxation and grant income or from the recipients of services provided.
- Investing activities represent cashflows relating to the acquisition, disposal and funding via capital grant of resources which are intended to contribute to the Authority's future service delivery, i.e. non-current assets.
- Cashflows arising from financing activities represent the extent to which borrowing and similar charges have increased/decreased during the year and are useful in predicting claims on future cash flows by providers of capital to the Authority.



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1. Accounting Policies

1.1 General Principles

The Statement of Accounts summarises the Authority’s transactions for the 2024/2025 financial year and its position at the year-end of 31 March 2025. The Authority is required to prepare an annual Statement of Accounts in accordance with proper accounting practices by the Accounts and Audit (Wales) Regulations 2014.

These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2024/2025 and the Service Reporting Code of Practice 2024/2025, supported by International Financial Reporting Standards (IFRS). Where there is no relevant IFRS or International Accounting Standard (IAS), reference is made to International Public Sector Accounting Standards (IPSASs); if there is no relevant IPSAS, domestic Financial Reporting Standards (FRSs) are applied.

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.

1.2 Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that are held in call accounts, with other Local Authorities and banks, and that are readily convertible to known amounts of cash with insignificant risk of change in value, or are due to mature within 90 days of the Balance Sheet date.

In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Authority’s cash management.

1.3 Employee Benefits

1.3.1 Post Employment Benefits

The Local Government Pension Scheme

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

- The liabilities of the Greater Gwent (Torfaen) Pension Fund attributable to the Authority are included in the Balance Sheet on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc., and projections of earnings for current employees.
- The assets of Greater Gwent (Torfaen) Pension Fund attributable to the Authority are included in the Balance Sheet at their fair value.

- Liabilities are discounted to their value at current prices, with the default accounting assumptions used by Hymans Robertson being:

Duration Category	31 March 2025			31 March 2024		
	Discount	RPI	CPI	Discount	RPI	CPI
	Rate	%	%	Rate	%	%
Short <i>(Less than 17 years)</i>	5.50	3.15	2.75	4.80	3.20	2.80
Medium <i>(between 17 and 23 years)</i>	5.55	3.05	2.70	4.85	3.10	2.75
Long <i>(over 23 years)</i>	5.55	3.00	2.70	4.85	3.05	2.75

Discount rates have been derived for each duration profile at which payments may be due, based on a ‘Hymans Robertson’ corporate bond yield curve, constructed on the basis of the constituents of the iBoxx AA-rated corporate bond index.

Remeasurements of the net defined benefit liability

- Actuarial gains and losses – changes in the present value of the defined obligation resulting from changes in actuarial assumptions or the effects of differences between actuarial assumptions and actual events - debited or credited to the Remeasurement of the net defined benefit liability line in the CIES.
- Return on plan assets, excluding amounts included in Net Interest on the net defined benefit liability - the sum of any interest, dividends and other income derived from plan assets, together with realised and unrealised gains or losses, less any costs of managing plan assets and tax payable by the plan. Interest on plan assets is determined by multiplying the fair value of plan assets by the rate used to discount liabilities - credited to the Remeasurement of the net defined benefit liability line in the CIES.

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

1.3.2 Discretionary Benefits

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

1.4 Contingent Liabilities

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

1.5 Provisions

Provisions are made where an event has taken place that gives the Authority a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Authority becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

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

Where the Authority has a legal obligation to restore a landfill site at the end of its operational life, a provision is recognised for the estimated future costs of site restoration and aftercare, measured at the present value of the expected future cash flows required to settle the obligation. The decommissioning provision is discounted using a rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised annually as a finance cost in the Comprehensive Income and Expenditure Statement. The provision is reviewed at each reporting date and adjusted to reflect changes in the estimated timing or amount of the outflows, or changes in the discount rate.

1.6 Financial Instruments

Valuation of Assets and Liabilities Carried at Amortised Cost

Financial liabilities and financial assets represented by loans and receivables are carried in the Balance Sheet at amortised cost. Their fair value can be assessed by calculating the net present value (NPV) of the cash flows that will take place over the remaining terms of the instruments, using the following assumptions:

- The discount rate used in the NPV calculation is equal to the current rate in relation to the same instrument from a comparable lender. This is the rate applicable in the market on the date of valuation (31 March 2025) for an instrument with the same duration, i.e. equal to the outstanding period from valuation date to maturity. For Public Works Loan Board (PWLB) borrowing the new PWLB borrowing rate has been used.
- Interest is calculated using the most common market convention (actual number of days/365).
- For fixed term deposits it is assumed that interest is received on maturity.

Fair value disclosures have not been calculated for short term financial assets including receivables (debtors), or short term financial liabilities including payables (creditors), since the carrying amounts represent a reasonable approximation of fair value.

Premiums/Discounts

1. Where premiums/discounts arising before April 2006 could be attributed to the replacement debt, then they were amortised using an effective interest basis and were included as part of the replacement loan carrying amount as at 31 March 2007. The additional interest resulting from the effective interest method is charged to the Comprehensive Income & Expenditure Statement.
2. Where premiums/discounts arising before 1 April 2006 could not be attributed to identifiable loan debt on the closing 2006/2007 Balance Sheet, then they were derecognised by writing off the balance as at 31 March 2007 to the Council Fund/HRA balance and then reversing out through the Financial Instruments Adjustment Account. The premium/discount write down for future years is charged/ (credited) to the Movement in Reserves Statement.
3. Where premiums/discounts have arisen after 1 April 2006, then the accounting treatment depends upon whether it can be classified as a modification or an extinguishment. In order to be classified as a modification, then the repayment and replacement must be on the same day and must meet the 10% test. If the modification test cannot be met then it is treated as an extinguishment. All post April 2006 premiums/discounts do not meet the modification test and therefore have been accounted for as extinguishments, with the accounting treatment being the same as for (2) above.

Interest

The interest expense & income disclosed in the Comprehensive Income & Expenditure Statement is calculated as follows:

- PWLB debt – on a nominal basis, with the exception of loans where premiums/discounts are included as part of the carrying amount, where interest is calculated using an effective interest basis.
- Market loans - on a nominal basis.
- Temporary Loans & Investments – on a nominal basis.

1.7 Intangible Assets

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

Expenditure on the development of websites is not capitalised if the website is solely or primarily intended to promote or advertise the Authority's goods or services.

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

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the Council Fund Balance. The gains and losses are therefore reversed out of the Council Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

1.8 Inventories

Inventories are included in the Balance Sheet at the lower of cost and net realisable value. The cost of inventories is assigned using last known cost.

1.9 Leases

The Authority adopted IFRS 16 (Leases) with effect from 1 April 2024. This standard introduces a single lessee accounting model, removing the previous classification of finance and operating leases. The Authority as lessee is required to recognise Right-of-use assets for all qualifying leases within Property Plant and Equipment, with corresponding liabilities representing the obligation to make future lease payments. Lessor accounting remains relatively unchanged.

The Authority as Lessee

The Authority classifies contracts as leases based on their substance. Contracts and parts of contracts, including those described as contracts for services, are analysed to determine whether they convey the right to control the use of an identified asset, through rights both to obtain substantially all the economic benefits or service potential from that asset and to direct its use. The Code expands the scope of IFRS 16 Leases to include arrangements with nil consideration, peppercorn or nominal payments.

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 16 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.

Lease payments included in the measurement of the lease liability include:

- fixed payments, including in-substance fixed payments
- variable lease payments that depend on an index or rate, initially measured using the prevailing index or rate as at the adoption date
- amounts expected to be payable under a residual value guarantee
- the exercise price under a purchase option that the Authority is reasonably certain to exercise
- lease payments in an optional renewal period if the Authority is reasonably certain to exercise an extension option
- penalties for early termination of a lease, unless the Authority is reasonably certain not to terminate early.

The right-of-use asset is measured at the amount of the lease liability, adjusted for any prepayments made, plus any direct costs incurred to dismantle and remove the underlying asset or restore the underlying asset on the site on which it is located, less any lease incentives received.

However, for peppercorn, nominal payments or nil consideration leases, the asset is measured at fair value.

Subsequent Measurement

The right-of-use asset is depreciated straight-line over the shorter period of remaining lease term and useful life of the underlying asset as at the date of adoption.

The lease liability is subsequently measured at amortised cost, using the effective interest method.

The liability is remeasured when:

- there is a change in future lease payments arising from a change in index or rate;
- there is a change in the group's estimate of the amount expected to be payable under a residual value guarantee;
- the Authority changes its assessment of whether it will exercise a purchase, extension or termination option; or
- there is a revised in-substance fixed lease payment.

When such a remeasurement occurs, a corresponding adjustment is made to the carrying amount of the right-of-use asset, with any further adjustment required from remeasurement being recorded in the Comprehensive Income & Expenditure Statement.

Low value and short lease exemption

As permitted by the Code, the Authority excludes leases:

- for low-value items that cost less than £10,000 when new, provided they are not highly dependent on or integrated with other items; or
- with a term shorter than 12 months (comprising the non-cancellable period plus any extension options that the Authority is reasonably certain to exercise and any termination options that the Authority is reasonably certain not to exercise).

Lease expenditure

Expenditure in the Comprehensive Income and Expenditure Statement includes interest, straight-line depreciation, asset impairments and changes in variable lease payments not included in the measurement of the liability during the period in which the triggering event occurred. Rentals for leases of low-value items or shorter than 12 months are also charged to the relevant service heading in the CIES.

Lease payments are debited against the balance sheet liability.

Depreciation and impairments are not charges against Council Tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Charges to service accounts for these amounts are therefore reversed out of the Council Fund by appropriations to the Capital Adjustment Account in the Movement in Reserves Statement.

The Authority as Lessor

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

Finance Leases

Where the Authority grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the Balance Sheet as a disposal. At the commencement of the lease, the carrying amount of the asset in the Balance Sheet (whether property, plant and equipment or assets held for sale) is written off to the other operating expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. A gain, representing the Authority's net investment in the lease, is credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal), matched by a lease (long-term debtor) asset in the Balance Sheet.

Lease rentals receivable are apportioned between:

- a charge for the acquisition of the interest in the property – applied to write down the lease debtor (together with any premiums received), and
- finance income (credited to the financing and investment income and expenditure line in the Comprehensive Income and Expenditure Statement).

The gain credited to the Comprehensive Income and Expenditure Statement on disposal is not permitted by statute to increase the Council Fund balance and is required to be treated as a capital receipt. Where a premium has been received, this is posted out of the Council Fund balance to the capital receipts reserve in the Movement in Reserves Statement. Where the amount due in relation to the lease asset is to be settled by the payment of rentals in future financial years, this is posted out of the Council Fund balance to the deferred capital receipts reserve in the Movement in Reserves Statement. When the future rentals are received, the element for the capital receipt for the disposal of the asset is used to write down the lease debtor. At this point, the deferred capital receipts are transferred to the capital receipts reserve.

The written-off value of disposals is not a charge against Council Tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Reversing amounts are therefore appropriated to the capital adjustment account from the Council Fund balance in the Movement in Reserves Statement.

Operating Leases

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

1.10 Fair Value Measurement

The Authority measures some of its non-financial assets such as Surplus Assets and Assets Held for Sale at fair value at each reporting date in accordance with the measurement requirements of IFRS13 *Fair Value Measurement*.

Surplus assets are defined as Property, Plant & Equipment (PPE) assets that do not provide service potential for the Authority and are therefore not measured for their service potential but for the economic benefits inherent in the assets. They are revalued at fair value at the point of being declared surplus and then in accordance with the usual 5 year rolling programme of revaluations.

Assets Held for Sale are assets where it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use. They are held at the lower of carrying amount (before reclassification) or Fair Value.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset takes place either:

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

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

When measuring the fair value of a non-financial asset, the Authority takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. In considering alternative higher and best uses for the asset being valued, consideration has been given to value for the asset that may not necessarily be reflected in the existing configuration or use of the asset. In the consideration of alternatives the physical, legal and financial feasibility of that alternative has been taken into account.

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

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

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

All valuations for surplus assets and assets held for sale fall into the level 3 category, due to the nature of the valuation technique. The valuation technique maximises the use of relevant observable inputs and minimises the use of unobservable inputs.

Information about the valuation techniques and inputs used in determining the fair value of the Authority's surplus assets are disclosed in note 25.4 to the Balance Sheet.

1.11 Assets Held for Sale

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

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to surplus assets under PPE and valued at fair value in accordance with the fair value measurement requirements of IFRS13 (*see Accounting Policy 1.10*).

Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale, but are treated as surplus assets within Property, Plant & Equipment.

The following criteria have to be satisfied in order to classify an asset as held for sale:

- The asset must be available for immediate sale;
- The sale must be highly probable & there must be an active programme to locate a buyer;
- The asset must be marketed for sale at a price that is reasonable in relation to its fair value; and
- The sale should be anticipated to be completed within one year from the date of classification.

1.12 Surplus Non-Current Assets Under PPE

Assets that have been declared surplus that do not meet the criteria above are reclassified as surplus assets under PPE and valued at fair value at the point they are declared surplus. This will be its highest and best use in accordance with the fair value measurement requirements of IFRS13 (*see Accounting Policy 1.10*).

1.13 Overheads and Support Services

The costs of overheads and support services are charged to those that benefit from the supply or service in accordance with the costing principles of the CIPFA Service Reporting Code of Practice 2024/2025 (SeRCoP). The total absorption costing principle is used – the full cost of overheads and support services are shared between users in proportion to the benefits received, with the exception of:

- Corporate and Democratic Core – costs relating to the Authority's status as a multifunctional, democratic organisation.
- Non Distributed Costs – the cost of discretionary benefits awarded to employees retiring early and impairment losses chargeable on Assets Held for Sale.

These two cost categories are defined in SeRCoP and accounted for within the Corporate Services Portfolio in the Expenditure & Funding Analysis (EFA), as part of Net Expenditure on Continuing Services.

The total actual costs of central departments are recharged as central support charges to services on the basis of estimated staff time. Office accommodation charges are pooled and allocated on the basis of floor area. I.T. recharges are made on the basis of hardware and software usage.

The Authority's Management Accounts, included in the EFA, reflect the proper allocation of overhead and support costs to services. Where recharges are made between accounting segments (i.e. Portfolios), these have been removed by adjustment in the EFA and are not included in the Comprehensive Income & Expenditure Statement.

1.14 Property, Plant and Equipment

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

1.14.1 Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Authority and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

Only expenditure in excess of £10,000 has been capitalised, with amounts below this threshold being charged directly to revenue. The exceptions to this are highways and health & safety assets that individually fall below this de-minimis level but are capitalised because they are treated as one single item of expenditure in the year and expenditure that has a capital grant approval.

Where the Authority has a legal obligation to restore a site (e.g. landfill) at the end of its operational life, a provision is recognised for the estimated future costs of site restoration and aftercare. This provision is included in the cost of the decommissioning asset and is measured at the present value of the expected future cash flows required to settle the obligation.

Measurement

Assets are initially measured at cost, comprising:

- The purchase price;
- Any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; and
- The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

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

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

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

- Infrastructure assets – depreciated historical cost. Not all roads and infrastructure assets are included in the Balance Sheet as the asset valuation reflects historic expenditure incurred on such assets from a point in time. Any roads provided by private developers that are adopted by the Authority are not individually recognised on the Balance Sheet and are effectively recorded at nil value. From 2021/2022, only the Net Book Value of Infrastructure Assets has been reported in the Accounts, as allowed by CIPFA's temporary adjustment to the Accounting Code of Practice. In accordance with provision 24L of The Local Authorities (Capital Finance and Accounting) (Wales) (Amendment) Regulations 2022, where works have been undertaken to existing Infrastructure Assets, the carrying amount of any component that has been replaced has been determined as being nil.
- Community assets and assets under construction – depreciated historical cost;
- All other operational PPE assets – fair value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV). Where there is no market-based evidence of fair value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of fair value. Where non-property assets have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for fair value; and
- Surplus Assets under PPE – fair value in accordance with the definitions and measurement requirements in IFRS13.

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

Decommissioning assets are measured at the present value of the expected future cash flows required to settle the obligation in accordance with IFRS13. This valuation is reviewed over the life of the asset and adjusted for any discount unwound, expenditure incurred, changes in the estimates of future cash flows and the rate used to calculate the discounted value of those obligations. In the absence of a statutory override, any changes in the valuation of the decommissioning asset are charged to the relevant heading in the Comprehensive Income and Expenditure Statement (as either service expenditure or financing costs), but are not subsequently reversed to the Capital Adjustment Account.

Where decreases in value are identified, the accounting treatment is:

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

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

1.14.2 Impairment

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

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

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

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

1.14.3 Depreciation

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

Depreciation is calculated on the following bases:

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

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

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.

Where qualifying assets have been acquired or disposed of part way through the year, depreciation has been charged on a daily basis.

For buildings, a technical assessment of the useful life of the asset is provided by the Authority's appointed external valuers, Savills (UK) Limited.

For other asset-types, the following standard lives have been used to calculate depreciation amounts:

Asset Type	Standard Life (Years)
Vehicles	5
Equipment [†]	10
I.T. Equipment [†]	5
Infrastructure Assets	40
Street Lighting	40

[†]: In some cases the relevant technical officer may provide a different assessment of the useful life.

1.14.4 Disposals

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. These are credited to the Capital Receipts Reserve and can then only be used for new capital investment, or set aside to reduce the Authority's underlying need to borrow (the capital financing requirement). Receipts are appropriated to the Reserve from the Council Fund Balance in the Movement in Reserves Statement.

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

1.14.5 Componentisation

The following policy has been adopted for the componentisation of assets and applied to assets as acquired, enhanced and revalued:

- A material component is defined as one that has a gross replacement cost in excess of 25% or the total gross replacement cost for the asset;
- Where material components have been identified the current carrying amount of that component is reflected as a separate asset and depreciated over the life of that component.

1.15 Investments and Investment Properties

1.15.1 Investment Properties

Investment properties are those held solely to earn rentals and/or for capital appreciation such as ground leases, land held for future development as strategic sites and other land and buildings that meet investment property criteria. Investment properties are measured at fair value, based on the market value that would be received to sell an asset in an orderly transaction between market participants at the measurement date, reflecting the asset's highest and best use.

Investment properties are not depreciated, but a full revaluation of the assets is required on an annual basis. Gains and losses on revaluation and disposal are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

The Cardiff Capital Region City Deal (CCRC) has a number of investment properties, with the most recent valuation of these having taken place during the preparation of their 2024/2025 accounts.

1.16 Heritage Assets

Tangible heritage assets are defined as having historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture. Intangible heritage assets are defined as having cultural, environmental, or historical significance.

The Authority has identified three heritage assets for inclusion on the balance sheet, which have been valued on the basis of insurance replacement cost. Where significant physical deterioration or damage has occurred to the assets, this has been recognised as an impairment charge. The useful lives of these assets have been assessed as 'indefinite' and therefore no depreciation is charged.

The acquisition of heritage assets is a rare occurrence; in the event a new asset is acquired or identified it will be valued using an appropriate basis (where the expected value is estimated to be significant). Given the nature of heritage assets identified for inclusion in the accounts, disposal is also a rare occurrence. On disposal, proceeds would be accounted for in accordance with statutory accounting requirements relating to capital expenditure and capital receipts as outlined in section 1.14.4.

An Heritage Assets Register is maintained by the Authority which details qualifying assets within the boundaries of the County Borough, including those assets identified as heritage assets for the purposes of the Statement of Accounts.

1.17 Minimum Revenue Provision

Local Authorities are normally required each year to set aside some of their revenues as provision for capital expenditure financed by borrowing or credit arrangements. This is referred to as Minimum Revenue Provision (MRP).

The Welsh Government issued regulations for the making of MRP with effect from the 2008/2009 financial year, requiring Local Authorities to make a prudent provision for MRP. Local Authorities are legally obliged to "have regard" to such guidance (i.e. set a prudent MRP). The legislation does not define what constitutes a "prudent provision", however the MRP guidance issued by the Secretary of State interprets the term and provides some examples.

The MRP for 2024/2025 has been calculated in accordance with the MRP policy that was approved by full Council in March 2024, using the following method:

- Supported Borrowing – MRP is calculated on an annuity basis over 50 years.
- Unsupported Borrowing – The calculation looks at the average asset life for all unsupported borrowing in each year and applies the annuity calculation to the total unsupported borrowing capital expenditure for that year.
- Finance Leases – The MRP for finance leases is equal to the principal element of the rental payable each year.

1.18 Tax Income (Council Tax and National Non-Domestic Rates (NNDR))

The Authority follows the principles in IPSAS23 *Revenue from Non-Exchange transactions (Taxes and Transfers)* in respect of accounting for tax income collected, except where interpretations or adaptations to fit the public sector are detailed in the Code.

Council Tax

The Authority collects and distributes Council Tax on behalf of the Police & Crime Commissioner for Gwent and four town or community councils. The precept for each of these bodies is paid in full during the financial year and is not affected by the level of Council Tax actually collected. As payment is made in full, there are no debtor or creditor balances recognised for precepting bodies on the Balance Sheet.

The Comprehensive Income & Expenditure Statement recognises the amount due to the Authority for the year. Any surplus or deficit arising on collection is also included in Taxation and Non-Specific Grant Income.

Council Tax Reduction Scheme (CTRS)

Costs relating to the Council Tax Reduction Scheme are included as expenses paid through the tax system and in accordance with IPSAS 23 are recognised as a service cost and not a reduction of Council Tax income through foregone revenues.

National Non-Domestic Rates (NNDR)

The Authority collects National Non-Domestic Rates (NNDR) under an agency arrangement with the Welsh Government. Cash collected from non-domestic ratepayers is not the income of the Authority and is therefore not included in its Accounting Statements. Debtor and creditor balances with taxpayers and the impairment allowance for doubtful debts are not the assets and liabilities of the Authority and are therefore not recognised in the Balance Sheet.

A debtor or creditor is included for cash collected on an agency basis that has been under or overpaid to the Welsh Government at the Balance Sheet date. The Comprehensive Income and Expenditure Statement includes the Authority's contribution due from the NNDR Pool, the cost of collection allowance for the year and accrued amounts billed in pursuit of unpaid NNDR debts.

1.19 Joint Arrangements

Joint Arrangements involve the provision of services by two or more parties that have joint control over the activity, bound by contract. These arrangements can be classed as Joint Ventures or Joint Operations, depending on the status of the arrangement as an entity in its own right, the degree to which the owning parties have control over the entity and the governance arrangements in place.

The Lime Avenue Joint Venture Agreement is a partnership between the Council and Welsh Government for the development of business units on the Lime Avenue and Regain 2 sites in Ebbw Vale. This arrangement has been classed as a joint operation as it is considered that joint control exists between the two parties, and that ultimately the authority has rights and obligations in relation to the assets and liabilities of the arrangement. In accordance with the Code requirements, the Authority has included its share of income, expenditure, assets, liabilities, reserves and cash flows relating to the arrangement within the single entity accounting statements and disclosures.

In assessing all other joint arrangements in which Blaenau Gwent participates, it has been concluded in each case that no separate legal entity exists and that the Authority does not have control (as defined by the Accounting Code and IFRS10). Consequently, the accounts of these arrangements have not been consolidated in the group accounting statements and in each case the Comprehensive Income and Expenditure Account reflects the transactions occurring between the Authority and the joint arrangement.

1.20 Accounting for Schools

The Accounting Code includes a prescribed treatment for the inclusion of schools in the Statement of Accounts. CIPFA/LASAAC is of the view that local authority maintained schools are capable of being treated as separate entities for control purposes, and that based on the indicators of control identified under the requirements of the Code's adoption of IFRS10 *Consolidated Financial Statements*, the balance of control lies with local authorities. Consequently, schools should be included in group accounts. However, the Code also includes an adaptation to the definition of single entity financial statements to include the income, expenditure, assets, liabilities, reserves and cash flows of local authority maintained schools.

All maintained schools in the County Borough are now therefore considered to be entities controlled by the Authority, with the income, expenditure, assets, liabilities, reserves and cash flows of each school recognised in the single entity accounts on the basis outlined below. The Authority has the following types of maintained schools under its control:

- Community
- Voluntary Aided
- Voluntary Controlled
- Foundation

Schools Non-Current Assets are recognised on the Balance Sheet where the Authority directly owns the assets, holds the balance of control of the assets or where the school or the school Governing Body own the assets or have had rights to use the assets transferred to them. Land and buildings used by schools are recognised in accordance with the recognition tests relevant to the arrangements that prevail for the property.

Community schools are owned by the Authority and are, therefore, recognised on the Balance Sheet.

The four Voluntary Aided and Controlled schools within the County Borough are owned by the respective Diocese with no formal rights to use the assets through licence arrangements passed to the school or Governing Bodies. The assets are used under "mere" licences that pass no interest to the school and which are terminable by the trustees at any time without causal action. As a result these schools are not recognised on the Balance Sheet.

Ownership and control of the Foundation school lies with the school or the school's Governing Body and therefore the assets have been recognised on the Balance Sheet with effect from 1 April 2013.

For those maintained schools not controlled by the Authority, any transactions made on their behalf have been included in the Comprehensive Income & Expenditure Statement and related notes under the appropriate Service Code of Practice standard subjective grouping, or exceptionally as third party payments.

1.21 Group Accounts

In addition to the preparation of single entity financial statements, the Authority is required to prepare Group Accounts where it has interests in subsidiaries, associates and joint ventures, unless those interests are considered not material. The 2014/2015 Code included revisions resulting from the introduction or amendment in May 2011 of five accounting standards (IFRS10 *Consolidated Financial Statements*, IFRS11 *Joint Ventures*, IFRS12 *Disclosure of Interests in Other Entities*, IAS27 *Separate Financial Statements* and IAS28 *Investments in Associates*) relating to the preparation of group or consolidated accounts. These standards included amendments to the definition of the group boundary that could have impacted on the entities to be consolidated with the Authority in preparing group accounts.

The relevant standards and the CIPFA publication *Accounting for Collaboration in Local Government* have been used to determine the correct treatment of collaborative working arrangements in which the Authority is involved. As a result, the group boundary has been determined as including the Authority and the Bedwellty House & Park Charitable Trust (of which the Council is the sole trustee).

The Authority's interest in the Education Achievement Service for South-East Wales has not been consolidated in the Group Accounts. Whilst the Authority holds a 20% interest in the company, which would normally trigger the requirements for inclusion as an associate company within group accounts, there are a number of factors that counter-indicate the Authority having significant influence over the EAS, including the level of control exercised by Welsh Government, and therefore the presumption for inclusion has been rebutted.

1.22 Determination of Operating Segments

For the purpose of classifying expenditure and income in the Comprehensive Income and Expenditure Statement (CIES) and Expenditure and Funding Analysis (EFA), operating segments disclosed have been aligned with the Authority's Portfolio structure. All Portfolios and Committees have been disclosed, regardless of size in monetary terms, and there has been no aggregation of segments in these Accounts.

2. Impact of changes in Accounting Policies and Estimates

From 1 April 2024, the Authority implemented the requirements of IFRS16 Leases, which replaced the previous operating and financing lease classifications with a requirement to recognise all leases on the balance sheets as right-of-use assets (with exemptions for short-term and low value leases) together with a corresponding liability representing the obligation to make lease payments for the asset. On implementation, an additional £1.692m of assets were recognised, with a matching Leasing Liability Creditor. These leases represent additional borrowing and therefore the Council's Capital Financing Requirement (CFR) increased on 1 April 2024, with a resulting increase in the Minimum Revenue Provision (MRP) for 2024/2025 of £0.635m.

3. Accounting Standards Issued but not yet Adopted

The following accounting standards have been issued but not yet adopted in the CIPFA Code of Practice on Local Authority Accounting, but will take effect from 1 April 2025 (i.e. in the 2025/2026 financial year):

Source, Requirement and Potential Impact
<p><i>IAS 21 The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability)</i></p> <p>Issued August 2023: this amendment specifies how an entity records transactions in foreign currencies and is expected to have little or no impact on the Council's financial statements in 2025/2026.</p>
<p><i>IFRS 17 Insurance Contracts</i></p> <p>Issued May 2017: Replacing IFRS4, this standard specifies the financial reporting for insurance contracts by an entity that issues such contracts. This change is not expected to have an impact on the Council's Accounts for 2025/2026.</p>
<p><i>IAS 16 Property, Plant and Equipment & IAS 38 Intangible Assets</i></p> <p>From 1 April 2025, the Accounting Code will amend the arrangements for the valuation of Property, Plant and Equipment. Prior to this change there has been a general requirement that assets are revalued with sufficient regularity that their carrying amount at 31 March does not differ materially from their current value at that date. From 1 April 2025, this will be replaced with a requirement for five-yearly or rolling valuations, supported by annual reviews for impairment or enhancement and the updating of carrying amounts by the application of relevant indices. No adjustments to carrying amounts will be required at 1 April 2025.</p> <p>The Council currently operates a rolling programme of asset revaluations over a 5 year period, with annual indexation of assets valued on a depreciated replacement cost basis. Whilst the application of annual indexation will apply to a broader range of assets, no material impact is anticipated in the Council's 2025/2026 Accounts as a result of this change.</p> <p>The 2025/26 Code of Practice also includes a new interpretation of IAS 38 Intangible Assets, requiring the measurement of all Intangible assets at historic cost (previously fair value measurement was required for those intangible assets for which an active market exists).</p> <p>All the Council's Intangible Assets are valued at historic cost, so there will be no change in asset valuations as a result of this code adjustment.</p>

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

The Statement of Accounts contains estimated figures that are based on assumptions made by the Authority about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates. The items in the Authority's Balance Sheet at 31 March 2025 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Local Government Scheme 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. The Greater Gwent Local Government Pension Scheme has engaged Hymans Robertson LLP as its consulting actuary to provide expert advice concerning the appropriate assumptions to be applied.	The effects on the net pensions liability of changes in individual assumptions can be measured. The fund actuary has advised that a 0.5% decrease in the discount rate assumption would result in an increase in the pension liability of £45.678m (<i>see note 40 for further sensitivity analysis</i>). However, the assumptions interact in complex ways. During 2024/2025, the Authority's actuaries advised that the net pensions liability had decreased by £86.572m as a result of remeasurements of pension assets and liabilities. This decrease comprised a £1.562m gain on assets (representing the difference between actual and expected asset return for the year) and net decreases in liabilities of £85.010m (arising from changes in demographic/ financial assumptions and other experience gains).
Revaluation of Property, Plant and Equipment	Property, Plant and Equipment assets are revalued on a sufficiently regular basis to ensure their carrying amount is not materially different from their fair value. As a minimum, all assets (other than those valued on an Historical Cost Basis) are revalued every five years. In addition, all assets are assessed annually for impairment. The value of the asset portfolio is based upon calculations and estimation techniques following the Royal Institute of Chartered Surveyors (RICS) guidance.	The appointed valuers have applied professional judgement and assumptions in determining the value of assets and the extent of any impairment. Given the revaluation of £64.644m of assets in 2024/2025, a 1% variation arising from the judgements and assumptions adopted could result in an over or understatement of the Gross Book Value of PPE of £0.646m. Such variations could result in the Statement of Accounts being materially mis-stated and their adjustment could have an impact on the Balance Sheet, CIES and the level of the Authority's Reserves.
Indexation of Property Assets valued at Depreciated Replacement Cost (DRC)	As a consequence of increases in material and rebuild costs, it was considered necessary to revalue those assets that are normally valued using the DRC method to ensure that the Balance Sheet valuations were not materially understated.	An indexation approach was adopted to update the carrying values of the relevant asset categories (schools and car parks). The impact of this indexation exercise using an assumed index of +2.3% was an increase in the gross value of the Authority's assets of £2.557 million. A 1% variation in the index figure would result in an adjustment to carrying balances of £1.112m.
Fair Value Estimations	When the fair values of Investment Properties, Surplus Assets and Assets Held for Sale cannot be measured based on quoted prices in active markets (i.e. Level 1 inputs), their fair value is measured using the following valuation techniques: - For Level 2 inputs, quoted prices for similar assets or liabilities in active markets at the balance sheet date; - For level 3 inputs, valuations based on a combination of available market data derived from a mixture of transactions on both Council and 3rd party assets which are then analysed to take into account yields, rates per sq. m, build costs etc.. Where possible, the inputs to these valuation techniques are based on observable data, but where this is not possible, judgment is required in establishing fair values. These judgments typically include considerations such as uncertainty and risk. Changes in assumptions used could affect the fair value of the Authority's assets and liabilities.	The Authority uses a combination of available market data derived from a mixture of transactions on both Council and 3 rd party assets which are then analysed to take into account yields, rates per sq. m, build costs etc. to measure the fair value of its Surplus Assets and Assets Held for Sale under IFRS13, depending on which technique it considers most appropriate. The significant unobservable inputs used in the fair value measurement include management assumptions regarding rent growth, occupancy levels, floor area repairs backlogs, and others. Significant changes in any of the unobservable inputs would result in a significantly lower or higher fair value measurement for these assets.
Depreciation of Property, Plant and Equipment	Assets are depreciated based on useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. Uncertainty around current and future funding for the Council could result in reductions in the level of expenditure incurred on repairs and maintenance. This could reduce the useful economic lives assigned to assets.	If the useful economic life of assets is reduced, depreciation charged to the CIES increases and the carrying amount of assets on the Balance Sheet falls.
Impairment of Debtors	As at 31 March 2025, the Authority has an outstanding debtors balance of £89.966m. In accordance with proper accounting practice, impairment allowances totalling £9.926m have been calculated for the various classifications of debt outstanding. However, these allowances are based on estimates and judgements, including past experience of collecting similar debts, which may not accurately reflect future levels of debt recovery.	An overstatement of debtor impairment allowances would result in an understatement of income recoverable that would require adjustment in the Accounting Statements. At 31 March 2025, impairment allowances represent 11.03% of debt outstanding. A 5% overstatement in impairment would therefore represent a potential reduction in revenues of £4.496m.

5. Critical Judgements in Applying Accounting Policies

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

- i. These accounts have been prepared on a going concern basis, which assumes that the functions and services provided by the Authority will continue in operational existence for the foreseeable future, although there will be significant financial challenges to be met (*see also note 15 to the Narrative Report*).
- ii. The Authority has reviewed all property assets in accordance with the relevant accounting policies and has made appropriate reclassifications for assets that are held for sale.
- iii. All maintained schools in the County Borough are considered to be entities controlled by the Authority, with the income, expenditure, assets, liabilities, reserves and cash flows of each school recognised in the single entity accounts on the basis outlined in the Authority's Accounting Policies (1.20).
- iv. The Authority has determined that assets it has constructed for economic development purposes, e.g. industrial estates, are not held solely for the purpose of income generation or capital appreciation and therefore do not meet the definition of investment properties. These assets have been treated as Property, Plant and Equipment in the Balance Sheet. However, where assets have been purchased with existing tenants in place, manufacturing goods or providing services that are outside of the normal activities of the Authority, it has been determined that these assets meet the definition of Investment Properties at the balance sheet date and have been included as such.
- v. The Authority has recognised 'Right of Use Assets' in accordance with IFRS16, except where the expected remaining term of the arrangement is less than 1 year, and/or the value of the arrangement is less than £10,000. Where there is a reasonable expectation that an arrangement will be extended, such that the remaining term will be greater than 1 year, these have been included as Right of Use Assets.
- vi. Capital and revenue grants and contributions continue to be reviewed to determine the existence of any conditions requiring repayment of sums involved to the awarding body, and the extent to which any conditions have been fulfilled. There has been a consequential impact on sums retained on the Balance Sheet and credited to the Comprehensive Income and Expenditure Statement.
- vii. Where disclosure notes required by the Accounting Code are insignificant or immaterial in value and their omission has been determined not to have a detrimental impact on the presentation of the financial position or performance of the Authority, these disclosures have not been presented.

6. Events After the Reporting Period

The Statement of Accounts was authorised for issue by Ms R. Hayden CPFA, Strategic Director - Corporate Services on 8 February 2026.

Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 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.

Comprehensive Income and Expenditure Statement Notes

7. Expenditure and Funding Analysis

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

Expenditure & Funding Analysis	2024/2025					2023/2024				
	Management Account Net Expenditure	Accounting Code Adjustments (Note 7.1)	Net Expenditure Chargeable to the Council Fund (Note 7.2)	Funding & Accounting Basis Adjustments (Note 7.3)	CIES Net Expenditure	Management Account Net Expenditure	Accounting Code Adjustments (Note 7.1)	Net Expenditure Chargeable to the Council Fund (Note 7.2)	Funding & Accounting Basis Adjustments (Note 7.3)	CIES Net Expenditure
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Corporate Services	26,293	107	26,400	489	26,889	16,103	9,643	25,746	77	25,823
Education	76,069	(59,091)	16,978	2,963	19,941	72,825	(58,572)	14,253	(1,393)	12,860
Education - School Spending	6,320	49,008	55,328	4,228	59,556	1,044	54,230	55,274	9,567	64,841
Environment	33,068	(13,661)	19,407	4,667	24,074	33,961	(13,177)	20,784	5,727	26,511
Cardiff Capital Region City Deal	0	707	707	28	735	0	(67)	(67)	55	(12)
Regeneration & Economic Development	3,575	(3,516)	59	(4,453)	(4,394)	1,656	(851)	805	(4,327)	(3,522)
Social Services	53,171	79	53,250	(1,533)	51,717	54,039	(1,707)	52,332	(496)	51,836
Licensing	125	0	125	(13)	112	156	(15)	141	(7)	134
Planning	1,178	1	1,179	(72)	1,107	1,198	(868)	330	(32)	298
Capital Adjustments*	0	(5)	(5)	5	0	0	0	0	0	0
Pension Adjustments**	0	929	929	(929)	0	0	648	648	(648)	0
Net Expenditure on Continuing Operations	199,799	(25,442)	174,357	5,380	179,737	180,982	(10,736)	170,246	8,523	178,769
Other Operating Expenditure	0	12,747	12,747	(630)	12,117	0	11,121	11,121	41,080	52,201
Financing & Investment Income & Expenditure	0	9,020	9,020	1,955	10,975	0	3,143	3,143	1,501	4,644
Taxation & Non-Specific Grant Income	0	(194,103)	(194,103)	(25,465)	(219,568)	0	(186,424)	(186,424)	(38,843)	(225,267)
(Surplus)/Deficit on the Provision of Services	199,799	(197,778)	2,021	(18,760)	(16,739)	180,982	(182,896)	(1,914)	12,261	10,347
Tax Expenses			16					19		
Transfers to/(from) earmarked reserves			(2,934)					1,733		
(Increase)/Decrease in year			(897)					(162)		
Opening Council Fund Balance as at 1 April			(13,072)					(12,910)		
Closing Council Fund Balance as at 31 March			(13,969)					(13,072)		

*: Capital Adjustments relate to a correction of amounts posted to Capital schemes relating to the accrual of estimated amounts of compensated absence liabilities at year-end.

** : Pension Adjustments represents corporate amounts for Past Service Cost/Curtailment payments to the Local Government Pension Scheme.

7.1 Code-Compliant Adjustments to Management Accounts

This table shows the adjustments made to the 2024/2025 management accounts to arrive at 'Net Expenditure Chargeable to the Council Fund' on an Accounting Code of Practice-compliant basis:

Expenditure and Funding Analysis: Accounting Code Adjustments to Management Accounts	2024/2025							Total £000
	Capital Charges (Note 7.1.1)	Elimination of Internal Recharges (Note 7.1.2)	Pension Liabilities (Note 7.1.3)	Precepts & Levies (Note 7.1.4)	Provisions (Note 7.1.5)	Reserves (Note 7.1.6)	Other (Note 7.1.7)	
	£000	£000	£000	£000	£000	£000	£000	
Corporate Services	(56)	17	0	0	8	0	138	107
Education	(6,409)	(52,747)	0	0	40	0	25	(59,091)
Education - School Spending	(3,838)	52,875	0	0	0	0	(29)	49,008
Environment	(5,927)	(1,268)	0	(4,408)	(667)	0	(1,391)	(13,661)
Cardiff Capital Region City Deal	0	0	0	0	0	0	707	707
Regeneration & Economic Development	(4,247)	736	0	0	1	0	(6)	(3,516)
Social Services	(175)	381	0	0	18	0	(145)	79
Licensing	0	0	0	0	0	0	0	0
Planning	0	0	0	0	1	0	0	1
Capital Adjustments	0	0	0	0	0	0	(5)	(5)
Pension Adjustments	0	0	929	0	0	0	0	929
Net Expenditure on Continuing Operations	(20,652)	(6)	929	(4,408)	(599)	0	(706)	(25,442)
Other Operating Expenditure	0	0	0	4,408	0	0	8,339	12,747
Financing & Investment Income & Expenditure	0	0	0	0	0	0	9,020	9,020
Taxation & Non-Specific Grant Income	0	0	0	0	0	0	(194,103)	(194,103)
(Surplus)/Deficit on the Provision of Services	(20,652)	(6)	929	0	(599)	0	(177,450)	(197,778)

This table shows the adjustments made to the 2023/2024 management accounts to arrive at 'Net Expenditure Chargeable to the Council Fund' on an Accounting Code of Practice-compliant basis:

Expenditure and Funding Analysis: Accounting Code Adjustments to Management Accounts	2023/2024							Total £000
	Capital Charges (Note 7.1.1)	Elimination of Internal Recharges (Note 7.1.2)	Pension Liabilities (Note 7.1.3)	Precepts & Levies (Note 7.1.4)	Provisions (Note 7.1.5)	Reserves (Note 7.1.6)	Other (Note 7.1.7)	
	£000	£000	£000	£000	£000	£000	£000	
Corporate Services	15	8,384	0	0	(100)	0	1,344	9,643
Education	(4,444)	(53,686)	0	0	(483)	0	41	(58,572)
Education - School Spending	(2,248)	51,769	0	0	0	0	4,709	54,230
Environment	(4,691)	(3,725)	0	(4,165)	1,449	0	(2,045)	(13,177)
Cardiff Capital Region City Deal	0	0	0	0	0	0	(67)	(67)
Regeneration & Economic Development	(605)	(16)	0	0	(12)	0	(218)	(851)
Social Services	(329)	(2,611)	0	0	1,182	0	51	(1,707)
Licensing	0	(14)	0	0	(1)	0	0	(15)
Planning	0	(73)	0	0	(6)	0	(789)	(868)
Pension Adjustments	0	0	(648)	0	0	0	1,296	648
Net Expenditure on Continuing Operations	(12,302)	28	(648)	(4,165)	2,029	0	4,322	(10,736)
Other Operating Expenditure	(859)	0	0	4,165	0	0	7,815	11,121
Financing & Investment Income & Expenditure	0	0	0	0	0	0	3,143	3,143
Taxation & Non-Specific Grant Income	0	0	0	0	0	0	(186,424)	(186,424)
(Surplus)/Deficit on the Provision of Services	(13,161)	28	(648)	0	2,029	0	(171,144)	(182,896)

The following notes provide additional detail for each of the adjustments made to management accounts:

7.1.1 Capital Charges

Capital charges reported to management are on the basis of estimates calculated prior to the commencement of the financial year during the budget-setting process. These are removed and replaced with actual capital charges for depreciation, impairment and leasing. The 'Financing & Investment Income & Expenditure' line includes the calculated MRP for the year.

7.1.2 Elimination of Internal Recharges

The Accounting Code confirms that the EFA fulfils the Authority's requirements for segmental analysis in compliance with IFRS 8 *Operating Segments* and also stipulates that transactions between segments are not permitted in the service analysis section of the CIES. Management reports include expenses and revenues arising from recharges for a range of internally provided support services and services reported on a corporate basis (such as Corporate Landlord functions). These entries are eliminated to avoid the overstatement of segment income and expenditure as reported in the CIES. Transactions relating to specific services provided to Schools have not been eliminated as these are not material in value but would distort the figures reported in relation to Schools Balances and the Council Fund General Reserve in a way that is not considered to be useful to the users of the Accounts.

7.1.3 Pension Liabilities

Current Service Costs included in management reports are on the basis of an estimated level of liabilities, with adjustment to the equivalent cash cost for grant funded schemes. Past Service and Curtailment Costs are also included on an estimate basis. These amounts are adjusted to the actuarially-calculated amounts for inclusion in the statutory accounts.

Accruals for short-term accumulating compensated absences are not included in management accounts; these are added for code-compliance.

7.1.4 Precepts & Levies

Precepts and levies are reported in the Environment Portfolio, but are reclassified as 'Other Operating Expenditure' in the CIES.

7.1.5 Provisions

Amounts are included in management accounts for early termination provision costs, on a case-by-case basis. No other entries relating to provisions are included. Adjustment is made to match the statutory accounts that include provisions on the basis required by IAS37 *Provisions, Contingent Liabilities and Contingent Assets*.

7.1.6 Reserves

Management accounts include transfers to or from earmarked reserves as income or expenditure against services. Amounts may also be included for revenue contributions to capital expenditure. These are adjusted to match the treatment in the statutory accounts, where transfers to/from reserves are recorded in the Movement in Reserves Statement and revenue contributions to capital expenditure are included as adjustments under statutory provisions.

7.1.7 Other Adjustments

This includes:

- Reclassification of the Council Tax Surplus on Collection, which is included as a credit against services in the management accounts and within 'Taxation and Non-Specific Grant Income' in the CIES;
- Adjustment for Impairment Charges for Debtors, which are not reported to management but included in the statutory accounts on the basis of type and age of debt;
- Inclusion of unhypothecated funding sources, such as Revenue Support Grant, NNDR and Council Tax, which are not included in reports to management;
- Correction of entries in relation to Housing Benefit overpayments and associated impairment; and
- Addition of Blaenau Gwent's share of the Cardiff Capital Region City Deal operating income and expenditure.

7.2 Expenditure and Income Charged to the Council Fund

Net Expenditure charged by Portfolios to the Council Fund can be analysed as follows:

Expenditure & Income Charged to Council Fund	2024/2025	2023/2024
	£000	£000
External Fees, Charges & Other Service Income	(22,810)	(25,430)
Government Grants	(75,519)	(68,130)
Total Income	(98,329)	(93,560)
Employee Expenses	136,505	127,239
Other Service Expenses	136,181	136,567
Total Expenditure	272,686	263,806
Net Expenditure	174,357	170,246

7.3 Adjustments Between Funding and Accounting Basis

This table shows the adjustments between the management accounts (restated to an Accounting Code of Practice-compliant basis) and the net expenditure reported in the Comprehensive Income and Expenditure Statement:

Expenditure & Funding Analysis: Adjustments between 'Code-Compliant' Management Accounts and the CIES	2024/2025				2023/2024			
	Adjustments for Capital Purposes (Note 7.3.1)	Net Change for Pensions Adjustments (Note 7.3.2)	Other Adjustments (Note 7.3.3)	Total Adjustments	Adjustments for Capital Purposes (Note 7.3.1)	Net Change for Pensions Adjustments (Note 7.3.2)	Other Adjustments (Note 7.3.3)	Total Adjustments
	£000	£000	£000	£000	£000	£000	£000	£000
Corporate Services	68	429	(8)	489	12	(30)	95	77
Education	6,601	(3,664)	26	2,963	1,577	(2,994)	24	(1,393)
Education - School Spending	3,838	0	390	4,228	9,963	0	(396)	9,567
Environment	5,953	(1,300)	14	4,667	6,414	(771)	84	5,727
Cardiff Capital Region City Deal	27	0	1	28	55	0	0	55
Regeneration & Economic Development	(4,154)	(336)	37	(4,453)	(4,218)	(152)	43	(4,327)
Social Services	180	(1,777)	64	(1,533)	424	(1,112)	192	(496)
Licensing	0	(13)	0	(13)	0	(8)	1	(7)
Planning	0	(71)	(1)	(72)	0	(45)	13	(32)
Capital Adjustments	0	0	5	5	0	0	0	0
Pension Adjustments	0	(929)	0	(929)	0	(648)	0	(648)
Net Expenditure on Continuing Operations	12,513	(7,661)	528	5,380	14,227	(5,760)	56	8,523
Other Operating Expenditure	(630)	0	0	(630)	41,080	0	0	41,080
Financing & Investment Income & Expenditure	(2,647)	4,706	(104)	1,955	(1,748)	3,394	(145)	1,501
Taxation & Non-Specific Grant Income	(25,465)	0	0	(25,465)	(38,843)	0	0	(38,843)
(Surplus)/Deficit on the Provision of Services	(16,229)	(2,955)	424	(18,760)	14,716	(2,366)	(89)	12,261

7.3.1 Adjustments for Capital Purposes

This column adds in depreciation, impairment and revaluation gains & losses in the service lines, and for:

- Other operating expenditure – adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets.
- Financing and investment income and expenditure – the statutory charges for capital financing i.e. Minimum Revenue Provision and other revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices.
- Taxation and non-specific grant income and expenditure – capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivable in the year to those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non-Specific Grant Income and Expenditure line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied in the year.

7.3.2 Net Change for Pensions Adjustments

This column shows the net change for the removal of pension contributions and the addition of IAS19 *Employee Benefits* pension related expenditure and income:

- For services this represents the removal of the employer pension contributions made by the Authority as allowed by statute and the replacement with current service costs and past service costs.
- For financing and investment income and expenditure, the net interest on the defined benefit liability is charged to the CIES.

7.3.3 Other Adjustments

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

- For service lines, the adjustment for short-term accumulating compensated absences.
- For financing and investment income and expenditure the other differences column recognises adjustments to the Council Fund for the timing differences for premiums and discounts.

8. Taxation and Non-Specific Grant Income

This disclosure includes:

- Local taxation income, such as Council Tax receipts;
- Grants and contributions that are not attributable to specific services and are applied as general revenue funding; and
- Capital grants and contributions from a variety of funding bodies to cover expenditure on capital schemes.

Taxation & Non Specific Grant Income	2024/2025	2023/2024
	£000	£000
Taxation & Non-Specific Revenue Grants		
Council Tax Income	(49,571)	(46,694)
Non-Domestic Rates	(24,381)	(22,038)
Revenue Support Grant	(119,663)	(117,692)
Total Taxation and Non-Specific Revenue Grants	(193,615)	(186,424)
Capital grants and contributions	(25,953)	(38,843)
Total	(219,568)	(225,267)

9. Other Operating Expenditure

Other operating expenditure in the Comprehensive Income and Expenditure Statement consists of the following:

Other Operating Expenditure	2024/2025			2023/2024		
	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure
	£000	£000	£000	£000	£000	£000
(Gains)/losses on the Disposal of Non-Current Assets	47	(358)	(311)	62,754	(22,054)	40,700
Precepts & Levies:						
Police & Crime Commissioner for Gwent	7,318	0	7,318	6,752	0	6,752
South Wales Fire Authority	4,108	0	4,108	3,954	0	3,954
Community Council Precepts	702	0	702	582	0	582
Coroners' Courts	268	0	268	179	0	179
National Park Levy	32	0	32	34	0	34
Total	12,475	(358)	12,117	74,255	(22,054)	52,201

10. Financing and Investment Income and Expenditure

Financing and investment income and expenditure in the Comprehensive Income and Expenditure Statement consists of the following:

Financing and Investment Income and Expenditure	2024/2025			2023/2024		
	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure
	£000	£000	£000	£000	£000	£000
Change in Fair Value of Investment Property *	63	0	63	82	0	82
Impairment **	354	0	354	581	0	581
Interest payable and similar charges - Financial Instruments	8,898	0	8,898	4,651	0	4,651
Interest payable and similar charges - Other ***	253	0	253	183	0	183
Interest receivable and similar income - Financial Instruments	0	(1,807)	(1,807)	0	(2,507)	(2,507)
Interest receivable and similar income - Other ****	0	(1,492)	(1,492)	0	(340)	(340)
Net Pensions Interest Cost	29,787	(25,081)	4,706	25,166	(21,772)	3,394
Dividends Received	0	0	0	0	(1,400)	(1,400)
Total	39,355	(28,380)	10,975	30,663	(26,019)	4,644

*: Authority proportion of Cardiff Capital Region City Deal investment properties.

***: Unwinding of discounts; Interest on finance leases and school balances.

** : Movement in allowances for expected credit losses on financial assets.

****: Unwinding of discounts; Interest on (lessor) finance leases, car loans and contractor bonds.

11. Agency Income and Expenditure

During the Covid-19 pandemic, the Authority acted as an agent on behalf of Welsh Government in the distribution of a range of grants and reliefs. The following tables summarise the purpose of each grant or relief scheme, the number of individuals or businesses supported and the residual transactions and balances related to the various grants and reliefs administered during 2024/2025.

	2024/2025	2023/2024
Funding Administered on Behalf of Welsh Government: Purpose	Number of Businesses/ Individuals Supported	Number of Businesses/ Individuals Supported
Ukraine Resettlement Scheme	13	25
<i>To provide support for hosting accommodation for Ukraine Refugees £350 per month and £200 initial support payments.</i>		
Retail, Leisure and Hospitality Rate Relief	165	178
<i>To provide support for eligible properties by offering a discount of 100% on the non-domestic rates bill for 2022/2023 and 2023/2024.</i>		

Funding Administered on Behalf of Welsh Government: Transactions	2024/2025		2023/2024	
	Funding Allocation	Payments Made or Reliefs Applied	Funding Allocation	Payments Made or Reliefs Applied
	£000	£000	£000	£000
Energy Support Scheme	0	0	(50)	50
Retail, Leisure and Hospitality Rate Relief	(855)	262	(1,717)	473
Ukraine Resettlement Scheme	(87)	87	(55)	55
Total	(942)	349	(1,822)	578

Funding Administered on Behalf of Welsh Government: Balances	Balance at 31 March 2025		Balance at 31 March 2024	
	£000	£000	£000	£000
	Retail, Leisure and Hospitality Rate Relief	(593)	(1,244)	
Total	(593)	(1,244)		

Transactions relating to these schemes have not been included in the Authority's Accounts.

12. Partnership Schemes Under Section 33 of the NHS (Wales) Act 2006

12.1 The Gwent Wide Integrated Community Equipment Service (GWICES)

The Gwent Wide Integrated Community Equipment Service is an agreement for the provision of an efficient and effective integrated community equipment service to users who are resident in the partner localities. This agreement came into effect on 1 October 2008.

12.2 The Gwent Frailty Programme

The Gwent Frailty Programme is an agreement for the delivery of a range of services to avoid hospital admissions, facilitate early discharge and help individuals remain "happily independent". The Community Resource Teams provide integrated urgent response, re-ablement and falls services within each locality in line with agreed Locality Annual Commissioning Plans. This agreement came into effect on 4 April 2011.

12.3 The Gwent Care Home Accommodation Functions Pooled Fund

The Gwent Care Home Accommodation Functions Pooled Fund is an agreement for the provision of efficient and effective Care Home functions reflecting locally agreed priorities for older people who are assessed as in need of such care. The arrangement came into effect on 1 April 2018.

The Authority's transactions in relation to these partnership schemes are included in the Social Services Portfolio line of the CIES. Summarised transactions for the financial year ending 31 March 2025 were as follows.

Partnership Schemes:	2024/2025				2023/2024			
	GWICES £000	Gwent Frailty £000	Care Homes £000	Total £000	GWICES £000	Gwent Frailty £000	Care Homes £000	Total £000
Total Expenditure	4,787	18,136	150,254	173,177	4,457	17,166	137,951	159,574
Funding								
Blaenau Gwent County Borough Council	(379)	(690)	(11,303)	(12,372)	(298)	(649)	(9,769)	(10,716)
Caerphilly County Borough Council	(635)	(2,349)	(34,641)	(37,625)	(520)	(2,249)	(31,521)	(34,290)
Monmouthshire County Borough Council	(518)	(1,628)	(15,255)	(17,401)	(406)	(1,626)	(12,680)	(14,712)
Newport City Council	(537)	(2,148)	(29,117)	(31,802)	(377)	(1,993)	(28,529)	(30,899)
Torfaen County Borough Council	(990)	(833)	(15,983)	(17,806)	(1,475)	(822)	(14,154)	(16,451)
Aneurin Bevan University Health Board	(1,264)	(10,320)	(43,955)	(55,539)	(938)	(9,892)	(41,298)	(52,128)
Other	(464)	0	0	(464)	(443)	0	0	(443)
Total Funding	(4,787)	(17,968)	(150,254)	(173,009)	(4,457)	(17,231)	(137,951)	(159,639)
Net In-Year (Under)/Overspend	0	168	0	168	0	(65)	0	(65)
Balance Brought Forward	0	(521)	0	(521)	0	(456)	0	(456)
Balance Carried Forward	0	(353)	0	(353)	0	(521)	0	(521)

13. Members' Allowances

The total amount of allowances and expenses paid to Members during the year was £793,338 (2023/2024: £739,324), analysed as follows:

Members' Allowances	2024/2025 £000	2023/2024 £000
Allowances	793	739
Expenses	0	0
Total:	793	739

14. Officers' Remuneration

14.1 Remuneration Ratio

For 2024/2025 the ratio of the Chief Executive's remuneration in comparison to the median remuneration of all the Authority's employees was as follows:

	2024/2025	2023/2024
Ratio of Chief Executive pay to median pay of all staff	1:5.15	1:3.83

14.2 The number of employees whose remuneration, including termination benefits but excluding employer pension contributions, was £60,000 or more, was:

Officers Emoluments	2024/2025					2023/2024				
	Teaching	Other	Total	Left During Year	Total excluding leavers	Teaching	Other	Total	Left During Year	Total excluding leavers
Remuneration Band										
£60,000 - £64,999	19	22	41	0	41	21	15	36	0	36
£65,000 - £69,999	11	2	13	1	12	11	3	14	0	14
£70,000 - £74,999	16	2	18	1	17	6	1	7	0	7
£75,000 - £79,999	4	2	6	1	5	3	2	5	0	5
£80,000 - £84,999	5	1	6	0	6	6	1	7	0	7
£85,000 - £89,999	3	0	3	0	3	1	1	2	0	2
£90,000 - £94,999	1	0	1	0	1	1	0	1	0	1
£95,000 - £99,999	1	0	1	0	1	3	0	3	0	3
£100,000 - £104,999	0	0	0	0	0	1	0	1	0	1
£105,000 - £109,999	3	0	3	0	3	0	0	0	0	0
£110,000 - £114,999	0	0	0	0	0	0	0	0	0	0
£115,000 - £119,999	0	0	0	0	0	1	0	1	0	1
£120,000 - £124,999	0	0	0	0	0	1	0	1	0	1
£125,000 - £129,999	0	0	0	0	0	0	0	0	0	0
£130,000 - £134,999	1	0	1	0	1	0	0	0	0	0
Total	64	29	93	3	90	55	23	78	0	78

Notes: 1) Employees that are included in the Senior Officers Remuneration disclosure have been excluded from the above table.
2) Voluntary Aided School employees have been included in the above disclosure.

Further details of termination benefits can be found in notes 15-16.

14.3 Senior Officer Remuneration

The following table sets out the remuneration in 2024/2025 for senior employees whose salary is £150,000 or more per year, or an employee whose salary is £60,000 or more per year and falls within the categories specified in Part 4 of the Accounts and Audit (Wales) Regulations 2014.

2024/2025 Post Title	Notes	Salary (including fees & allowances) £	Expense Allowances £	Compensation for Loss of Office £	Benefits in Kind £	Total Remuneration (excluding Pension Contributions) £	Employers Pension Contributions £	Total Remuneration (including Pension Contributions) £
Joint Chief Executive - Stephen Vickers (from 01/07/2024)	Note 1	153,937	0	0	0	153,937	37,539	191,476
Interim Chief Executive (to 30/06/2024)	Note 1	29,143	0	7,154	0	36,297	7,723	44,020
Corporate Director of Education (Acting Deputy Chief Executive)	Note 2	93,592	0	0	0	93,592	24,802	118,394
Chief Officer (Resources) (to 15/09/2024)	Note 3	40,640	0	0	0	40,640	10,770	51,410
Corporate Director - Corporate Services (from 16/09/2024)	Note 3	49,078	0	0	0	49,078	13,006	62,084
Interim Corporate Director of Social Services (to 31/08/2024)	Note 4	39,598	0	3,645	0	43,243	10,494	53,737
Interim Corporate Director of Social Services (from 01/09/2024)	Note 4	52,853	0	0	0	52,853	14,006	66,859
Chief Officer (Commercial & Customer) (to 15/09/2024)	Note 5	40,640	0	0	0	40,640	10,770	51,410
Head of Governance & Partnerships (to 30/09/2024)	Note 6	38,771	0	0	0	38,771	10,274	49,045
Head of Legal & Corporate Compliance (Monitoring Officer)	Note 7	77,541	0	0	0	77,541	20,548	98,089
Corporate Director of Regeneration & Community Services		95,036	0	0	0	95,036	25,185	120,221
Total		710,829	0	10,799	0	721,628	185,117	906,745

- Note 1: The Interim Chief Executive ceased employment on 30 June 2024. On 12 June 2024, the Council approved a temporary shared Chief Executive role between Torfaen County Borough Council and the Council, effective from 1 July 2024. The postholder is remunerated via Torfaen County Borough Council, with the costs being shared equally. The full annualised salary was £156,235 rising to £160,141 from 1 November 2024. For 2024/2025 £83,373.97 was paid by Blaenau Gwent CBC.
- Note 2: The Director of Education, previously serving in an interim capacity, was appointed permanently from 26 August 2024, with the postholder also assuming the role of Acting Deputy Chief Executive from 1 February 2025.
- Note 3: The Chief Officer (Resources) post was removed from the organisational structure from 15 September 2024. A new post, Corporate Director – Corporate Services, was established from that date.
- Note 4: The Interim Corporate Director of Social Services ceased employment on 31 August 2024. The Head of Adult Services was appointed as Interim Corporate Director from 1 September 2024.
- Note 5: Effective 16 September 2024, the reporting line for the Chief Officer (Commercial & Customer) was amended. The post now reports directly to the Corporate Director – Corporate Services.
- Note 6: The Head of Governance & Partnerships ceased employment on 30 September 2024. The post remained vacant for the remainder of the financial year.
- Note 7: The Head of Legal & Corporate Compliance also received payment of £3,433 in their role as Returning Officer. In addition, Employers Pension Contributions for this amounted to £910.

The following table sets out the remuneration in 2023/2024 for employees whose salary is £60,000 or more per year and falls within the categories specified in Part 4 of the Accounts and Audit (Wales) Regulations 2014. There were no senior employees whose salary exceeded £150,000.

2023/2024 Post Title	Notes	Salary (including fees & allowances)	Expense Allowances	Compensation for Loss of Office	Benefits in Kind	Total Remuneration (excluding Pension Contributions)	Employers Pension Contributions	Total Remuneration (including Pension Contributions)
		£	£	£	£	£	£	£
Interim Chief Executive		113,910	0	0	0	113,910	29,047	142,957
Corporate Director of Education (to 31/07/23)	Note 1	40,345	0	24,258	0	64,603	8,248	72,851
Interim Corporate Director of Education (from 15/05/23)	Note 2	78,038	0	0	0	78,038	19,900	97,938
Corporate Director of Regeneration & Community Services		90,547	0	0	0	90,547	23,089	113,636
Interim Corporate Director of Social Services		90,559	0	0	0	90,559	23,093	113,652
Chief Officer (Resources)		86,507	0	0	0	86,507	22,059	108,566
Chief Officer (Commercial & Customer)		84,584	0	0	0	84,584	21,569	106,153
Head of Governance & Partnerships	Note 3	75,650	0	0	0	75,650	19,291	94,941
Head of Legal & Corporate Compliance	Notes 3 & 4	75,650	0	0	0	75,650	19,291	94,941
Total		735,790	0	24,258	0	760,048	185,587	945,635

Note 1: The Corporate Director of Education ceased employment on 31 July 2023.

Note 2: As the Corporate Director of Education was leaving post in July 2023, the Interim Corporate Director of Education post was filled on a secondment basis from 15 May 2023 to allow for a managed transition of duties.

Note 3: The Head of Governance & Partnerships and Head of Legal & Corporate Compliance report directly to the (Interim) Chief Executive and are included in this disclosure on that basis.

Note 4: The Head of Legal & Corporate Compliance also received payment of £520 in their role as Returning Officer.

15. Termination Benefits and Exit Packages - Costs to Authority

The number and value of exit packages agreed by the Authority during the year were as follows:

Exit Package Cost Band	2024/2025		Exit Package Cost Band	2023/2024	
	Exit Packages N°	Total Cost of Exit Packages £000		Exit Packages N°	Total Cost of Exit Packages £000
£0-£19,999	41	317	£0-£19,999	36	165
£20,000-£39,999	8	226	£20,000-£219,999	3	100
£40,000-£59,999	6	300			
£60,000-£99,999	5	379			
£100,000-£159,999	2	260			
Total	62	1,482	Total	39	265

Note: Value bands have been combined where necessary to ensure that individual exit packages cannot be identified.

Employment contracts may be terminated for a variety of reasons, including redundancy and retirement. On termination, the Authority incurs a range of liabilities including redundancy payments, pension lump sum payments and enhancements (e.g. added years). In 2024/2025, the contracts of 62 employees were terminated, incurring total liabilities of £1.482m (2023/2024: 39 employees, incurring liabilities of £0.265m). These payments can be disaggregated as follows:

Termination Benefits & Exit Packages	2024/2025 £000	2023/2024 £000
Pay in Lieu of Notice	274	156
Pension Costs	610	50
Redundancy Costs	511	44
Other Payments	87	15
Total	1,482	265

16. Termination Benefits and Exit Packages - Causes

The following were the significant causes of the termination benefits and exit packages:

Termination Benefits	2024/2025		2023/2024	
	No	£000	No	£000
Closure of Facilities / Cessation of Services	3	66	2	32
Financial Efficiency Project	7	370	1	50
School Downsizing Restructuring & Reorganisation	13	692	0	0
Termination benefits arising for other reasons	39	354	36	183
Total	62	1,482	39	265

17. External Audit Fees

The Authority's appointed external auditors for the 2024/2025 financial year were Audit Wales (AW).

The following fees were incurred in relation to external audit and inspection:

External Audit Fees	2024/2025	2023/2024	CIES Service Line
	£000	£000	
Fees payable in respect of:			
External audit services relating to audit of the accounts	255	325	<i>Corporate Services Portfolio</i>
External audit services relating to Local Government Measures	94	114	<i>Corporate Services Portfolio</i>
Certification of grant claims and returns	52	52	<i>Portfolio responsible for the specific grant claim or return</i>
Additional audit fees relating to audit of the accounts	0	21*	<i>Corporate Services Portfolio</i>
Total Audit Fees	401	512	

*: Following the closure and transfer of Silent Valley Waste Services Ltd. in May 2023, fees to Azets for Audit of the Final Accounts and additional taxation and company closure advice were settled by Blaenau Gwent CBC.

18. National Non-Domestic Rates

Non-Domestic Rates are collected by the Authority based on local rateable values multiplied by a uniform rate. The total amount collected, less certain reliefs and deductions, is paid to a central pool (the NNDR pool) managed by the Welsh Government, which in turn pays back to authorities their share of the pool based on a statutory formula. NNDR is accounted for on an agency basis, i.e. Blaenau Gwent as a billing Authority acts as an agent of the Welsh Government in collecting non-domestic rates. Transactions with non-domestic ratepayers are typically not revenue activities of the agent and have therefore been excluded from the accounting statements.

Summary information for the year is as follows:

- The total non-domestic rateable value at 31 March 2025 was £34,721,215 (31 March 2024: £34,506,895).
- The national non-domestic rate multiplier for the year 2024/2025 was 0.562 (2023/2024: 0.535).
- The contribution received from the NNDR pool in 2024/2025 was £24,380,558 (2023/2024: £22,038,072).

19. Council Tax

The Council Tax is a local tax based upon 'banded' property values. The Council Tax requirement for the Authority is calculated by taking the budget requirement and dividing by the tax base expressed as a number of equivalent Band D properties. To this amount is added the elements precepted by Gwent Constabulary and Community Councils.

19.1 The following transactions occurred during the financial year related to Council Tax:

Council Tax Transactions	2024/2025 £000	2023/2024 £000
Council Tax Collected	(50,136)	(47,290)
Less: Impairment of bad & doubtful debts	565	596
Net Total Proceeds from Council Tax	(49,571)	(46,694)
Less: Police & Crime Commissioner for Gwent	7,318	6,752
Community Council Precepts:		
Abertillery & Llanhilleth Community Council	381	289
Brynmawr Town Council	45	43
Nantyglo & Blaina Town Council	105	91
Tredegar Town Council	171	159
Total Precepts:	8,020	7,334
Council Tax attributable to this Authority:	(41,551)	(39,360)

19.2 Council Tax Base

The Council Tax base is calculated with reference to the number of effective properties (i.e. properties net of specific exemptions, reliefs and discounts) in each of 10 property valuation bands, multiplied by a ratio related to that valuation band. For 2024/2025 the tax base, expressed as equivalent band D properties, has been calculated as follows:

	Band										Total
	A*	A	B	C	D	E	F	G	H	I	
Properties	56.00	18,561.00	7,935.00	2,632.00	1,735.00	859.00	330.00	63.00	15.00	6.00	32,192.00
Exemptions, Reliefs & Discounts	(7.50)	(2,210.50)	(700.25)	(200.25)	(106.25)	(48.00)	(13.00)	(2.50)	(5.50)	(2.00)	(3,295.75)
Effective Properties	48.50	16,350.50	7,234.75	2,431.75	1,628.75	811.00	317.00	60.50	9.50	4.00	28,896.25
Ratio	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	21/9	-
Band D Equivalents	26.94	10,900.34	5,627.03	2,161.56	1,628.75	991.22	457.89	100.83	19.00	9.33	21,922.89
Impairment											(986.53)
Council Tax Base											20,936.36

20. Precepts & Demands

20.1 Precepting Authorities

Details of precepting bodies and amounts are included in note 19.1.

20.2 Levies & Demands by Joint Committees and Other Bodies

A number of services are operated by joint committees or organisations that operate across the boundaries of individual councils, to which this Authority makes a contribution. The following levies and demands have been made of the Authority:

Levies & Demands	2024/2025 £000	2023/2024 £000
Brecon Beacons National Park Authority	32	34
Coroners' Courts	268	179
South Wales Fire Authority	4,108	3,954
Total:	4,408	4,167

21. Grants and Contributions

Capital grants and contributions from the following awarding bodies were credited by the Authority to the Comprehensive Income and Expenditure Statement:

Capital Grants (Charged to Services)	Awarding Body	Grant Purpose	2024/2025 £000	2023/2024 £000
Tech Valleys	Welsh Government	Funding provided for development of the Lime Avenue Business Units (Joint Operation between BGCB and Welsh Government).	(9,036)	0
Housing Grants	Welsh Government	Grants available for adaptations to private homes to support Independent Living	(858)	(654)
Coal Tip Safety	Welsh Government	Surveys and remedial works on ensuring Coal Tip safety within the County Borough	(767)	(327)
Tredegar Townscape Heritage Initiative	Welsh Government	Refurbishment of buildings within the Tredegar ward linked with the heritage of the town	(498)	0
Sustainable Communities for Learning	Welsh Government	Childcare Offer Small Grants Scheme	(348)	(307)
Disabled Equipment	Welsh Government	Purchase of equipment for use by Social Services clients	(280)	(285)
Town Centre Grants	Welsh Government	Grants available to owners for development of commercial property	(212)	(140)
Other Grants	Various	Various Outcomes	(876)	(224)
Total:			(12,875)	(1,937)

Capital Grants (Taxation and Non-Specific Grants)	Awarding Body	Grant Purpose	2024/2025 £000	2023/2024 £000
Sustainable Communities for Learning	Welsh Government	School estate development and construction of new schools	(10,588)	(9,313)
Shared Prosperity Fund	Department for Levelling Up	Support UK-wide levelling up via community enhancement, business growth, and skills development to boost jobs, safety & productivity.	(6,714)	0
Levelling Up Fund	Department for Levelling Up, Housing and Communities	Funding for construction of the Hi Value Engineering Centre	(4,391)	(4,973)
Local Transport Grants	Welsh Government	Highways infrastructure development, Road Safety and Active Travel	(1,649)	(3,091)
General Capital Grant	Welsh Government	Funding towards the Council's own Capital Programme	(1,400)	(1,171)
Cardiff Capital Region City Deal	HM Treasury	Capital works carried out by the CCRC	(2,296)	(1,057)
Railway Infrastructure Loan	Welsh Government	Recognition of adjustments to capital grant element of loan provided by Welsh Government for infrastructure works to the Ebbw Valley Railway	4,234	(16,910)
Other Grants	Various	Various Outcomes	(3,149)	(2,327)
Total:			(25,953)	(38,842)

Revenue grants and contributions from the following awarding bodies were credited by the Authority to the Comprehensive Income and Expenditure Statement:

Revenue Grants (Charged to Services)	Awarding Body	Grant Purpose	2024/2025 £000	2023/2024 £000
DWP - Housing Benefit Subsidy	Department for Work and Pensions	Reimburse local authorities for administering Housing Benefit and supporting eligible individuals with housing cost assistance.	(19,029)	(19,482)
Local Education Authority Grant	Welsh Government	Support school standards, equity in education, reform initiatives, and Cymraeg 2050 goals across Wales' schools and authorities.	(12,678)	(8,068)
Shared Prosperity Fund	Department for Levelling Up, Housing & Communities	Support UK-wide levelling up via community enhancement, business growth, and skills development to boost jobs, safety & productivity.	(13,742)	(6,739)
Flying Start - Children & Communities Grant	Welsh Government	To mitigate the impact of poverty and improve life chances for children by providing a range of services and support mechanisms.	(3,865)	(3,702)
Housing Support Grant	Welsh Government	To support projects preventing homelessness and helping people to live in their own home or supported housing.	(3,821)	(3,539)
Education Improvement Grant	Welsh Government	To improve educational outcomes for all learners in Wales and to deliver educational reforms.	0	(2,136)
SCAPE Pension Costs/NJC Pay Pressures	Welsh Government	To support additional pension contributions and NJC pay pressures.	(2,468)	0
Other Grants & Contributions	Various	Various Outcomes.	(19,916)	(25,004)
Total:			(75,519)	(68,670)

During the 2024/2025 financial year, the Council repaid revenue grants to the following awarding bodies, totalling £0.029m (2023/2024: £0.148m):

Grant Title (Repayments)	Awarding Body	Grant Purpose	2024/2025 £000	2023/2024 £000
Local Education Authority Grant	Welsh Government	Support school standards, equity in education, reform initiatives, and Cymraeg 2050 goals across Wales' schools and authorities.	0	145
Free School Meals	Welsh Government	Funding of provision of Free School Meals for primary school pupils.	5	3
Communities for Work Plus	Welsh Government	To support individuals aged 20 and over overcome barriers to employment by providing employment support and training.	24	0
Total:			29	148

The Authority has received a number of grants and contributions that have yet to be recognised as income as they have conditions attached to them that may require the monies or property to be returned to the provider. The balances at the year-end, analysed by awarding body, are as follows:

Capital Grants (Receipts in Advance)	Awarding Body	Grant Purpose	2024/2025 £000	2023/2024 £000
Tech Valleys	Welsh Government	Funding provided for development of the Lime Avenue Business Units (Joint Operation between BGCB and Welsh Government).	0	(9,036)
Levelling Up Fund	Department for Levelling Up, Housing & Communities	Funding for construction of the Hi Value Engineering Centre.	(267)	(811)
Sustainable Communities for Learning	Welsh Government	School estate development and construction of new schools.	(1,318)	(618)
Local Transport Grants	Welsh Government	Highways infrastructure development, Road Safety and Active Travel.	(882)	(440)
Flying Start	Welsh Government	Construction and development of existing sites for Flying Start childcare.	(402)	(373)
Other Grants	Various	Various Outcomes.	(859)	(469)
Total:			(3,728)	(11,747)

Revenue Grants (Receipts in Advance)	Awarding Body	Grant Purpose	2024/2025 £000	2023/2024 £000
Local Education Authority Grant	Welsh Government	Support school standards, equity in education, reform initiatives, and Cymraeg 2050 goals across Wales' schools and authorities.	0	(85)
Wood Waste Facility Grant	Welsh Government	To support the development of a wood waste recycling facility in Blaenau Gwent, with a focus on wood reprocessing.	0	(86)
Inspire	WEFO	To assist young people who are at risk of becoming NEET, supporting individuals to gain qualifications and skills.	0	0
Heads of the Valleys Waste Programme	Welsh Government	To support long-term solutions for managing food and organic waste, reducing landfill use and promoting greener practices.	0	0
Gov Tech Grant	Department for Science, Innovation & Technology	To support solving public sector problems using innovative digital technology.	0	0
Other Grants	Various	Various Outcomes.	(4)	(4)
Total:			(4)	(175)

22. Related Parties

22.1 Central Government

Central Government has effective control over the general operations of the Authority and provides the statutory framework within which the Authority operates, the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Authority has with other parties. Details of the general and specific grants received in 2024/2025 can be found in note 21; details of the amounts owed to or from central government are included in notes 34 and 33 respectively.

22.2 Local Government - Federated Model

During 2024/2025, Blaenau Gwent County Borough Council and Torfaen County Borough Council implemented a federated model of working, including the appointment of shared senior officers. These officers are designated as key management personnel of the Authority. The shared arrangements are governed by formal agreements between the two councils. Any costs associated with shared senior management and service arrangements are recharged on a cost-recovery basis and are approved through normal governance processes.

The following table summarises all transactions occurring between Blaenau Gwent CBC and Torfaen CBC during 2024/2025, including those specifically related to the implementation and operation of the federated model. The majority of these transactions related to service arrangements that existed prior to the federated model, including: Administration of Grants and Contributions (including amounts for Concessionary Fares, Childcare, GWICES and School Improvement); Out of County Placements; Waste & Recycling Fees; and Lease arrangements/Rentals relating to the County Archives service.

	Year Ended 31 March 2025			
	Transactions		Balances	
	Amounts Paid by Authority	Amounts Received by Authority	Amounts Owed By Authority	Amounts Owed To Authority
	£	£	£	£
Related Party Transactions				
Torfaen County Borough Council:	4,122,626	(1,322,766)	218,387	(148,733)
Total	4,122,626	(1,322,766)	218,387	(148,733)

22.3 Members

Related Party Disclosures for Members relate to all Councillors for the 2024/2025 financial year. For each related party, transactions reported are for the full 2024/2025 financial year.

The following transactions related to elected members took place during the year, with associated balances due to or from the Authority at the year end:

Related Party & Relationship	Transaction Details	Year Ended 31 March 2025				Year Ended 31 March 2024			
		Transactions		Balances		Transactions		Balances	
		Amounts Paid by Authority	Amounts Received by Authority	Amounts Owed By Authority	Amounts Owed To Authority	Amounts Paid by Authority	Amounts Received by Authority	Amounts Owed By Authority	Amounts Owed To Authority
		£	£	£	£	£	£	£	£
Blaenau Gwent & Caerphilly Care & Repair: A number of Members are trustees.	Payments for support for independent living, home adaptations and voluntary sector grants.	213,786	(6,128)	0	(578)	139,049	(9,663)	45,474	(115)
Cwm Institute: A Member of the Council is a Trustee of this organisation.	Member Grants, Presiding Member Appeal Contribution and Loneliness & Isolation Grant. Lease of land Income.	390	0	0	(10)	1,979	0	(10)	0
Brynmawr Market Hall Cinema: A Member of the Council is a Trustee of this organisation.	Cinema screenings, Kickstart Scheme.	2,807	(4,433)	0	(425)	15,250	(4,459)	435	(4,168)
Ebenezer Baptist Church: A Member of the Council is a Trustee of this organisation.	Member Grants, Room Hire	700	0	465	0	862	0	0	0
Hodge Municipal Services: A Member of the Council is the proprietor of this business.	Maintenance of public toilets in Brynmawr and other supplies.	5,210	(213)	3,000	0	4,125	0	0	(385)
JP Print & Signs: A member of the Council is the proprietor of this business.	Printing such as Leaflets, Posters & Flyers and Work Placement.	21,245	(89)	225	(85)	11,203	0	3,136	0
Phoenix DA Services: A Member of the Council is a Trustee of this organisation.	Youth Respect Project, training, assessments and refuse income.	41,925	(27)	1,300	0	45,330	(26)	450	0
Rassau Resource Community Centre: A Member of the Council is a Director of this organisation.	Room hire, Loneliness & Isolation Grant. Income from Insurance, Childcare Offer Payment and trade refuse.	2,958	(1,954)	596	(1,104)	5,407	(1,969)	0	(1,930)
Total:		289,021	(12,844)	5,586	(2,202)	223,205	(16,117)	49,485	(6,598)

Comparative amounts have been included in the table relevant to transactions and balances in the 2024/2025 financial year. (i.e. 'with balances at year end' or 'without balances at year end'). In some cases this will result in disclosure of related parties in a different table to that in which they were disclosed in the 2023/2024 Accounts.

The following transactions related to elected members took place during the year, for which there were no associated balances due to or from the Authority at the year end:

Related Party	Related Party Relationship	Year Ended 31 March 2025		Year Ended 31 March 2024		Notes
		Amounts Paid by Authority	Amounts Received by Authority	Amounts Paid by Authority	Amounts Received by Authority	
		£	£	£	£	
Abertillery Workmens Institute	A Member of the Council is a Trustee of this organisation.	490	0	346	0	
Brynmawr Museum	A Member of the Council is a Director of the organisation.	1,150	(306)	5,338	(287)	Member Grants, Welsh Church Fund Grant, Ground Rent and Insurance Income.
Beaufort Hill Ponds & Woodlands Preservation Society	A Member of the Council is a Director of the organisation.	310	0	200	0	
Chillax	A Member of the Council is a Trustee of this organisation.	11,245	0	450	0	
Circle of Beauty	A Member of the Council is joint proprietor of the business.	0	0	4,000	0	Gift cards for carers and young people.
Ebbw Vale Childrens Contact Centre	A Member of the Council is a Trustee of this organisation.	100	0	150	0	
Ebbw Valley Brass	A Member of the Council is a Trustee of this organisation.	200	(192)	200	(192)	
Hermon Cemetery Trust	A Member of the Council is a Trustee of this organisation.	700	0	1,140	0	
Highfield Properties (Tredegar)	A Member of the Council is a Director of the organisation.	13,569	0	12,501	0	Tenants' Rent Allowances and Council Tax refund.
Sirhowy Community Centre	A Member of the Council is a Director of the organisation.	3,700	0	2,396	0	Grants.
Tryfan Group	A Member of the Council is a Director of the organisation.	4,245	0	4,245	0	Business Grant.
Total:		35,709	(498)	30,966	(479)	

In summary, transactions and balances related to elected members were as follows:

	Year Ended 31 March 2025				Year Ended 31 March 2024			
	Transactions		Balances		Transactions		Balances	
	Amounts Paid by Authority	Amounts Received by Authority	Amounts Owed By Authority	Amounts Owed To Authority	Amounts Paid by Authority	Amounts Received by Authority	Amounts Owed By Authority	Amounts Owed To Authority
	£	£	£	£	£	£	£	£
Summary - Related Party Transactions and Balances								
Related Parties (with year end balances)	289,021	(12,844)	5,586	(2,202)	223,205	(16,117)	49,485	(6,598)
Related Parties (with no year end balances)	35,709	(498)	0	0	30,966	(479)	0	0
Total:	324,730	(13,342)	5,586	(2,202)	254,171	(16,596)	49,485	(6,598)

22.4 Silent Valley Waste Services Limited

Having transferred all its activities, staff, assets & liabilities to the Authority, Silent Valley Waste Services Ltd, a wholly-owned subsidiary, was formally dissolved on 11 March 2025 following the completion of all statutory and governance requirements. There were therefore no related party transactions between Blaenau Gwent CBC and Silent Valley Waste Services Ltd. in 2024/2025. In 2023/2024, the Authority paid the Company £278,609 and received from the Company £3,335,198.

22.5 Bedwellty House & Park Charitable Trust

The Council is the sole trustee of the Bedwellty House and Park Charitable Trust. Services and facilities at the House and Park are provided by the Aneurin Leisure Trust, for which the Council provides a management fee. In 2024/2025, the portion of this fee related to the Bedwellty House and Park Charity was £104,400 (2023/2024: £104,400).

22.6 Education Achievement Service for South East Wales

The five local authorities of Blaenau Gwent, Caerphilly, Monmouthshire, Newport and Torfaen have formed an Education Achievement Service (EAS) which is designed to raise education standards in South East Wales. The EAS is a separate legal entity, established as a company limited by guarantee, which is wholly owned by the five local authorities and operates on a not for profit basis. There is no lead authority, each being represented equally with a 20% interest and possessing equal voting rights. Services are commissioned from the EAS on behalf of the five local authorities.

The company board comprises the Director of the EAS and Elected Member representatives from the participating authorities.

In 2024/2025 total summarised transactions of the Service were as follows:

Education Achievement Service	2024/2025 £000	2023/2024 £000
Expenditure	7,721	7,569
Income	(7,584)	(7,672)
Net Expenditure	137	(103)

Related party transactions between the Authority and the EAS were:

Related Party Transactions	Year Ended 31 March 2025				Year Ended 31 March 2024			
	Transactions		Balances		Transactions		Balances	
	Amounts Paid by Authority	Amounts Received by Authority	Amounts Owed By Authority	Amounts Owed To Authority	Amounts Paid by Authority	Amounts Received by Authority	Amounts Owed By Authority	Amounts Owed To Authority
	£	£	£	£	£	£	£	£
Education Achievement Service:								
Partner contribution	283,537	0	0	0	315,042	0	0	0
Reimbursement of Clerks to Governors Fees	0	(10,524)	0	0	0	(7,838)	0	0
Total (Education Achievement Service):	283,537	(10,524)	0	0	315,042	(7,838)	0	0

22.7 Cardiff Capital Region City Deal

The Cardiff Capital Region City Deal is a joint arrangement involving the UK Government, the Welsh Government and the 10 constituent Councils in South East Wales, including Blaenau Gwent. The Authority's share of assets, liabilities, reserves, income, expenditure and cashflows relating to the Cardiff Capital Region City Deal Group have been included as a joint arrangement in the single entity accounting statements and disclosures. Related party transactions between the Authority and the City Deal are as follows:

Related Party Transactions	Year Ended 31 March 2025				Year Ended 31 March 2024			
	Transactions		Balances		Transactions		Balances	
	Amounts Paid by Authority	Amounts Received by Authority	Amounts Owed By Authority	Amounts Owed To Authority	Amounts Paid by Authority	Amounts Received by Authority	Amounts Owed By Authority	Amounts Owed To Authority
	£	£	£	£	£	£	£	£
Cardiff Capital Region City Deal:								
Partner contribution to support the work of the Joint Cabinet	59,085	0	0	0	59,085	0	0	0
Contributions towards Capital Expenditure	0	0	0	0	0	0	0	0
Total (Cardiff Capital Region City Deal):	59,085	0	0	0	59,085	0	0	0

Movements in Reserves Notes

23. Other Comprehensive Income & Expenditure

The following unrealised gains or losses and pension remeasurement gains or losses arose during the year:

Other Comprehensive Income & Expenditure	2024/2025 £000	2023/2024 £000
(Surplus)/Deficit arising on the revaluation of non-current assets	(13,395)	(16,887)
Remeasurement of the net defined benefit pension liability	(11,020)	28,360
Other Comprehensive Income & Expenditure	(24,415)	11,473



24. Adjustments Between Accounting Basis and Funding Basis Under Statutory Provisions

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Authority in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Authority to meet future capital and revenue expenditure. These adjustments include transactions relating to depreciation and impairment, pensions provision, employee accruals, unequal pay and capital grants. The following transactions were made in 2024/2025:

	2024/2025			2023/2024		
	Council Fund Balance £000	Capital Receipts Reserve £000	Capital Grants Unapplied £000	Council Fund Balance £000	Capital Receipts Reserve £000	Capital Grants Unapplied £000
Adjustments between Accounting Basis and Funding Basis under Statutory Provisions						
Transactions between Funds & Usable Reserves:						
Capital grants & contributions unapplied credited to the Comprehensive Income & Expenditure Statement	2,644	0	(2,644)	2,444	0	(2,444)
Transfer of cash sale proceeds credited as part of the loss on disposal to the Comprehensive Income & Expenditure Statement	676	(676)	0	494	(494)	0
Contribution from the Capital Receipts Reserve towards funding of prudential borrowing schemes	(78)	78	0	(74)	74	0
Total: Transactions between Funds & Usable Reserves:	3,242	(598)	(2,644)	2,864	(420)	(2,444)

	2024/2025		2023/2024	
	Council Fund Balance £000	Movement in Unusable Reserves £000	Council Fund Balance £000	Movement in Unusable Reserves £000
Adjustments between Accounting Basis and Funding Basis under Statutory Provisions				
Transactions involving Unusable Reserves:				
Adjustments to/from the Financial Instruments Adjustment Account:				
Amount by which finance costs charged to the Comprehensive Income & Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements	104	(104)	145	(145)
Adjustments to/from the Pensions Reserve:				
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income & Expenditure Statement	(16,849)	16,849	(15,566)	15,566
Employer's pensions contributions and direct payments to pensioners payable in the year	19,804	(19,804)	17,933	(17,933)

	2024/2025		2023/2024	
	Council Fund Balance £000	Movement in Unusable Reserves £000	Council Fund Balance £000	Movement in Unusable Reserves £000
Adjustments between Accounting Basis and Funding Basis under Statutory Provisions				
Adjustments to/from Capital Adjustment Account:				
Reversal of items debited or credited to the Comprehensive Income & Expenditure Statement:				
Charges for depreciation	(14,546)	14,546	(11,990)	11,990
Impairment of non-current assets	(63)	63	(235)	235
Revaluation gains on Property, Plant & Equipment	(6,135)	6,135	2,911	(2,911)
Capital grants & contributions applied	35,696	(35,696)	38,335	(38,335)
Revenue expenditure funded from capital under statute	(4,707)	4,707	(7,116)	7,116
Write Out of Infrastructure Loan Discount	(1,973)	1,973	97	(97)
Amounts of non-current assets written off on disposal or sale as part of the gain on disposal to the Comprehensive Income & Expenditure Statement	(47)	47	(63,132)	63,132
Adjustments to/from Deferred Capital Receipts Account:				
Transfer of New Deferred Capital Receipts to Reserve	1,164	(1,164)	21,560	(21,560)
Items not debited or credited to the Comprehensive Income & Expenditure Statement:				
Statutory provision for the financing of capital investment	2,423	(2,423)	1,807	(1,807)
Capital expenditure charged against the Council Fund	1,175	(1,175)	182	(182)
Adjustment to/from the Accumulated Absences Account:				
Amount by which officer remuneration charged to the Comprehensive Income & Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(528)	528	(56)	56
Total: Transactions between Funds & Unusable Reserves:	15,518	(15,518)	(15,125)	15,125

	2024/2025			2023/2024		
	Capital Receipts Reserve £000	Capital Grants Unapplied £000	Movement in Unusable Reserves £000	Capital Receipts Reserve £000	Capital Grants Unapplied £000	Movement in Unusable Reserves £000
Adjustments between Accounting Basis and Funding Basis under Statutory Provisions						
Transactions involving Other Capital Reserves:						
Adjustments to/from the Deferred Capital Receipts Reserve:						
Transfer from Deferred Capital Receipts Reserve upon receipt of cash	(227)	0	227	(144)	0	144
Items involving Usable Capital Reserves:						
Application of grants to capital financing transferred to the Capital Adjustment Account	0	2,562	(2,562)	0	2,662	(2,662)
Use of the Capital Receipts Reserve to finance new capital expenditure	(5)	0	5	232	0	(232)
City Deal: Transfer to Capital Receipts on Repayment of Loans Made	(227)	0	227	(165)	0	165
Total: Other Capital Reserve Transactions:	(459)	2,562	(2,103)	(77)	2,662	(2,585)

	2024/2025				2023/2024			
	Council Fund Balance £000	Capital Receipts Reserve £000	Capital Grants Unapplied £000	Movement in Unusable Reserves £000	Council Fund Balance £000	Capital Receipts Reserve £000	Capital Grants Unapplied £000	Movement in Unusable Reserves £000
Adjustments between Accounting Basis and Funding Basis under Statutory Provisions								
Total: Transactions between Funds & Usable Reserves:	3,242	(598)	(2,644)	0	2,864	(420)	(2,444)	0
Total: Transactions involving Unusable Reserves:	15,518	0	0	(15,518)	(15,125)	0	0	15,125
Total: Other Capital Reserve Transactions:	0	(459)	2,562	(2,103)	0	(77)	2,662	(2,585)
Total Adjustments:	18,760	(1,057)	(82)	(17,621)	(12,261)	(497)	218	12,540

Balance Sheet Notes

25. Property Plant & Equipment

25.1 Carrying Amount of Non-Current Assets

The Carrying Amount of Non-Current Assets in the Balance Sheet can be divided between Infrastructure and 'Other PPE' Assets as follows:

Property, Plant & Equipment	31 March 2025	31 March 2024
	£000	£000
Infrastructure Assets	88,114	88,508
Other PPE Assets	294,650	267,897
Net Book Value	382,764	356,405

25.2 Carrying Amount of Infrastructure Assets

CIPFA has issued a temporary adjustment to the Accounting Code of Practice in relation to the disclosure of Infrastructure Assets. This requires that local authorities are not required to report gross book value and accumulated depreciation for Infrastructure Assets.

The movement in the Net Book Value of Infrastructure Assets is as follows:

Infrastructure Assets	2024/2025	2023/2024
	£000	£000
Net Book Value at 1 April	88,508	89,958
Additions	3,221	2,111
Capital expenditure written off	0	0
Other movements in cost or valuation	0	0
Depreciation Charge & Appropriations	(3,615)	(3,561)
Net Book Value at 31 March	88,114	88,508

In accordance with provision 24L of The Local Authorities (Capital Finance and Accounting) (Wales) (Amendment) Regulations 2022, where works have been undertaken to existing Infrastructure Assets, the carrying amount of any component that has been replaced has been determined as being nil.

25.3 Carrying Amount of 'Other' Property, Plant & Equipment Assets

The gross carrying amount and accumulated depreciation relating to Property, Plant and Equipment (excluding Infrastructure Assets) was:

Property, Plant & Equipment (Excluding Infrastructure)	31 March 2025	31 March 2024
	£000	£000
Gross Carrying Amount	313,331	286,344
Accumulated Depreciation	(18,681)	(18,447)
Net Book Value	294,650	267,897

Details of the transactions relating to the carrying amounts and depreciation of non-current assets (excluding Infrastructure Assets) are set out on the following pages.

Movements in 2024/2025:

Property, Plant & Equipment (Excluding Infrastructure)						Total
	Other Land and Buildings £000	Vehicles, Plant and Equipment £000	Community Assets £000	Surplus Assets £000	Assets Under Construction £000	Property, Plant & Equipment £000
Cost or Valuation as at 1 April 2024	219,572	22,374	106	8,583	35,709	286,344
Adjustment to Balances Brought Forward	1,130	0	0	0	0	1,130
Revised Cost or Valuation as at 1 April 2024	220,702	22,374	106	8,583	35,709	287,474
Appropriations	20,710	17	0	(3,130)	(17,597)	0
Assets reclassified to/from held for sale	0	0	0	0	0	0
Additions	6,408	2,459	245	0	20,489	29,601
Revaluation increases/(decreases) recognised in the Revaluation Reserve	1,862	0	0	350	0	2,212
Revaluation increases/(decreases) recognised in the Provision of Services	(6,365)	0	0	410	0	(5,955)
Capital expenditure written off	0	0	0	0	0	0
Derecognition - disposals	0	(82)	0	0	0	(82)
Other movements in cost or valuation	81	0	0	0	0	81
Cost or Valuation as at 31 March 2025	243,398	24,768	351	6,213	38,601	313,331

Property, Plant & Equipment (Excluding Infrastructure): Depreciation & Impairment						Total
	Other Land and Buildings £000	Vehicles, Plant and Equipment £000	Community Assets £000	Surplus Assets £000	Assets Under Construction £000	Property, Plant & Equipment £000
Accumulated Depreciation & Impairment as at 1 April 2024	(4,555)	(13,877)	(14)	(1)	0	(18,447)
Adjustment to Balances Brought Forward	(1,107)	0	0	0	0	(1,107)
Revised Cost or Valuation as at 1 April 2024	(5,662)	(13,877)	(14)	(1)	0	(19,554)
Depreciation Charge & Appropriations	(9,117)	(1,813)	0	(1)	0	(10,931)
Depreciation written out to the Revaluation Reserve	10,673	0	0	1	0	10,674
Depreciation written out to the Surplus/Deficit on the Provision of Services	1,095	0	0	0	0	1,095
Derecognition - disposals	0	35	0	0	0	35
Accumulated Depreciation & Impairment as at 31 March 2025	(3,011)	(15,655)	(14)	(1)	0	(18,681)

Note: Balances Brought Forward were adjusted to include assets related to Silent Valley Waste Services Ltd., transferred in 2023/2024.

Movements in 2023/2024:

Property, Plant & Equipment (Excluding Infrastructure)	Other Land and Buildings	Vehicles, Plant and Equipment	Community Assets	Surplus Assets	Assets Under Construction	Total Property, Plant & Equipment
	£000	£000	£000	£000	£000	£000
Cost or Valuation as at 1 April 2023	206,692	20,409	106	5,946	51,269	284,422
Appropriations	(125)	66	0	125	(66)	0
Assets reclassified to/from held for sale	(10)	0	0	0	0	(10)
Additions	1,571	1,899	0	0	47,306	50,776
Revaluation increases/(decreases) recognised in the Revaluation Reserve	9,713	0	0	1,552	0	11,265
Revaluation increases/(decreases) recognised in the Provision of Services	1,747	0	0	1,006	(65)	2,688
Capital expenditure written off	0	0	0	0	0	0
Derecognition - disposals	(16)	0	0	0	(62,735)	(62,751)
Other movements in cost or valuation	0	0	0	(46)	0	(46)
Cost or Valuation as at 31 March 2024	219,572	22,374	106	8,583	35,709	286,344

Property, Plant & Equipment (Excluding Infrastructure): Depreciation & Impairment	Other Land and Buildings	Vehicles, Plant and Equipment	Community Assets	Surplus Assets	Assets Under Construction	Total Property, Plant & Equipment
	£000	£000	£000	£000	£000	£000
Accumulated Depreciation & Impairment as at 1 April 2023	(2,935)	(12,471)	(14)	(3)	0	(15,423)
Depreciation Charge & Appropriations	(7,022)	(1,406)	0	(1)	0	(8,429)
Depreciation written out to the Revaluation Reserve	5,308	0	0	18	0	5,326
Depreciation written out to the Surplus/Deficit on the Provision of Services	86	0	0	(15)	0	71
Derecognition - disposals	8	0	0	0	0	8
Accumulated Depreciation & Impairment as at 31 March 2024	(4,555)	(13,877)	(14)	(1)	0	(18,447)

25.4 Intangible Assets

The following transactions relating to software were included in the accounts as Intangible Assets:

Intangible Assets	2024/2025	2023/2024
	£000	£000
Gross carrying amounts Brought Forward	0	0
Accumulated Amortisation Brought Forward	0	0
Net Carrying Amount at Start of Year	0	0
Additions (Purchases)	94	0
Amortisation for the period	0	0
Net Carrying Amount at End of Year	94	0
Comprising:		
Gross carrying amounts	94	0
Accumulated amortisation	0	0
Balance Sheet Total	94	0

25.5 Investment Properties

The following items of income and expense have been accounted for in the financing and investment income and expenditure line in the Comprehensive Income and Expenditure Statement:

Investment Property Income and Expenditure	2024/2025	2023/2024
	£000	£000
Rental Income from Investment Property	(405)	0
Direct Operating Expenses Arising from Investment Property	0	0
Net Gain/(Loss)	(405)	0

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

Investment Properties	2024/2025	2023/2024
	£000	£000
Balance at Start of Year	2,888	2,938
Additions	0	0
Purchases	4,326	0
Construction	0	0
Subsequent Expenditure	0	0
Disposals	0	0
Net Gains/(Losses) From Fair Value Adjustments	(67)	(50)
Transfers:		
(To)/From Inventories	0	0
(To)/From Property, Plant and Equipment	0	0
Other Changes	0	0
Balance at End of Year	7,147	2,888

The Balance Sheet totals for Investment Properties includes the Authority's share of relevant assets held by the Cardiff Capital Region City Deal. The following table shows the split between Blaenau Gwent and City Deal Investment Properties:

Investment Properties	2024/2025	2023/2024
	£000	£000
Blaenau Gwent CBC Investment Properties	4,250	0
Cardiff Capital Region City Deal	2,897	2,888
Balance at End of Year	7,147	2,888

25.6 Fair Value Measurement of Investment Properties

Fair Value Hierarchy

Details of the Authority's Investment Properties and information about the fair value hierarchy (excluding assets held by the Cardiff Capital Region City Deal) are as follows:

	31 March 2025
Recurring fair value measurements:	Investment Properties £000
Using significant observable inputs (Level 2)	4,250
Fair Value	4,250

Transfers between Levels of the Fair Value Hierarchy

There were no transfers between levels of the fair value hierarchy during the year.

Valuation Techniques used to Determine Level 2 Fair Values for Surplus Assets

Significant Observable Inputs – Level 2

Commercial or Industrial Properties are measured at fair value using valuation techniques based on observable market inputs, and are therefore categorised as Level 2 in the fair value hierarchy.

For Investment Properties of this type held by Blaenau Gwent (i.e. Commercial or Industrial Properties), the asset was purchased during the 2024/2025 financial year and there has been no change in the valuation techniques used.

Highest and Best Use

In estimating the fair value of the Authority's Investment Property, the highest and best use of the asset is its current use.

Valuation Process

For 2024/2025, the Authority has engaged the services of Savills (UK) Limited to provide valuations and estimated useful lives for those assets requiring revaluation or re-lifing by 31 March 2025.

All valuations are carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors.

25.7 Fair Value Measurement of Surplus Assets and Assets Held for Sale

Fair Value Hierarchy

Details of the Authority's surplus assets and assets held for sale and information about the fair value hierarchy are as follows:

	31 March 2025			31 March 2024		
	Surplus Assets £000	Assets Held for Sale £000	Total £000	Surplus Assets £000	Assets Held for Sale £000	Total £000
Recurring fair value measurements:						
Using significant unobservable inputs (Level 3)	6,212	0	6,212	8,582	0	8,582
Fair Value	6,212	0	6,212	8,582	0	8,582

Transfers between Levels of the Fair Value Hierarchy

There were no transfers between levels of the fair value hierarchy during the year.

Valuation Techniques used to Determine Level 3 Fair Values for Surplus Assets

Significant Unobservable Inputs – Level 3

A combination of available market data derived from a mixture of transactions on both Authority-owned and third party assets is analysed to take into account yields, rates per square metre, build costs, etc. in order to measure the fair value of its Surplus Assets and Assets Held for Sale under IFRS13 *Fair Value Measurement*, depending on which technique is considered most appropriate.

For long-term obligations like landfill aftercare, IFRS 13 requires the use of a present value technique to estimate fair value. This includes consideration of expected future cash flows, inflation adjustments and discounting using a rate that reflects the time value of money. This approach was adopted from 1 April 2023 on recognition of the Silent Valley Waste Site asset.

There has been no other change in the valuation techniques used during the year.

Highest and Best Use

In estimating the fair value of the Authority's surplus assets, the highest and best use of some of the assets is their current use. However for some assets, in considering alternative highest and best uses for the asset being valued, consideration has been given to value for the asset that may not necessarily be reflected in the existing configuration or use of the asset. In the consideration of alternatives the physical, legal and financial feasibility of that alternative has been taken into account.

Valuation Process

For 2024/2025, the Authority has engaged the services of Savills (UK) Limited to provide valuations and estimated useful lives for those assets requiring revaluation or re-living by 31 March 2025.

All valuations are carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors.

Reconciliation of Fair Value Measurements (using Significant Unobservable Inputs) Categorised with Level 3 of the Fair Value Hierarchy

Reconciliation of Fair Value Measurements (using Significant Unobservable Inputs) Categorised with Level 3 of the Fair Value Hierarchy	2024/2025			2023/2024		
	Surplus Assets	Assets Held For Sale	Total	Surplus Assets	Assets Held For Sale	Total
	£000	£000	£000	£000	£000	£000
Balance at 1 April:	8,582	0	8,582	5,943	0	5,943
Adjustment to Balances Brought Forward	0	0	0			
Revised Balance at 1 April	8,582	0	8,582			
Appropriations (to)/from Property, Plant & Equipment Operational Assets	(3,130)	0	(3,130)	125	0	125
Appropriations (to)/from Assets Held for Sale	0	0	0	0	0	0
Appropriations (to)/from Surplus Assets	0	0	0	0	10	10
Total Gains/(Losses) for the period included in the Surplus or Deficit on the Provision of Services, resulting from changes in the fair value	410	0	410	773	0	773
Total Gains/(Losses) for the period on unwinding of discount, included as finance costs in the Comprehensive Income and Expenditure Statement	0	0	0	171	0	171
Total Gains/(Losses) for the period included in the Revaluation Reserve resulting from changes in the fair value	351	0	351	1,571	0	1,571
Disposals	0	0	0	0	(10)	(10)
In-Year Depreciation	(1)	0	(1)	(1)	0	(1)
Balance at 31 March:	6,212	0	6,212	8,582	0	8,582

Reconciliation of Assets measured at Fair Value to the Balance Sheet

Where the carrying value of assets held for sale is lower than (or equal to) the fair value of those assets, these would be included on the Balance Sheet at carrying amount in accordance with the requirements of the Accounting Code of Practice and consequently are not included in the disclosures for assets held at fair value. There are currently no assets held for sale where this is the case.

25.8 Capital Commitments

Within the Authority's 2024/2025 capital programme, £18.991m relates to schemes that were contractually committed as at 31 March 2025 (£20.962m contractually committed as at 31 March 2024):

Capital Commitments	Commitment	Estimated	Commitment	Estimated
	Value	Timescale for	Value	Timescale for
	2024/2025	Completion	2023/2024	Completion
	£000	No of Years	£000	No of Years
21st Century Schools - Band B Projects	9,605	1	0	1
Welsh Medium School Provision - Tredegar	6,768	1	10,493	2
Glyncoed Primary School and Child Care Facility	0	0	4,539	2
HiVE - Hi Value Engineering Centre	1,522	1	3,838	1
Trinity Chapel Refurbishment	41	1	958	1
Ebbw Vale Rail Infrastructure Project	0	0	606	1
Regain 2 †	315	1	315	1
Abertillery Rail Spur	0	0	0	0
LTF Metro Plus	0	0	0	0
Highways Improvement Works	0	0	0	0
Lime Avenue Development	0	0	0	0
Other*	740	1	213	1
Total	18,991		20,962	

Regain 2 †: The Regain 2 development forms part of the Lime Avenue Joint Venture Agreement, with expenditure incurred and assets/liabilities arising being divided between the partner organisations in accordance with the terms of the agreement.

Other: Includes outstanding retentions on infrastructure & regeneration projects and various other scheme commitments.*

25.9 Revaluations

The Authority has adopted a rolling programme of revaluations to ensure that all assets are revalued at intervals of not more than 5 years.

The freehold and leasehold interests in the properties held by the Council were independently valued as at 1 April 2025 by Savills (UK) Limited, acting in the capacity of External Valuers as defined in the RICS Red Book (but not, for the avoidance of doubt, as an External Valuer of the Fund as defined by the Alternative Investment Fund Managers Regulations 2013). The valuations accord with the requirements of IFRS 13, SSAP 19 and the RICS Valuation – Global Standards (incorporating the IVSC International Valuation Standards) effective from 31 January 2022 together, where applicable, with the UK National Supplement effective 14 January 2019, (together the “Red Book”).

The Valuers reported that the aggregate valuation of each of the properties held by the Council (valued during 2024/2025) amounted to £64.644m.

The valuations were arrived at predominantly by reference to market evidence for comparable property.

Property, Plant and Equipment that does not provide service potential for the Authority (that is those assets classified as surplus assets) are not measured for their service potential but for the economic benefits inherent in the assets. Therefore the current value measurement base for these assets is at Fair Value in accordance with the definitions and measurement requirements in IFRS13.

All assets subject to revaluation during 2024/2025 have been assessed for material components. The revaluations of those components, where considered to be material, are included in the figures below.

The effective date of revaluation is 31 March 2025.

As a consequence of increases in material and rebuild costs, it was considered necessary to revalue those assets that are normally valued using the DRC method to ensure that the Balance Sheet valuations were not materially understated. An indexation approach has been adopted to update the carrying values of the relevant asset categories, (schools and car parks). The impact of this indexation exercise has been an increase in the gross value of the Authority's assets of £2.557 million.

The following statement shows the total gross value of assets during each financial year which were formally re-valued using current valuation methods. This provides an indication of the progress of the Authority's 5-year rolling programme for the revaluation of fixed assets.

Asset Valuations (Current Value)	Other Land & Buildings	Community Assets	Heritage Assets	Total
	£000	£000	£000	£000
Year Ending:				
31 March 2025	64,644	0	0	64,644
31 March 2024	107,344	0	0	107,344
31 March 2023	54,429	0	0	54,429
31 March 2022	136,441	0	727	137,168
31 March 2021	118,626	256	600	119,482

25.10 Capital Expenditure and Financing

Of the £41.099m capital investment made in 2024/2025, £32.802m was financed in-year through government grants, revenue contributions, and the application of capital receipts. The remaining £8.297m capital financing requirement has been funded through borrowing and leases, as indicated below:

Capital Expenditure & Financing	2024/2025 £000	2023/2024 £000
Capital Investment: Property, Plant & Equipment	36,392	53,041
REFCUS	4,707	7,116
	41,099	60,157
Sources of Finance:		
Revenue Provision	(1,151)	(183)
Capital Receipts	(3)	(93)
Government Grants & Other Contributions	(31,648)	(23,139)
	(32,802)	(23,415)
Increase in capital financing requirement:	8,297	36,742
Explanation of in-year movements:		
Borrowing Supported by Government Financial Assistance	4,089	1,413
Borrowing Unsupported by Government Financial Assistance	1,706	35,329
Lease Liabilities	2,502	0
Total Borrowing:	8,297	36,742

26. Heritage Assets

The Authority owns the following heritage assets, preserved principally for their contribution to knowledge and culture:

Heritage Assets (On Balance Sheet)	Estimated Cost/Valuation £000
<i>The Guardian, Six Bells</i>	379
'Guardian' is the largest mining memorial in Wales and commemorates the 1960 Six Bells mining disaster in which 45 men and boys lost their lives in an underground gas and coal dust explosion. The memorial is a 12.6 meter high statue of a miner, constructed from over 20,000 individual slices of 10mm thick steel and stands on a 7.4 meter high sandstone plinth.	
<i>Ebbw Vale War Memorial</i>	225
Unveiled September 24th 1924 by Sir Frederick Mills. Listed as an unusually elaborate war memorial, in a prominent setting.	
<i>Civic Regalia</i>	122
Comprising the Mayoral Chain, Mayoress Chain and Civic Mace.	
Total Value:	726

These monuments have been valued on an insurance replacement cost basis and are not depreciated as their useful life is deemed to be indefinite.

The following assets meet the definition of 'heritage assets', but have not been included on the Authority's Balance Sheet:

Heritage Assets (Not Reported on Balance Sheet)	Description	Valuation
Aneurin Bevan Stones	This monument commemorates Aneurin Bevan, born in Tredegar in 1897 and elected M.P. for the area in 1929. The central monolith represents Aneurin Bevan himself, whilst three satellite stones represents his constituents in Ebbw Vale, Tredegar and Rhymney.	No cost or valuation information is available for this asset and the cost of obtaining a valuation is likely to be prohibitive compared to the value.
Clydach Coal Level	A pair of well preserved and dated coal levels with a tramroad connection to the Clydach Railroad.	No cost or valuation information is available for this asset and the cost of obtaining a valuation is likely to be prohibitive compared to the value.
Ebbw Vale Furnace Bank (aka 45 Yard)	Listed as an extremely scarce survival of a vast furnace bank, begun in the late 18th century, preserved largely intact. In size, only the furnace bank at Cyfarthfa may be a larger contemporary survival nationally and internationally.	No cost or valuation information is available for this asset and the cost of obtaining a valuation is likely to be prohibitive compared to the value.
Gorsedd Stones, Ebbw Vale	Originally erected at Ebbw Vale Park in June 1957 for the National Eisteddfod of 1958, the stone circle was later moved to its present location adjacent to Cemetery Road.	No cost or valuation information is available for this asset and the cost of obtaining a valuation is likely to be prohibitive compared to the value.
Llandafal Colliery Ventilation Furnace	This ventilation furnace probably dates from mining developments in the 1840s or 1850s. Listed as an early air furnace colliery chimney, the only one of this typical form known to survive in South Wales.	No cost or valuation information is available for this asset and the cost of obtaining a valuation is likely to be prohibitive compared to the value.
Marine Colliery Pumping Engine	A steam pumping engine built by Hathorn Davey of Leeds in 1893 and formerly used at Marine Colliery. Regarded as of national importance as a rare colliery pumping engine surviving intact from the late 19th century.	No cost or valuation information is available for this asset and the cost of obtaining a valuation is likely to be prohibitive compared to the value.
Sirhowy Ironworks	The impressive remains at Sirhowy Ironworks is the only 18th century ironworking complex still visible in the County Borough.	No cost or valuation information is available for this asset and the cost of obtaining a valuation is likely to be prohibitive compared to the value.
Sirhowy Ironworks Boundary Stone	Dated 1818 and erected as boundary stone for Sirhowy Ironworks. Listed as a rare survival of an early 19th century industrial boundary stone with unusual history.	No cost or valuation information is available for this asset and the cost of obtaining a valuation is likely to be prohibitive compared to the value.
Ty Mawr, Nantyglo House	Only the foundations remain of the Ty Mawr mansion house built by the Bailey family in 1816, close to the Roundhouse Towers in Nantyglo.	No cost or valuation information is available for this asset and the cost of obtaining a valuation is likely to be prohibitive compared to the value.

A number of other assets, including the Ebbw Vale Works General Offices, St. Illtyd's Church, Llanhilleth Miners' Institute and Newtown Bridge, are regarded as being operational in nature and have therefore not been included as heritage assets, but are included within appropriate Balance Sheet asset classifications.

27. Lease Arrangements

27.1 Adoption of IFRS16

The Council adopted IFRS 16 from 1 April 2024. Under this standard, most leases where the Council acts as lessee are recognised on the balance sheet as 'right of use' assets. Lessor accounting is effectively unchanged. Right of use assets and lease liabilities have been calculated as if IFRS 16 had always applied and recognised prospectively from 1 April 2024 with no adjustment to prior year figures.

27.2 Authority as Lessee - Recognition of Right of Use Assets

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

The main impact of the new requirements is that for arrangements previously accounted for as operating leases (i.e. without recognising the leased vehicles, plant, equipment, property and land as an asset and future rents as a liability), a right of use asset and a lease liability are included on the balance sheet at 1 April 2024. In accordance with the Council's accounting policy and critical judgements in application of that policy, leases for items of low value and leases on recognition or commencement with a term of 12 months or less are exempt from the new arrangements. The Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

The table below shows the class of assets within Property, Plant and Equipment that contain Right of Use Assets as per IFRS 16 and their respective Net Book Value and in-year movements.

	2024/2025		
	Vehicles, plant & equipment £000	Other land & buildings	Total £000
Net Book Value at 1 April	1,052	974	2,026
Additions	210	600	810
Depreciation and amortisation	(460)	(620)	(1,080)
Disposals	0	0	0
Net Book Value at 31 March	802	954	1,756

In 2024/2025, transactions in relation to right of use assets and exempt leases (short term or low value) where the Authority is lessee were as follows:

Transactions Under Leases	2024/2025		
	Vehicles, plant & equipment £000	Other land & buildings £000	Total £000
Comprehensive Income & Expenditure Statement			
Interest Expense on Lease Liability	39	51	90
Expense related to short-term leases	355	0	355
Expense related to exempt (low-value) leases	212	0	212
Income from sub-letting ROU Assets	(71)	0	(71)
Total	535	51	586
Cash Flow Statement			
Minimum Lease Payments	571	657	1,228

27.3 Authority as Lessee - Right of Use Assets- Minimum Lease Payments

The Council is committed to making minimum payments under these leases, comprising settlement of the long-term liability for the interest in the asset acquired by the Council, and finance costs that will be payable by the Council in future years while the liability remains outstanding.

The Minimum Lease payments are made up of the following amounts:

Minimum Lease Payments	31 March 2025	31 March 2024
	£000	£000
ROU Asset Liabilities (Net Present Value of minimum lease payments)	1,848	484
Finance costs payable in future years	587	38
Total	2,435	522

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

Minimum Lease Payments	31 March 2025		31 March 2024	
	Minimum Lease Payments	Finance Lease Liabilities	Minimum Lease Payments	Finance Lease Liabilities
	£000	£000	£000	£000
Not later than one year	1,209	1,173	150	139
Later than 1 year and not later than 5 years	426	336	372	345
Later than 5 years	800	339	0	0
Total	2,435	1,848	522	484

27.4 Authority as Lessor - Finance Leases

The Authority has 2 finance lease arrangements as a lessor:

- In 2011/2012, the Authority entered into a 50 year arrangement to lease part of the General Offices building in Ebbw Vale to the Gwent Joint Records Committee hosted by Torfaen CBC, for housing of the Gwent County Archives facility.
- In 2021/2022, the Authority entered into a 7 year lease arrangement with Aneurin Leisure Trust in relation to equipment.

The Authority has a gross investment in the leases, made up of the minimum lease payments expected to be received over the remaining lease term.

The gross investment in the leases relating to these assets is made up as follows:

Finance Lease Debtor	31 March 2025		31 March 2024	
	Vehicles, plant & equipment	Other land & buildings	Vehicles, plant & equipment	Other land & buildings
	£000	£000	£000	£000
Current	72	82	71	78
Non-Current	146	2,480	218	2,562
Unguaranteed Residual Value of Property	0	(450)	0	(450)
Total	218	2,112	289	2,190

Finance Leases - Lessor	31 March 2025		31 March 2024	
	Vehicles, plant & equipment	Other land & buildings	Vehicles, plant & equipment	Other land & buildings
	£000	£000	£000	£000
Not later than one year	72	82	71	78
Later than 1 year and not later than 5 years	146	374	218	355
Later than 5 years	0	1,656	0	1,757
Total	218	2,112	289	2,190

The gross investment in the leases and the minimum lease payments will be received over the following periods:

Finance Leases - Lessor Minimum Lease Payments	31 March 2025		31 March 2024	
	Vehicles, plant & equipment	Other land & buildings	Vehicles, plant & equipment	Other land & buildings
	£000	£000	£000	£000
Not later than one year	74	216	74	216
Later than 1 year and not later than 5 years	149	866	223	865
Later than 5 years	0	3,571	0	3,788
Total	223	4,653	297	4,869

27.5 Authority as Lessor - Operating Leases

The Authority leases out land and buildings under operating leases. The minimum lease payments receivable under non-cancellable leases in future years are £3.017m (2023/2024: £2.391m).

	31 March 2025	31 March 2024
Operating Lease Minimum Payments Receivable	Other land & buildings £000	Other land & buildings £000
Not later than one year	989	636
Later than 1 year and not later than 5 years	1,586	1,261
Later than 5 years	442	494
Total Minimum Lease Payments Receivable	3,017	2,391



28. Non-Current Investments

Non-current investments consist of the Authority's proportion of the equity shareholdings made and bonds held by the Cardiff Capital Region City Deal. The value of these shareholdings included in the Authority's Balance Sheet at 31 March 2025 was £0.593m (31 March 2024: £1.018m).

28.1 City Deal - Equity Shareholdings

The Cardiff Capital Region City Deal (CCRCD) Equity holdings represent investments in:

- a healthcare data business for a 22.86% shareholding;
- a 21.68% shareholding of a digital manufacturing business;
- a 6.53% shareholding in a FinTech business; and
- a 9.40% shareholding in a BioTech business.

Blaenau Gwent's proportion, equating to £516,671 for 2024/2025 (2023/2024: £946,228), has been included on the Balance Sheet at fair value.

28.2 City Deal - Bonds

Long-term investments include the Authority's share of bonds included in the CCRCD Balance Sheet. The Authority's proportion equates to £76,688 at 31 March 2025 (31 March 2024: £71,874).

29. Non-Current Debtors

Non-current debtors on the balance sheet consist of the following:

Non-Current Debtors	31 March 2025				31 March 2024			
	Gross Debtors	Impairment	Prepayments	Total Net Non-Current Debtors	Gross Debtors	Impairment	Prepayments	Total Net Non-Current Debtors
	£000	£000	£000	£000	£000	£000	£000	£000
Local Authorities	2,480	0	0	2,480	2,562	0	0	2,562
Transport for Wales Rail	22,556	(2,631)	0	19,925	22,657	(2,497)	0	20,160
Other Entities & Individuals	3,109	(337)	8	2,780	2,274	(259)	16	2,031
Total	28,145	(2,968)	8	25,185	27,493	(2,756)	16	24,753

Impairment of Non-Current Debtors

Non-current debtor balances have been reduced to reflect sums that have not been written off but are considered to be potentially irrecoverable. Impairment allowance accounts have been established for the following debtors.

Impairment of Non-Current Debtors	31 March 2025			31 March 2024		
	Gross Debtor	Impairment	Net Debtor	Gross Debtor	Impairment	Net Debtor
	£000	£000	£000	£000	£000	£000
Land & Property Charges	483	(337)	146	361	(259)	102
Transport for Wales Rail	22,556	(2,631)	19,925	22,657	(2,497)	20,160
Total	23,039	(2,968)	20,071	23,018	(2,756)	20,262

The calculated impairment of the Transport for Wales Rail debtor is the present value of the reduction in anticipated sums due over the 50 year contract period, assuming the total debt is reduced by the amount of loan funding not spent on the Ebbw Valley Railway project and subsequently returned to Welsh Government.

30. Consolidation of Schools in Single Entity Accounts

The income, expenditure, assets, liabilities, reserves and cash flows of schools are accounted for in accordance with the prescribed treatment in the Accounting Code of Practice as set out in the Authority's accounting policies (*see policy 1.20*). The value of school assets included in the Balance Sheet is as follows:

Value of School Assets	31 March 2025				31 March 2024			
	Community Schools	Voluntary Controlled & Aided Schools	Foundation Schools	Total	Community Schools	Voluntary Controlled & Aided Schools	Foundation Schools	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Land & Buildings	114,111	0	4,719	118,830	108,015	0	4,403	112,418

The net valuation of school non-current assets increased by £6.412m during 2023/2024 as a result of the commissioning of Ebbw Fawr Valley Primary School and the revaluation of specific school assets by the appointed external valuer or indexation.

The Authority has the following types of maintained schools under its control:

Analysis of School by Type	31 March 2025				31 March 2024			
	Community Schools	Voluntary Controlled & Aided Schools	Foundation Schools	Total	Community Schools	Voluntary Controlled & Aided Schools	Foundation Schools	Total
	Primary Schools	15	4	0	19	15	4	0
All Through Schools	2	0	0	2	2	0	0	2
Secondary Schools	1	0	1	2	1	0	1	2
Special Schools	2	0	0	2	2	0	0	2
Total	20	4	1	25	20	4	1	25

For those maintained schools not controlled by the Authority, any transactions made on their behalf have been included in the Comprehensive Income & Expenditure Statement and related notes under the appropriate Portfolio, or exceptionally as third party payments.

During the year, transactions in relation to school entities resulted in the following surpluses or deficits:

School Transactions - In-Year (Surplus)/Deficit	2024/2025				2023/2024			
	Community Schools	Voluntary Controlled & Aided Schools	Foundation Schools	Total	Community Schools	Voluntary Controlled & Aided Schools	Foundation Schools	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Primary Schools	991	150	0	1,141	1,129	195	0	1,324
All Through Schools	581	0	0	581	1,261	0	0	1,261
Secondary Schools	298	0	(81)	217	286	0	351	637
Special Schools	542	0	0	542	394	0	0	394
Total In-Year (Surplus)/Deficit	2,412	150	(81)	2,481	3,070	195	351	3,616

The following balances were held by schools at the end of the financial year:

School Balances	31 March 2025				31 March 2024			
	Community Schools	Voluntary Controlled & Aided Schools	Foundation Schools	Total	Community Schools	Voluntary Controlled & Aided Schools	Foundation Schools	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Primary Schools	(315)	(213)	0	(528)	(1,306)	(363)	0	(1,669)
All Through Schools	1,179	0	0	1,179	598	0	0	598
Secondary Schools	212	0	(33)	179	(86)	0	48	(38)
Special Schools	447	0	0	447	(95)	0	0	(95)
Total	1,523	(213)	(33)	1,277	(889)	(363)	48	(1,204)

Each school within the Authority operates under the direct governance of its own Board of Governors, which holds responsibility for managing the school's finances.

As at 31 March 2025, aggregate School Balances show a deficit of £1.277m, compared to a surplus of £1.204m at 31 March 2024, as shown in the table below:

School Balances	31 March 2025					31 March 2024				
	Schools in Surplus		Schools in Deficit		Net Balance £000	Schools in Surplus		Schools in Deficit		Net Balance £000
	Number	£000	Number	£000		Number	£000	Number	£000	
Primary Schools	13	(1,192)	6	664	(528)	18	(1,824)	1	155	(1,669)
All Through Schools	0	0	2	1,179	1,179	1	(9)	1	607	598
Secondary Schools	1	(33)	1	212	179	1	(86)	1	48	(38)
Special Schools	1	(17)	1	464	447	1	(171)	1	76	(95)
Total	15	(1,242)	10	2,519	1,277	21	(2,090)	4	886	(1,204)

In setting the budget for 2025/2026, the Council approved an uplift to the Individual School Budget (ISB) of 8.4% (£4.67m) to fund:

- All pay pressures, with a commitment to continue funding school pay pressures from 2026/2027 onwards; and
- £2.4m to provide targeted financial support and assist in rebalancing school budgets, with a further £2.4m committed for 2026/2027.

The Authority is providing ongoing financial guidance for Headteachers and Governors to develop medium term budget forecasts and Deficit Reduction Plans, aimed at helping schools achieve balanced budgets over the medium term.

31. Current Investments

At 31 March 2025, the Authority's share of City Deal investments that were not due to be repaid within 90 days totalled £3.119m (2023/2024: £0.031m). These have been classified as current investments. All other investments due for repayment within 90 days amounting to £3.0m (2023/2024: £22.5m) are shown within cash and cash equivalents.

32. Inventories

The Authority held stock balances valued at £0.247m at 31 March 2025, comprised of General Stock Items and Personal Protective Equipment:

Inventories	Balance at 1 April 2023 £000	Donations & Purchases £000	Recognised as an expense in the year £000	Written Off £000	Balance at 31 March 2024 £000	Donations & Purchases £000	Recognised as an expense in the year £000	Written Off £000	Balance at 31 March 2025 £000
General Stock	389	1,096	(1,055)	(108)	322	1,120	(1,223)	0	219
Donated Stock: Lateral Flow Tests	419	0	0	(419)	0	0	0	0	0
Donated Stock: Personal Protective Equipment	196	86	(138)	(71)	73	0	(45)	0	28
Total	1,004	1,182	(1,193)	(598)	395	1,120	(1,268)	0	247

33. Current Debtors

Amounts owing to the Authority, net of impairment, were as follows:

Current Debtors	31 March 2025				31 March 2024			
	Gross Debtors £000	Impairment £000	Prepayments £000	Total Net Current Debtors £000	Gross Debtors £000	Impairment £000	Prepayments £000	Total Net Current Debtors £000
Welsh Government	27,192	0	0	27,192	13,981	(3)	0	13,978
Transport for Wales Rail	2,800	0	0	2,800	1,400	0	0	1,400
Other Central Government	11,887	0	0	11,887	6,246	0	0	6,246
Local Authorities	2,442	(138)	0	2,304	2,799	(110)	0	2,689
NHS	2,091	(319)	0	1,772	3,028	(266)	0	2,762
Council Tax Arrears	8,749	(4,121)	0	4,628	8,517	(3,659)	0	4,858
Other Entities and Individuals	4,879	(1,561)	445	3,763	5,421	(1,681)	335	4,075
Trade	1,781	(819)	180	1,142	1,656	(517)	143	1,282
Total	61,821	(6,958)	625	55,488	43,048	(6,236)	478	37,290

Impairment of Current Debtors

Current debtor balances have been reduced to account for sums that have not been written off but are potentially irrecoverable. For those debtors falling within the scope of IFRS9, the 'Simplified Approach' has been applied under which impairment losses are automatically based on lifetime expected credit losses.

The Authority has also established impairment allowances for debtors falling outside of the scope of IFRS9, notably council tax arrears and housing benefit overpayments.

Impairment of Current Debtors	31 March 2025			31 March 2024		
	Gross Debtor	Impairment	Net Debtor	Gross Debtor	Impairment	Net Debtor
	£000	£000	£000	£000	£000	£000
<i>Impairment of Debtors within the scope of IFRS 9:</i>						
Land & Property Charges	302	(210)	92	286	(205)	81
Trade Debtors	897	(819)	78	1,043	(518)	525
Debtors related to Sales, Fees & charges	1,516	(789)	727	1,155	(541)	614
<i>Impairment of Debtors outside of the scope of IFRS 9:</i>						
Council Tax	8,749	(4,121)	4,628	8,517	(3,659)	4,858
Housing Benefits	890	(461)	429	1,008	(479)	529
Public Sector Bodies	1,737	(458)	1,279	3,321	(379)	2,942
Other Debtors	254	(100)	154	663	(455)	208
Total	14,345	(6,958)	7,387	15,993	(6,236)	9,757

Basis of Impairment of Current Debtors outside of the scope of IFRS9:

Council Tax

All Council Tax debts are considered to have fallen due by the 31 March in the financial year to which they relate. In determining whether these debts should be impaired, the Authority has taken into account any known specific circumstance in relation to individual debtors that would have a bearing on the ability or potential for settlement of the debt, e.g. bankruptcy, insolvency or absconding. In these specific cases, the debt is considered as unlikely to be recovered at that point in time and is impaired at 100% of the amount outstanding. For all other cases, the age of the debt is used to determine the level of impairment, ranging from 5% for those amounts less than 1 year overdue to 100% for amounts over 5 years overdue.

Housing Benefits

The simplified approach has been adopted to impairment of Housing Benefit Overpayments, with expected lifetime losses calculated using a probability matrix based on the age of debt outstanding and an assessment of the possibility of default occurring.

Public Sector Bodies

Where identified, debtors in relation to other public sector bodies are not impaired on the assumption that recovery will be made in full. Exceptionally, impairment is provided in cases where specific information indicates that the debt may not be fully settled.

Other Debtors

The simplified approach has been adopted to impairment of Other Debtors, with expected lifetime losses calculated using a probability matrix based on the age of debt outstanding and an assessment of the possibility of default occurring.

Impairment of Debtors Outside of the Scope of IFRS9	31 March 2025						31 March 2024					
	Council Tax	Housing Benefit	Public Sector Bodies	Other Debtors	Total Debtors Outside Scope	Impairment	Council Tax	Housing Benefit	Public Sector Bodies	Other Debtors	Total Debtors Outside Scope	Impairment
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<i>Category of debtor:</i>												
General Arrears < 1 year old	2,374	31	393	127	2,925	(201)	2,523	69	614	183	3,389	(352)
General Arrears > 1 year <5 years old	4,646	243	824	41	5,754	(2,850)	4,619	409	426	257	5,711	(2,836)
General Arrears > 5 years old	1,273	613	7	35	1,928	(1,680)	985	530	9	230	1,754	(1,534)
Absconders	183	0	0	0	183	(183)	111	0	0	0	111	(111)
Bankruptcy/Liquidation/Insolvency	173	0	0	0	173	(173)	97	0	0	0	97	(96)
Other	50	3	0	3	56	(53)	30	0	0	13	43	(43)
Arrears not impaired	50	0	513	48	611	0	152	0	2,272	(20)	2,404	0
Total	8,749	890	1,737	254	11,630	(5,140)	8,517	1,008	3,321	663	13,509	(4,972)

34. Current Creditors

Amounts owed by the Authority were as follows:

Current Creditors	31 March 2025			31 March 2024		
	Creditors	Receipts in Advance	Total Current Creditors	Creditors	Receipts in Advance	Total Current Creditors
	£000	£000	£000	£000	£000	£000
Welsh Government	(4,440)	0	(4,440)	(4,053)	(1)	(4,054)
Other Central Government	(514)	0	(514)	(591)	(5)	(596)
Local Authorities	(2,051)	0	(2,051)	(1,159)	(33)	(1,192)
NHS	(148)	(5)	(153)	(387)	0	(387)
Capital Creditors	(10,952)	0	(10,952)	(3,548)	0	(3,548)
Lease Liabilities	(1,173)	0	(1,173)	0	0	0
Council Tax Credits	(1,234)	0	(1,234)	(1,172)	0	(1,172)
Other Entities and Individuals	(9,878)	(320)	(10,198)	(8,229)	(345)	(8,574)
Trade	(3,438)	0	(3,438)	(2,637)	0	(2,637)
Total	(33,828)	(325)	(34,153)	(21,776)	(384)	(22,160)

35. Provisions, Contingent Liabilities and Contingent Assets

35.1 Employee Related Provisions

Provisions are made where an event has taken place that gives the Authority a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. The purpose of each provision categorised as 'Employee related' is as follows:

Provision	Purpose	Timescale for Utilisation	Uncertainties, Assumptions and Potential Reimbursement
Early Terminations	To provide for known sums in relation to early terminations where these had been approved prior to the end of the financial year.	Redundancy payments expected to be settled in 2025/2026.	The provision for early terminations comprises the known value of redundancy payments occurring after 31 March 2025 for which a legal or constructive obligation existed at that date. This obligation may have been through approval of the individual redundancies or through a decision that has a material impact on the structure or functions of the Authority. It is assumed that all employees included within the provision will have left during the next financial year.
Equal Pay	To provide for liabilities in relation to equal pay and similar employee related claims across the Authority.	To be settled, subject to agreement (including by negotiation with Trade Unions and through tribunal), in the 2025/2026 and subsequent financial years.	The provision is based on a range of assumptions concerning the potential range of settlement outcomes for known claims at the balance sheet date. Actual settlement dates are not known in all cases, and may be subject to ongoing negotiation. It has been assumed that there will be no reimbursement for any payments made to settle these liabilities.

Movements in employee-related provisions during 2024/2025 were as follows:

Employee Provision Movements	Balance at 1 April 2024 £000	Amounts Used £000	Unused Amounts Reversed £000	Unwinding of Discount £000	Additional Provisions Made £000	Reclassification of Provision £000	Balance at 31 March 2025 £000
Current Provisions:							
Equal Pay	(204)	0	0	0	0	(828)	(1,032)
Early Terminations	(28)	28	0	0	0	0	0
<i>Total Employee Current Provisions:</i>	(232)	28	0	0	0	(828)	(1,032)
Non-Current Provisions:							
Equal Pay	(1,390)	0	0	0	0	828	(562)
<i>Total Employee Non-Current Provisions:</i>	(1,390)	0	0	0	0	828	(562)
Total Employee Provisions:	(1,622)	28	0	0	0	0	(1,594)

35.2 Other (Non-Employee) Provisions

The purpose of each provision categorised as 'Other (Non-Employee related)' is as follows:

Provision	Purpose	Timescale for Utilisation	Uncertainties, Assumptions and Potential Reimbursement
Insurance	To provide for known insurance liabilities, including sums relating to the Municipal Mutual Insurance Scheme of Arrangement originally established in 1994 under section 425 of the Companies Act 1985 (now section 899 of the Companies Act 2006).	To be utilised from 2025/2026 on settlement of claims.	The amount and timing of settlement of insurance claims are inherently uncertain. It has been assumed that the timing and value of the settlement of future claims will be similar to known claims history. As the majority of known claims fall below the Authority's excess level(s) there is not expected to be any significant reimbursement by the Authority's insurers. In November 2012 the Directors and Board of Municipal Mutual Insurance agreed to the irrevocable triggering of the Scheme of Arrangement in order to avoid insolvent liquidation. As a result, the Authority has included £0.003m in the Insurance Provision, set at 25% of total outstanding claims. In addition, £0.027m has been included in respect of MMI claims for the former Gwent County Council.
Lease Dilapidation	To provide for works to three leased assets (Anvil Court, Ebbw Vale Multi-Storey Car Park, and 20 Church Street) to return the assets to their condition as at the inception of the respective lease agreements.	Ebbw Vale Multi-Storey Car Park: ending in 2070. Anvil Court: ending in 2026. 20 Church Street: .	Sums provided are for estimated costs to restore leased assets to original condition. No allowance has been made for improvement works undertaken that may be retained by the lessor.
Reservoir Safety Works	To provide for safety works identified in recent inspections undertaken under the Section 10, 12(2) and 12(2A) of the Reservoirs Act 1975. Implementation of these works is a statutory requirement enforced by Natural Resources Wales.	To be utilised from 2025/2026 on completion of identified works.	Sums provided are for estimated costs to implement the required safety works identified in recent inspections. Failure to address these requirements could result in a prosecution against the Authority.
Silent Valley Aftercare	To provide for a range of aftercare costs related to the former Silent Valley Waste Site, including Environmental Monitoring, Surface Water, Landfill Gas and Groundwater Management.	To be utilised over a 60 year period after the site closure, commencing in 2016 and ending in 2076.	A detailed assessment of potential aftercare costs has been provided by external consultants (WSP). There is a degree of uncertainty over the level of costs that will actually be incurred, given the extended period over which the Council is required to meet liabilities arising. Estimates are therefore based on current cost levels and will be subject to regular review.
Silent Valley Leachate	To provide for leachate management costs related to the former Silent Valley Waste Site, including treatment, monitoring and disposal.	To be utilised over a 60 year period after the site closure, commencing in 2016 and ending in 2076.	A detailed assessment of potential aftercare costs has been provided by external consultants (WSP). There is a degree of uncertainty over the level of costs that will actually be incurred, given the extended period over which the Council is required to meet liabilities arising. Estimates are therefore based on current cost levels and will be subject to regular review. Given the material level of costs involved, amounts in future periods have been discounted to current values.

Movements in other (non-employee) provisions during 2024/2025 were as follows:

Other (Non-Employee) Provision Movements	Balance at 1 April 2024 £000	Amounts Used £000	Unused Amounts Reversed £000	Unwinding of Discount £000	Additional Provisions Made £000	Reclassification of Provision £000	Balance at 31 March 2025 £000
Current Provisions:							
Insurance	(522)	212	294	0	(552)	0	(568)
Lease Dilapidation - 20 Church Street	(2)	0	0	0	0	0	(2)
Lease Dilapidation - Anvil Court	0	0	0	283	(340)	(250)	(307)
Reservoir Safety Works	0	0	0	0	(80)	0	(80)
Silent Valley Aftercare	(41)	2	39	0	0	(42)	(42)
Silent Valley Leachate	(139)	116	23	0	0	(182)	(182)
<i>Total Other (Non-Employee) Current Provisions:</i>	<i>(704)</i>	<i>330</i>	<i>356</i>	<i>283</i>	<i>(972)</i>	<i>(474)</i>	<i>(1,181)</i>
Non-Current Provisions:							
Insurance	(684)	252	276	0	(584)	0	(740)
Lease Dilapidation - Anvil Court	(250)	0	0	0	0	250	0
Lease Dilapidation - Ebbw Vale Multi Storey Car Park	(419)	0	432	(27)	(535)	0	(549)
Silent Valley Aftercare	(1,689)	0	0	0	(44)	42	(1,691)
Silent Valley Leachate	(2,991)	0	0	(169)	0	182	(2,978)
<i>Total Other (Non-Employee) Non-Current Provisions:</i>	<i>(6,033)</i>	<i>252</i>	<i>708</i>	<i>(196)</i>	<i>(1,163)</i>	<i>474</i>	<i>(5,958)</i>
Total Other (Non-Employee) Provisions:	(6,737)	582	1,064	87	(2,135)	0	(7,139)

35.3 Provisions - Summary

Summary transactions and balances for all provisions were as follows::

Summary Provision Movements	Balance at 1 April 2024 £000	Amounts Used £000	Unused Amounts Reversed £000	Unwinding of Discount £000	Additional Provisions Made £000	Reclassification of Provision £000	Balance at 31 March 2025 £000
Current Provisions:							
Employee Provisions	(232)	28	0	0	0	(828)	(1,032)
Other (Non-Employee) Provisions	(704)	330	356	283	(972)	(474)	(1,181)
Total Current Provisions:	(936)	358	356	283	(972)	(1,302)	(2,213)
Non-Current Provisions:							
Employee Provisions	(1,390)	0	0	0	0	828	(562)
Other (Non-Employee) Provisions	(6,033)	252	708	(196)	(1,163)	474	(5,958)
Total Non-Current Provisions:	(7,423)	252	708	(196)	(1,163)	1,302	(6,520)
Total Provisions:	(8,359)	610	1,064	87	(2,135)	0	(8,733)

35.4 Contingent Liabilities

- As part of the legal agreements associated with the transfer of the Authority's Housing Stock to Tai Calon, a number of warranties and indemnities have been provided for a period of 32 years from the transfer date (July 2010), covering areas including environmental, asbestos and redevelopment issues. The limit to claims made against these warranties is £15,000 for each property (uprated annually by RPI), with the exception of warranties for environmental pollution and asbestos, where the limits are £125m (environmental pollution and asbestos – works indemnity) and without limit (asbestos – personal injury and death). Claims are subject to an excess level below which the Authority is not liable to reimburse Tai Calon, these being £5,000 generally and £4.7625m for Asbestos works. Potential liabilities that could arise in respect of environmental pollution have been mitigated by means of insurance policies, providing aggregate cover of £30m. At this stage, there have been no definite claims associated with the warranties provided and it is not possible to determine the extent and value of claims that may arise in the future.
- On creation of Aneurin Leisure Trust in October 2014, pension assets and liabilities assessed on an actuarial basis were transferred from Blaenau Gwent CBC, such that the Trust's pension obligations were deemed to be fully funded. The funding deficit accruing to 30 September 2014 in respect of employees relocating to Aneurin Leisure Trust was not transferred, but was retained by Blaenau Gwent CBC. The Trust is therefore only responsible for any increase in liabilities (on an actuarial valuation basis) occurring after the transfer date, with the Authority acting as a guarantor for the previously accrued net deficit. In addition, the Authority agreed to act as guarantor of last resort in order that the Leisure Trust could enter the Greater Gwent (Torfaen) Pension Fund as an admitted body and has therefore agreed to underwrite any costs arising in the event that the admitted body defaults on any or all of its payments in relation to its pension obligations. Further details of the liability on transfer are included in note 40. However it is not possible to place an estimate on the level of other potential liabilities for which the Authority is acting as guarantor which are dependent on the occurrence of future events.
- Under the terms of the Municipal Mutual Insurance Scheme of Arrangement, the Authority is responsible for the payment of a percentage towards future claims, potentially for many years due to the inherent long-tail nature of the insured risks. Due to the nature of these claims it is not practicable to disclose an estimate of the potential sums payable.
- The Authority has received a number of Part 1 claims arising under the 1973 Land Compensation Act in relation to a number of public works projects. It is not possible to determine the final number and value of these claims in compliance with the Act and the full extent to which settlement will be made.
- As a result of decisions of the courts allowing the release of documentation in relation to specific past actions of the Authority, it is possible that obligations may arise to settle specific liabilities. Given the inherent complexity of these liabilities it has not been possible to provide an estimate of the settlement costs.
- The Authority may in due course be obligated to discharge liabilities for which no claims have yet been presented. However, in the absence of such claims, it is not possible to ascertain with precision the nature or magnitude of these potential obligations.

36. Other Long-Term Liabilities

The Authority holds the following balances as long-term liabilities.

Other Long-Term Liabilities	31 March 2025	31 March 2024
	£000	£000
Lime Avenue JVA Capital Grants Receipts in Advance	0	(9,036)
Cardiff Capital Region City Deal Non-Current Creditor	(2,261)	(3,169)
Deferred Liabilities	(644)	(453)
Net Pensions Liability	(86,971)	(100,988)
Total	(89,876)	(113,646)

- Prior to the signing of the Third Supplemental Agreement to the Lime Avenue Joint Venture Agreement, the Authority was required to either repay sums received from Welsh Government in the development of the business units, or to purchase any unsold units at market value in September 2039. At 31 March 2024, this liability was valued as the cumulative total grant funding received from Welsh Government at that date. Under the Third Supplemental Agreement the Authority still has the option to purchase the units, but is not obliged to do so. As a result, the long-term liability has been removed in the 2024/2025 Accounts.
- Long-Term Liabilities for Cardiff Capital Region City Deal represent the Authority's share of HMT grant received by the joint arrangement but not yet utilised.
- Deferred Liabilities represent amounts outstanding for finance leases in relation to vehicles, plant and equipment leased by the Authority.
- The Net Pensions Liability represents the amount by which pension liabilities attributable to the Authority exceed pension assets held in order to settle current and future obligations.

37. Financial Instruments

Fair Value of Assets and Liabilities carried at Amortised Cost

Financial liabilities and financial assets represented by loans and receivables are carried in the Balance Sheet at amortised cost. Their fair value has been assessed by calculating the present value of the cash flows that take place over the remaining term of the instruments as at the balance sheet date.

Fair values are shown in the table below, split by their level in the fair value hierarchy:

- Level 1 – fair value is only derived from quoted prices in active markets for identical assets or liabilities, e.g. bond prices
- Level 2 – fair value is calculated from inputs other than quoted prices that are observable for the asset or liability, e.g. interest rates or yields for similar instruments
- Level 3 – fair value is determined using unobservable inputs, e.g. non-market data such as cash flow forecasts or estimated creditworthiness

Financial Liabilities	Fair Value Level	31 March 2025		31 March 2024	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
		£000	£000	£000	£000
Public Works Loan Board	2	(53,999)	(48,172)	(67,999)	(64,392)
Market Loans	2	(12,000)	(12,111)	(12,000)	(11,645)
Temporary Loans	n/a	(58,550)	(58,550)	(38,450)	(38,452)
Rail Infrastructure Loan	n/a	(23,531)	(5,086)	(24,057)	(6,194)
Town Centre Loan	n/a	(2,019)	(1,393)	(1,975)	(1,434)
Salix Loan	n/a	(2,725)	(2,177)	(2,984)	(2,462)
Transforming Towns Loan	n/a	(2,580)	(2,386)	(2,481)	(2,354)
Cardiff Capital Region Borrowing	n/a	(462)	(462)	0	0
Total		(155,866)	(130,337)	(149,946)	(126,933)

The fair value of liabilities is less than the carrying amount because the Authority's portfolio of loans includes a number of fixed rate loans, namely PWLB annuity and interest free loans from the Welsh Government, where the interest rate payable is lower than the rates available for similar loans at the Balance Sheet date. This commitment to pay interest below current market rates decreases the amount the Authority would have to pay if the lender requested or agreed to early repayment of loans.

Fair value disclosures have not been calculated for short term financial liabilities or short term financial assets, including payables (creditors), receivables (debtors) and temporary investments as the carrying amount is a reasonable approximation of fair value.

Financial Instrument Balances

The borrowings and investments disclosed in the Balance Sheet are made up of the following categories of financial instruments:

Financial Instruments	31 March 2025			31 March 2024		
	Non-Current £000	Current £000	Total £000	Non-Current £000	Current £000	Total £000
Financial Liabilities						
Financial liabilities at amortised cost	(80,241)	(75,625)	(155,866)	(95,647)	(54,299)	(149,946)
Total Borrowings	(80,241)	(75,625)	(155,866)	(95,647)	(54,299)	(149,946)
Financial Assets						
Long term investments - Equity and Bonds	593	0	593	1,018	0	1,018
Total Investments	593	0	593	1,018	0	1,018

Financial Instrument Gains/Losses

The gains and losses recognised in the Comprehensive Income & Expenditure Statement (*note 10*) in relation to financial instruments are made up as follows:

Financial Instrument Gains/Losses	2024/2025			2023/2024		
	Financial Liabilities measured at amortised cost £000	Financial Assets: Loans & Receivables £000	Total 2024/2025 £000	Financial Liabilities measured at amortised cost £000	Financial Assets: Loans & Receivables £000	Total 2023/2024 £000
Interest payable and similar charges:						
Interest expense	8,898	0	8,898	4,651	0	4,651
Interest and investment income:						
Interest income	0	(1,807)	(1,807)	0	(2,507)	(2,507)
Net (gain)/loss for the year:	8,898	(1,807)	7,091	4,651	(2,507)	2,144

Soft Loans

Car loans are classified as soft loans and should be included in the Balance Sheet at fair value. However, car loans have been included at their carrying amount as the difference between the fair value and carrying amount is considered to be immaterial. As at 31 March 2025, 58 car loans were outstanding with a total value of £0.435m (31 March 2024: 52 loans with a value of £0.367m).

The Authority received two interest free loans from Welsh Government in 2020/2021: £70.000m in relation to the Ebbw Valley Railway Infrastructure project and £2.570m as a Town Centre loan for Local Authority use. A further sum of £0.825m was received in 2021/2022 as a Transforming Towns loan. As these loans have interest rates below market rate, each has been treated as a soft loan in the Authority's accounts and have been included in the Balance Sheet at Fair Value.

In 2022/2023, in response to the cost of living crisis, a bridging loan was advanced to eligible employees who claimed business mileage. This was to be repaid by staff when the cost of fuel reduced or on implementation of the agreed pay award. A total of £0.016m was advanced of which £0.014m had been repaid to 31 March 2025. As the difference between fair value and carrying amount is considered to be immaterial, the outstanding balance of £0.002m has been included in the Balance Sheet at cost.

38. Disclosure of Nature and Extent of Risks Arising from Financial Instruments

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

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

Overall Procedures for Managing Risk

During 2024/2025, financial markets and institutions continue to operate in an environment characterised by geopolitical instability, elevated inflation, and higher interest rates. Although the immediate impacts of the Covid-19 pandemic have diminished, residual economic effects, combined with ongoing global conflict and cost pressures, continue to present risks to the financial services sector.

The main issues for the Council are credit risk; its ability to raise finance; and to a limited degree the interest rate payable and receivable on new loans and investments. However, these risks are mitigated as described below.

The Authority's overall risk management procedures focus on the unpredictability of financial markets, and are structured to implement suitable controls to minimise these risks. The procedures for risk management are defined through a legal framework set out in the Local Government Act 2003 and associated regulations and are managed by the Authority's Accountancy Division. These require compliance with the CIPFA Prudential Code of Practice, the CIPFA Treasury Management Code of Practice and investment guidance issued under the Local Government Act 2003.

Overall, these procedures require the Authority to manage risk in the following ways:

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

The above are required to be reported and approved at or before the Authority's annual Council Tax setting meeting or before the start of the year to which they relate. These items are reported with the annual Treasury Management Strategy which outlines the detailed approach to managing risk in relation to the Authority's financial instrument exposure. Actual performance is also reported after each year, as is a mid-year update.

The annual Treasury Management Strategy, Investment Strategy and MRP Policy statement, which incorporates the Prudential Indicators, were approved by Council on 21 March 2024 and are available on the Authority's website.

Credit Risk

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

This risk is minimised through the Annual Investment Strategy, which requires that deposits are not made with financial institutions unless they meet identified minimum credit criteria, in accordance with the Fitch and Moody's Credit Rating Services. The Annual Investment Strategy also considers maximum amounts and time limits in respect of each financial institution. Deposits are not made with banks and financial institutions unless they meet the minimum requirements of the investment criteria outlined above. Additional selection criteria are also applied after this initial criteria is applied by using Credit Default Swap (CDS) spread data and credit rating alerts.

The full Investment Strategy for 2024/2025 was approved by Council on 21 March 2024.

The Authority's maximum exposure to credit risk in relation to its investments cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each individual institution. Recent experience has shown that it is rare for such entities to be unable to meet their commitments.

However, all investments held by the Authority during the period are considered to be of low risk. No breaches of the Authority's counterparty criteria occurred during the reporting period and the Authority does not expect any losses from non-performance of any of its counterparties in relation to deposits.

Liquidity Risk

The Authority manages its liquidity position through the risk management procedures outlined above (*the setting and approval of Prudential Indicators and the approval of the Treasury and Investment Strategy reports*), as well as through a comprehensive cash flow management system. This seeks to ensure that cash is available when needed.

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

The source analysis of financial liabilities is as follows:

Financial Instruments	31 March 2025		31 March 2024	
	£000	%	£000	%
Source of Loan				
Public Works Loan Board	(54,331)	27.52	(68,383)	34.57
Market Loans	(12,000)	6.08	(12,000)	6.07
Temporary Loans	(58,550)	29.65	(38,450)	19.44
Rail Infrastructure Loan	(63,410)	32.11	(70,000)	35.39
Town Centre Loan	(2,570)	1.30	(2,570)	1.30
Transforming Towns Loan	(3,400)	1.72	(3,400)	1.72
Salix Loan	(2,725)	1.38	(2,984)	1.51
Cardiff Capital Region Borrowing	(462)	0.23	0	0.00
Total:	(197,448)	100.00	(197,787)	100.00

The maturity analysis of financial liabilities is as follows:

Maturity of Loan	31 March 2025		31 March 2024	
	£000	%	£000	%
Maturing in less than 1 year	(75,625)	38.30	(54,299)	27.45
Maturing in 1-2 years	(13,019)	6.59	(15,675)	7.93
Maturing in 2-5 years	(17,663)	8.95	(21,240)	10.74
Maturing in 5-10 years	(17,492)	8.86	(24,949)	12.61
Maturing in more than 10 years	(73,649)	37.30	(81,624)	41.27
Total:	(197,448)	100.00	(197,787)	100.00

Market Risk

Interest Rate Risk

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

- Borrowings at variable rates – the interest expense charged to the Comprehensive Income & Expenditure Statement will rise.
- Borrowings at fixed rates – the fair value of the liabilities will fall.
- Investments at variable rates – the interest income credited to the Comprehensive Income & Expenditure Statement will rise.
- Investments at fixed rates – the fair value of the assets will fall.

Borrowings are not carried at fair value on the Balance Sheet, so nominal gains and losses on fixed rate borrowings would not impact upon the Comprehensive Income & Expenditure Statement. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Comprehensive Income & Expenditure Statement and will affect the Council Fund Balance.

The Authority has a number of strategies for managing interest rate risk. The Treasury Management Strategy sets an upper limit on variable rate exposures at 30% of its net outstanding sums. During periods of falling interest rates, long term fixed rate borrowings will be postponed and potential rescheduling from fixed rate funding into short term funding will be considered, where economic circumstances make it favourable to do so. The risk of loss is partly ameliorated by the fact that the debt financing element of the Standard Spending Assessment, which determines the amount of Revenue Support Grant receivable for non-current debt financing costs, is based on Authorities' average borrowing costs for existing debt and statistical forecasts of future interest rates for in-year debt. Hence a proportion of any higher costs arising on non-current debt from increased interest rates would be met from the Revenue Support Grant in future years.

In setting the annual revenue budget, the Authority takes a prudent view when assessing interest rate exposure, so as to mitigate as far as possible any adverse implications upon the Comprehensive Income & Expenditure Statement.

Of the Authority's non-current debt, 95% is currently at fixed rates. The effect of a 1% increase in interest rates would therefore only affect the interest receivable and payable on its current investments and borrowings.

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

Interest Rate Risk	2024/2025 £000	2023/2024 £000
Increase in interest payable on current variable rate borrowings	471	333
Increase in interest receivable on current variable rate investments	(145)	(381)
Increase in interest payable on non-current variable rate borrowings	0	0
Net impact upon Comprehensive Income & Expenditure Statement:	326	(48)

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

Price Risk

The Authority does not invest in equity shares.

Included on the Balance Sheet is the Authority's proportion of minor equity investments made by the Cardiff Capital Region City Deal in a Healthcare Data Business, Digital Manufacturing Business, FinTech Business and a BioTech Business. As the investments are unquoted the CCRCD is not exposed to losses arising from movements in the prices in the shares. The Authority's proportion, equating to £516,671, has been classified as unquoted investments at cost.

Foreign Exchange Risk

The Authority has no financial assets or liabilities denominated in foreign currencies and therefore has no exposure to losses arising from movements in exchange rates.

39. Post-Employment Benefits – Defined Contribution Plans (Teachers)

Teachers' Pension Scheme

Teachers employed by the Authority are members of the Teachers' Pension Scheme (TPS), which is an unfunded, multi-employer defined benefit pension scheme administered by the Department for Education. The Scheme is governed by statutory regulations and benefits are paid from public funds provided by Parliament.

Although the Teachers' Pension Scheme is a defined benefit scheme, it is accounted for as a defined contribution scheme in these accounts. This is because the Authority is unable to identify its share of the underlying assets and liabilities of the Scheme on a consistent and reliable basis. Consequently, the Authority accounts for contributions payable to the Scheme as an expense in the year in which they are incurred, with no liability recognised for future benefits.

Actuarial Valuation

The Teachers' Pension Scheme is subject to a full actuarial valuation every four years. The most recent completed valuation was carried out as at 31 March 2020, with the results used to set employer contribution rates from April 2023. The next valuation is based on Scheme data as at 31 March 2024 and is expected to be completed in due course.

Contribution Rates

For the year ended 31 March 2025, employers paid contributions at a rate of 28.6% of pensionable pay (2023/2024: 23.6%). Employees' contribution rates are tiered based on pensionable salary. In addition, employers pay an administration levy of 0.08% of pensionable pay.

Cash Flow Exposure

The Teachers' Pension Scheme operates on a "pay-as-you-go" basis, with employer and employee contributions used to meet pension payments as they fall due. Any shortfall between contributions and benefit payments is met by the Exchequer.

During 2024/2025, the net cash requirement of the Scheme was £1.15 billion (2023/2024: £2.05 billion). The reduction compared with the prior year primarily reflects lower pension benefit payments and timing differences in cash flows, including those associated with the implementation of the Public Service Pensions Remedy.

As the Scheme is unfunded, the Authority is not exposed to investment risk; however, it remains exposed to changes in contribution rates arising from future actuarial valuations.

The Authority is liable for other entities' obligations only to the extent that any deficit arising on the Teachers' Pension Scheme that is being recovered through the supplementary contribution element of the Employer Contribution rate may not have resulted from employees or former employees of the Authority.

Employer Contributions

The Teachers' Pension Scheme is managed by the Department for Education and administered under contract.

Administration of the Teachers' Pension Scheme transferred from Capita Business Services Ltd to Tata Consultancy Services (TCS) under a phased transition arrangement. During 2024/2025, administration services were in the process of transferring, with TCS assuming full responsibility following completion of the transition. TCS will administer the Scheme under contract until September 2035.

The Authority contributes towards the costs of retirement benefits by making contributions based on a percentage of employees' pensionable salaries.

In 2024/2025, the Authority paid employers contributions of £7.097m to the Teachers' Pensions Scheme in respect of teachers' pension costs, representing 28.6% of teachers' pensionable pay (2023/2024: £5.729m, representing 23.6% of pensionable pay). At 31 March 2025, £0.806m remained payable to the Teachers' Pension Scheme relating to employers contributions arising in the March payroll (31 March 2024: £0.479m).

The total employers contributions to be made by the Authority to the Teachers' Pension Scheme in the year to 31 March 2026 is estimated at £7.234m.

The Authority made total contributions (employees and employers) to the TPS amounting to £9.458m in 2024/2025, which would have represented approximately 0.08% of the total contributions receivable by the TPS in that year.

The Authority is responsible for the costs of any additional benefits awarded upon early retirement that fall outside of the terms of the Teachers' Scheme. These costs are accounted for on a defined benefit basis and are detailed in note 40.

40. Post-Employment Benefits – Defined Benefit Plans

Retirement benefits are offered to the Authority's employees which, although not actually payable until employees retire, represent a commitment by the Authority that needs to be disclosed in the Accounts in the financial period in which the entitlement to benefits arises (i.e. when earned by employees through service provided).

The Authority participates in two formal schemes, the Local Government Pension Scheme (the Greater Gwent (Torfaen) Pension Fund), which is administered by Torfaen CBC, and the Teachers' Pensions Scheme administered by Capita Teachers' Pensions on behalf of the Department for Education. Although technically a defined benefit scheme, the Teachers' Pensions Scheme is accounted for as a defined contribution scheme (*note 39*).

With effect from 1 April 2014, the Local Government Scheme is a funded defined benefit Career Average Revalued Earnings (CARE) scheme, in which the Authority and employees make contributions calculated at a level intended to balance pension liabilities arising with investment assets. The contribution rate is determined by the Fund's Actuary based on triennial valuations, the last completed review being 31 March 2022.

Pension benefits under the LGPS are summarised below:

Service pre 1 April 2008	
Pension	Each year worked is worth 1/80th of final pensionable salary.
Lump Sum	Automatic lump sum of 3x annual pension. In addition, part of the annual pension can be exchanged for a one-off tax-free cash payment. A lump sum of £12 is paid for each £1 of pension given up.
Service between 1 April 2008 and 31 March 2014	
Pension	Each year worked is worth 1/60th of final pensionable salary.
Lump Sum	No automatic lump sum. Part of the annual pension can be exchanged for a one-off tax-free cash payment. A lump sum of £12 is paid for each £1 of pension given up.

Service after 31 March 2014	
Pension	Each year worked is worth 1/49th of career average revalued earnings.
Lump Sum	No automatic lump sum. Part of the annual pension can be exchanged for a one-off tax-free cash payment. A lump sum of £12 is paid for each £1 of pension given up.

The Scheme is governed by the Public Service Pensions Act 2013 and administered in accordance with the following secondary legislation:-

- the LGPS Regulations 2013 (as amended);
- the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014 (as amended); and
- the LGPS (Management and Investment of Funds) Regulations 2016.

As administering authority, Torfaen County Borough Council is responsible for interpreting all pension laws, keeping accurate records, calculating and paying benefits, and providing information to employees, employers and other relevant bodies. Torfaen County Borough Council has established within its Constitution a Pensions Committee to discharge its duties as administering authority of the Fund. The Council has also established a Pension Fund Management Group to provide wider stakeholder representation and communication in matters relating to the Fund. As required by the Public Services Pension Act 2013 and LGPS (Amendment) (Governance) Regulations 2015, a Pension Fund Board has been established to assist the Scheme manager with securing compliance with regulations, legislation and the Pension Regulator's Codes of Practice relating to administration and governance of the Local Government Pension Scheme.

The Fund's primary long term risk is that its assets will fall short of its liabilities (i.e. its promised benefits payable to members). Investment risk management across the Fund is therefore aimed to minimise the risk of an overall reduction in the value of the Fund whilst maximising the opportunity for gains across the whole portfolio. Within its investment strategy the Fund aims to manage this primary overall risk by:-

- asset diversification to reduce exposure to market risk (asset price risk, interest rate risk and currency risk);
- managing credit risk via appropriate selection, diversification and monitoring of its counterparties; and
- managing liquidity risk by ensuring there are sufficient liquid funds to meet member benefit commitments as they fall due.

To meet the requirements of the Regulations, the Administering Authority's long term funding objective is for the Fund to achieve and then maintain sufficient assets to cover 100% of projected accrued liabilities (the "funding target") assessed on an ongoing basis including allowance for projected final pay. The funding objective as set out in the FSS (Funding Strategy Statement) is to achieve and maintain a funding level of 100% of liabilities (the Funding Target). In line with the FSS, where a shortfall exists at the effective date of the actuarial valuation (31 March 2022), a deficit recovery plan will be put in place which requires additional contributions to correct the shortfall. The maximum deficit recovery period has been set as 20 years.

The 2022 Actuarial Valuation reported the level of total fund assets compared to liabilities (the funding level) as 97% (2019 Valuation: 86%). As a result, employer contribution levels have been calculated for implementation from 1 April 2023 that will, subject to future revaluations, eliminate this deficit in 20 years. Scheme changes implemented under the Public Pensions Service Act 2013, including calculating pension and other benefits on the basis of career average re-valued earnings, will also need to be considered in meeting the future funding objectives.

As an indication of the level of the Authority's participation in the Greater Gwent (Torfaen) Pension Fund compared with other participating entities, Blaenau Gwent contributed £21.169m or 11.8% of the total employee and employer contributions receivable by the Fund (£179.461m), as disclosed in the most recently available annual accounts (2024/2025).

More detailed information regarding the nature of benefits provided, regulatory framework, governance arrangements, investment principles, funding strategy, actuarial valuation and pension fund performance can be obtained from the Strategic Director Resources, Torfaen County Borough Council, Civic Centre, Pontypool, NP4 6YB, or from the Greater Gwent Pensions Fund website:

<https://www.gwentpensionfund.co.uk>

Welsh Pension Partnership (WPP)

The Greater Gwent Pension Fund is one of eight Local Government Pension Scheme (LGPS) funds in Wales that have collaborated since 2017 through the Wales Pension Partnership (WPP). The purpose of the Partnership is to pool investment assets in order to achieve economies of scale, reduce investment management and administrative costs, and strengthen governance arrangements.

Pooling is undertaken through a range of collective investment vehicles established by the WPP. Carmarthenshire County Council acts as the Host Authority and is responsible for the operation and oversight of the pooled arrangements.

As at 31 March 2025, approximately 75% of the Constituent Authorities' pension fund assets were pooled (2023/2024: 74%), with the remaining assets held outside the pool pending transition or for legacy and practical reasons.

Discretionary Benefits

The Authority is responsible for all discretionary pension payments relating to added years awarded, together with related increases for both Local Government Scheme employees and teachers. This is an unfunded defined benefit arrangement under which liabilities are recognised when awards are made but for which there are no investment assets built up to meet these pensions liabilities. Cash has to be generated to meet actual pensions payments as they fall due. For Local Government Scheme employees, liabilities are discharged within 1 year of awarding the discretionary payments; for Teachers' Scheme employees the liability is not discharged until the employee is deceased.

Accounting Treatment of Defined Benefit Transactions

The cost of retirement benefits are recognised in the 'Net Cost of Services' section of the Comprehensive Income & Expenditure Statement when those benefits are earned by employees, rather than when the benefits are actually paid as pensions. However, legislation requires that the pensions charge that falls for payment by Council Taxpayers is equal to the amounts payable for the year of account. Consequently adjustments are made in the Movement in Reserves Statement (Adjustments between accounting basis and funding basis under statutory provisions) to ensure that the notional cost of retirement benefits is reversed out of the accounts and replaced with the amounts paid.

The following transactions have been made in the Comprehensive Income and Expenditure Statement during the year:

Pension Scheme Transactions - Comprehensive Income & Expenditure Statement	2024/2025			2023/2024		
	Local Government Pension Scheme £000	Teachers' Unfunded Discretionary Pensions £000	Total £000	Local Government Pension Scheme £000	Teachers' Unfunded Discretionary Pensions £000	Total £000
Cost of Services:						
Current Service Costs	10,825	0	10,825	11,625	0	11,625
Past Service Costs and Curtailments	1,001	0	1,001	249	0	249
Administration Expenses	317	0	317	298	0	298
Total Service Cost:	12,143	0	12,143	12,172	0	12,172
Financing and Investment Income and Expenditure:						
Interest on plan assets	(25,081)	0	(25,081)	(21,772)	0	(21,772)
Interest on defined benefit liabilities	28,539	1,248	29,787	23,993	1,173	25,166
Net Interest:	3,458	1,248	4,706	2,221	1,173	3,394
Total Charged to the Surplus/Deficit on Provision of Services:	15,601	1,248	16,849	14,393	1,173	15,566
Remeasurement of the Net Defined Liability, comprising:						
Return on plan assets (excluding amounts included in Net Interest)	(1,562)	0	(1,562)	(36,750)	0	(36,750)
Actuarial (Gains)/Losses arising from changes in demographic assumptions	(893)	(50)	(943)	(3,321)	(213)	(3,534)
Actuarial (Gains)/Losses arising from changes in financial assumptions	(79,613)	(1,343)	(80,956)	(29,797)	(703)	(30,500)
Experience (Gains)/Losses on defined benefit liabilities	(4,504)	(846)	(5,350)	15,743	2,851	18,594
Effect of Asset Ceiling	77,791	0	77,791	80,550	0	80,550
Total remeasurements recognised in Other Comprehensive Income & Expenditure:	(8,781)	(2,239)	(11,020)	26,425	1,935	28,360
Total Charged to the Comprehensive Income & Expenditure Statement:	6,820	(991)	5,829	40,818	3,108	43,926

At 31 March 2025, £1.374m remained payable to the LGPS relating to contributions arising in the March payroll (31 March 2024: £1.624m). This amount has been excluded from the Pensions Asset in the Balance Sheet.

The following transactions have been made in the Movement in Reserves Statement during the year:

Pension Scheme Transactions - Movement in Reserves Statement	2024/2025			2023/2024		
	Local Government Pension Scheme	Teachers' Unfunded Discretionary Pensions	Total	Local Government Pension Scheme	Teachers' Unfunded Discretionary Pensions	Total
	£000	£000	£000	£000	£000	£000
Reversal of net charges for post employment benefits included in <i>'Total Charged to the Surplus/Deficit on Provision of Services'</i>	(15,601)	(1,248)	(16,849)	(14,393)	(1,173)	(15,566)
Actual Amount Charged Against Council Tax for Pensions in year:						
Employers' Contributions Payable to Scheme	17,679	0	17,679	15,883	0	15,883
Retirement Benefits Payable to Pensioners	0	2,125	2,125	0	2,050	2,050
Total amounts charged against Council Tax:	17,679	2,125	19,804	15,883	2,050	17,933
Net adjustment between accounting basis and funding basis for pension transactions:	2,078	877	2,955	1,490	877	2,367

Assets and Liabilities in Relation to Post-Employment Benefits

Transactions in respect of the fair value of pension scheme assets are as follows:

Reconciliation of the Movements in Fair Value of Scheme Assets	2024/2025			2023/2024		
	Local Government Pension Scheme	Teachers' Unfunded Discretionary Pensions	Total	Local Government Pension Scheme	Teachers' Unfunded Discretionary Pensions	Total
	£000	£000	£000	£000	£000	£000
Balance at 1 April:	505,419	0	505,419	456,819	0	456,819
Employer Contributions	17,721	2,125	19,846	15,860	2,050	17,910
Member Contributions	3,923	0	3,923	3,615	0	3,615
Benefits Paid	(19,888)	(2,125)	(22,013)	(20,547)	(2,050)	(22,597)
Interest on Plan Assets	25,081	0	25,081	21,772	0	21,772
Effect of Business Combinations	0	0	0	1,582	0	1,582
Remeasurement Gains/(Losses):						
Return on Plan Assets (excluding amounts included in Interest)	1,562	0	1,562	36,750	0	36,750
Effect of Asset Ceiling	(92,147)	0	(92,147)	(10,432)	0	(10,432)
Balance at 31 March:	441,671	0	441,671	505,419	0	505,419

Transactions in respect of the present value of pension scheme liabilities are as follows:

Reconciliation of the Movements in Present Value of Scheme Liabilities	2024/2025			2023/2024		
	Local Government Pension Scheme	Teachers' Unfunded Discretionary Pensions	Total	Local Government Pension Scheme	Teachers' Unfunded Discretionary Pensions	Total
	£000	£000	£000	£000	£000	£000
Balance at 1 April:	(579,634)	(26,773)	(606,407)	(505,962)	(25,715)	(531,677)
Current Service Cost	(10,825)	0	(10,825)	(11,625)	0	(11,625)
Past Service Cost and Curtailments	(1,001)	0	(1,001)	(249)	0	(249)
Administration Expenses	(317)	0	(317)	(298)	0	(298)
Interest Cost	(28,000)	(1,248)	(29,248)	(23,993)	(1,173)	(25,166)
Member Contributions	(3,923)	0	(3,923)	(3,729)	0	(3,729)
Benefits Paid	19,888	2,125	22,013	20,547	2,050	22,597
Effect of Business Combinations	0	0	0	(1,582)	0	(1,582)
Remeasurement Gains/(Losses):						
Experience Gains/(Losses)	4,504	846	5,350	(15,743)	(2,851)	(18,594)
Actuarial Gains/(Losses) arising from changes in demographic assumptions	893	50	943	3,321	213	3,534
Actuarial Gains/(Losses) arising from changes in financial assumptions	79,613	1,343	80,956	29,797	703	30,500
Effect of Asset Ceiling (Recognition of agreed past service contributions)	13,817	0	13,817	(70,118)	0	(70,118)
Balance at 31 March:	(504,985)	(23,657)	(528,642)	(579,634)	(26,773)	(606,407)

The net liability arising from defined benefit scheme obligations can be analysed as follows:

Pension Assets & Liabilities Recognised in the Balance Sheet	2024/2025			2023/2024		
	Local Government Pension Scheme	Teachers' Unfunded Discretionary Pensions	Total	Local Government Pension Scheme	Teachers' Unfunded Discretionary Pensions	Total
	£000	£000	£000	£000	£000	£000
Fair Value of Scheme Assets	441,671	0	441,671	505,419	0	505,419
Present Value of Scheme Liabilities	(504,985)	(23,657)	(528,642)	(579,634)	(26,773)	(606,407)
Net Liability:	(63,314)	(23,657)	(86,971)	(74,215)	(26,773)	(100,988)

There are no assets to cover the discretionary benefits awarded to Teachers (Unfunded Teachers' Discretionary Pensions).

Assets held by the Local Government Pension Scheme can be categorised as follows:

Local Government Pension Scheme Asset Categorisation	31 March 2025				31 March 2024			
	Quoted Prices in Active Markets	Quoted Prices not in Active Markets	Total		Quoted Prices in Active Markets	Quoted Prices not in Active Markets	Total	
	£000	£000	£000	%	£000	£000	£000	%
Quoted Equity Securities:	0	0	0	0.00	0	0	0	0.00
Investment Funds and Unit Trusts:								
Equities	0	320,911	320,911	72.66	0	373,993	373,993	73.98
Bonds	0	50,987	50,987	11.54	0	60,546	60,546	11.98
Other	0	61,044	61,044	13.82	0	46,168	46,168	9.13
Real Estate: UK Property Funds	0	7,054	7,054	1.60	0	8,358	8,358	1.65
Cash and Cash Equivalents:	0	1,675	1,675	0.38	0	16,468	16,468	3.26
Total:	0	441,671	441,671	100.00	0	505,533	505,533	100.00

The Authority holds no investments in the Greater Gwent (Torfaen) Pension Scheme and does not occupy or otherwise utilise assets held by the Scheme.

Sensitivity Analysis

The impact of changes in the key actuarial assumptions has been calculated as follows:

Sensitivity Analysis: Impact of Change in Assumptions	31 March 2025		31 March 2024	
	Increase in Employer Liabilities		Increase in Employer Liabilities	
	£000	%	£000	%
0.5% decrease in Real Discount Rate	45,678	8.64	55,881	9.22
0.5% increase in the Salary Increase Rate	2,362	0.45	2,799	0.46
0.5% increase in the Pension Increase Rate	44,579	8.43	54,106	8.92
1 year increase in Member Life Expectancy	21,146	4.00	24,256	4.00

The impact of these changes on assets and liabilities at year end would be as follows:

Sensitivity Analysis	31 March 2025				
		Discount	Salary	Pension	Life
	Base	Rate:	Increase:	Increase:	Expectancy:
	£000	-0.5% p.a.	+0.5% p.a.	+0.5% p.a.	+1 Year
Liabilities	(528,642)	(574,320)	(531,004)	(573,221)	(549,788)
Assets	441,671	441,671	441,671	441,671	441,671
Net Deficit	(86,971)	(132,649)	(89,333)	(131,550)	(108,117)

	31 March 2024				
		Discount	Salary	Pension	Life
	Base	Rate:	Increase:	Increase:	Expectancy:
	£000	-0.5% p.a.	+0.5% p.a.	+0.5% p.a.	+1 Year
Liabilities	(606,407)	(662,288)	(609,206)	(660,513)	(630,663)
Assets	505,419	505,419	505,419	505,419	505,419
Net Deficit	(100,988)	(156,869)	(103,787)	(155,094)	(125,244)

The sensitivity analysis figures provided by the Actuary are approximate only. It has been assumed that there have been no changes in accounting policies, scheme benefits, the age/sex/service profile of employees, levels of pay and contributions made. The Actuary has also indicated that the impact of a one year increase in member life expectancy would be in the range of 3-5%, subject to varying factors. These figures should not therefore be construed as providing accurate outturn figures for future accounting periods. The accounting assumptions used at 31 March 2025 are based on market expectations which are shaped by global events.

Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on financial and demographic assumptions. Hymans Robertson LLP are the appointed actuary for the Greater Gwent Local Government Pension Scheme, and have calculated attributable assets and liabilities (including those for Unfunded Teachers' Discretionary Pensions) using the following principal assumptions:

Principal Assumptions	31 March 2025	31 March 2024
Financial Assumptions:		
Rate of Increase in Salaries	3.3%	3.3%
Rate of Increase in Pensions	2.8%	2.8%
Discount Rate	5.8%	4.9%
Mortality Assumptions:		
Current and Future Pensioners:	Vita Curves with improvements in line with the CMI 2023 model, with a 15% weighting of 2023 (and 2022) data, a 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term improvement rate of 1.5% p.a.	Vita Curves with improvements in line with CMI 2022 model, with 25% weighting of 2022 data, 0% weighting of 2021 and 2020 data, standard smoothing (Sk7), initial adjustment of 0.25% and long term improvement rate of 1.5% p.a.
Life Expectancy:		
Longevity of current pensioners (aged 65):		
Males	20.0	20.1
Females	22.7	22.7
Longevity of future pensioners (aged 65 in 20 years' time):		
Males	20.7	20.8
Females	24.4	24.5

The actuarial assumptions used in the calculation of year end Balance Sheet liabilities are based on the assumptions used in the last full valuation, other than those identified above. Liabilities for Teachers' Unfunded Discretionary Benefits are calculated on the same basis as the Local Government Scheme, except for those above.

The date of the last full actuarial valuation was 31 March 2022.

Impact on future cash flows

Entries are included in the Balance Sheet for this Authority's share of assets and liabilities of the Local Government Pension Scheme. Liabilities relating to Unfunded Teachers' Discretionary Pensions are also included. Disclosed liabilities show the underlying commitment that the Authority has in the long term to pay retirement benefits.

The scheme is financed by contributions paid by the employees, their employers and earnings from the investment of the Fund's money. The type of investment is decided by legislation and not by the local authorities. Contributions are made by active members of the Fund in accordance with the LGPS Regulations 2013. Contributions are additionally made by Fund employers which are set by the Fund's triennial actuarial valuations. The last such formal valuation was at 31 March 2022.

In terms of funding via investment earnings, the Fund's assets are invested in accordance with its investment strategy, which is set out within the Fund's Funding Strategy Statement. Investment management policy, principles and arrangements are detailed within its Statement of Investment Principles.

To meet the requirements of the Regulations the Administering Authority's long term funding objective is for the Fund to achieve and then maintain sufficient assets to cover 100% of projected accrued liabilities (the "funding target") assessed on an ongoing basis including allowance for projected final pay. The funding objective as set out in the FSS (Funding Strategy Statement) is to achieve and maintain a funding level of 100% of liabilities (the Funding Target). In line with the FSS, where a shortfall exists at the effective date of the actuarial valuation (31 March 2022), a deficit recovery plan will be put in place which requires additional contributions to correct the shortfall. The maximum deficit recovery period has been set as 20 years.

The 2022 Actuarial Valuation reported the level of total fund assets compared to liabilities (the funding level) as 97% (2019 Valuation: 86%). As a result, employer contribution levels have been calculated for implementation from 1 April 2023 that will, subject to future revaluations, eliminate this deficit in the next 20 years.

The Authority holds total usable reserves of £61.966m at 31 March 2025 (£62.864m at 31 March 2024). The effect of applying the net superannuation fund deficit of £86.971m to the Authority's usable reserves would be a deficit of £25.005m (2023/2024: the superannuation deficit of £100.988m exceeded usable reserves by £38.124m).

However, this deficit is dependent on a number of factors such as investment performance and retirement benefits payable. The long-term under-funding of the Local Government Scheme is currently being addressed over a number of years by staged increases to employer contributions. Consequently, the total liability would not arise in one financial year. The overall financial standing of the Superannuation Fund is regularly reviewed by Actuaries on behalf of the administering Authority (Torfaen CBC).

The total contributions expected to be made by the Authority to the Local Government Pension Scheme in the year to 31 March 2026 are estimated by the Fund Actuary as £16.776m.

In the event that a contributing fund member became unable to pay contributions or make good future deficits, the level of Pension Scheme assets would be lower than expected and this would have a negative impact on the Funding Level. At that time, the Administering Authority (Torfaen) would seek to recover any debt outstanding from the employer. This type of risk can be mitigated by the use of guarantees and/or covenants. However, if an employer defaults on payment and these sums cannot be recovered, the shortfall would then become the responsibility of any guarantor or all

other employers in the Fund. This could increase the level of employer contribution rates required to recover the overall Fund deficit.

Potential Liabilities Arising From the McCloud/Sargeant Ruling

When the Local Government Pension Scheme (LGPS) benefit structure was reformed in 2014, transitional protections were applied to certain members close to normal retirement age. Benefits accrued from 1 April 2015 by these members were subject to an 'underpin', ensuring that benefits under the reformed scheme would not be less than those that would have been accrued under the previous final salary arrangements.

In December 2018, the Court of Appeal ruled in the McCloud and Sargeant cases that similar transitional protections in the Judges' and Firefighters' Pension Schemes were unlawful on the grounds of age discrimination. The UK Government subsequently confirmed that the ruling applied to all public service pension schemes, including the LGPS.

Legislative changes introduced under the Public Service Pensions and Judicial Offices Act 2022 established a statutory remedy. Under this remedy, eligible LGPS members will receive the better of the legacy (final salary) or reformed (career average) benefits for the remedy period between 1 April 2015 and 31 March 2022, with the choice being applied at the point benefits are taken.

The Fund Actuary previously included an allowance for the impact of the McCloud/Sargeant ruling within the Fund's liabilities, based on estimates provided by the Government Actuary's Department (GAD) and adjusted where appropriate to reflect local assumptions. This resulted in an increase in liabilities of £1.227 million, which was recognised as a past service cost in the 2019/2020 accounts. The Actuary has confirmed that this allowance continues to be reflected within the Fund's actuarial assumptions and that no further material adjustment to Fund liabilities has been required in the 2024/2025 accounts as a result of the McCloud/Sargeant remedy.

Potential Liabilities Arising From the Virgin Media-NTL Case Ruling

In July 2024, the Court of Appeal upheld a High Court ruling that certain amendments made to contracted-out defined benefit pension schemes between 1997 and 2016 may be deemed void where the required actuarial confirmation under section 37 of the Pension Schemes Act 1993 cannot be evidenced.

The implications of this judgment for public service pension schemes, including the Local Government Pension Scheme (LGPS), remain uncertain. The Government Actuary's Department (GAD) continues to review historical scheme amendments to confirm whether the necessary actuarial confirmations are available. In addition, the Department for Work and Pensions has indicated that it is considering a legislative solution, although no legislation had been enacted as at 31 March 2025.

It is not currently possible to reliably quantify the impact of this ruling on the Fund, if any. Accordingly, no adjustment has been made to the Fund's liabilities in the 2024/2025 accounts in respect of this matter.

Contingent Liabilities (see also note 35.3)

Aneurin Leisure Trust

On creation of Aneurin Leisure Trust in October 2014, pension assets and liabilities assessed on an actuarial basis were transferred from Blaenau Gwent CBC, such that the Trust's pension obligations were deemed to be fully funded. The funding deficit accruing to 30 September 2014 in respect of employees relocating to Aneurin Leisure Trust was not transferred, but was retained by Blaenau Gwent CBC. The Trust is therefore only responsible for any increase in liabilities (on an actuarial valuation basis) occurring after the transfer date, with the Authority acting as a guarantor for the previously accrued net deficit. In addition, the Authority agreed to act as guarantor of last resort in order that the Leisure Trust could enter the Greater Gwent (Torfaen) Pension Fund as an admitted body and has therefore agreed to underwrite any costs arising in the event that the admitted body defaults on any or all of its payments in relation to its pension obligations.

However, in the Statement of Accounts the transferred pension assets and liabilities have been accounted for in accordance with the requirements of IAS19 *Employee Benefits*, the assumptions for which differ from those used in the actuarial valuation approach on which the funding position at inception of the Trust was based. Consequently, those elements of the settlement figures disclosed in 2014/2015 that related to Aneurin Leisure Trust did not reflect a fully funded position, but indicated the transfer of a net liability of up to £2.7m. Nevertheless, the Authority is still liable for the sums relating to the accrued net deficit on transfer and these amounts will be properly reflected in its accounts over time as they fall due in compliance with IAS19.

Guaranteed Minimum Pension (GMP) Equalisation/Indexation

In October 2018, the High Court ruled that UK defined benefit pension schemes are required to equalise benefits for the effect of Guaranteed Minimum Pensions (GMPs) between male and female members (*Lloyds Banking Group Pensions Trustees Limited v Lloyds Bank PLC and Others*). GMP represents the minimum pension that an occupational pension scheme must provide in respect of service between 6 April 1978 and 5 April 1997, when schemes were contracted out of the State Earnings Related Pension Scheme (SERPS).

Responsibility for paying pension increases on GMP benefits depends on the period of accrual and the member's State Pension Age (SPA). Historically, part of the indexation cost was met by the State through the State Pension. In March 2021, HM Treasury confirmed that full indexation of GMPs for members reaching SPA on or after 6 April 2016 would be met permanently by public service pension schemes, including the LGPS, rather than by the State.

This change results in higher pension scheme liabilities, as LGPS funds are now responsible for paying full pension increases on GMP benefits for affected members. The Fund Actuary has confirmed that an allowance for GMP equalisation and full GMP indexation was included within the 2019 actuarial valuation and continues to be reflected in subsequent actuarial assessments.

Accordingly, the costs associated with GMP equalisation and indexation are already included in the Fund's liabilities and employer contribution rates, and no additional adjustment has been required in the 2024/2025 accounts.

41. Reserves

41.1 Usable Reserves

41.1.1 Fund Balances

Fund balances are held by the Authority for the following purposes:

Fund Balances:

Council Fund General Reserve	The cumulative amount available to meet the future costs of Council services.
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Movements on fund balances were as follows:

Fund Balances	2024/2025	2023/2024
	£000	£000
Council Fund		
Balance at 1 April	(13,072)	(12,910)
Transfers to Fund	(897)	(162)
Transfers from Fund	0	0
Balance at 31 March	(13,969)	(13,072)

41.1.2 Earmarked Revenue Reserves

Earmarked Revenue Reserves are held by the Authority for the following purposes:

Usable Earmarked Revenue Reserves:

Building Control Fees	To hold surpluses generated for future re-investment to improve the quality and performance of the Building Control Service.
Cardiff Capital Region City Deal (CCRCD)	The Authority's apportioned share of surpluses or deficits arising on the Cardiff Capital Region City Deal joint arrangement.
Community Approach	To support the delivery of the Blaenau Gwent Deal, allowing the Authority to commission the community to deliver universal preventative services and support the delivery of the Missions.
Corporate Services Portfolio	To provide for a variety of specific costs falling to the Corporate Services Portfolio, including: Additional future costs of elections; costs of implementing the Hybrid Mail Model; providing support through Discretionary Housing Payments; holding deposits & bonds; and meeting taxation liabilities.
Covid-19 Response & Recovery	To address additional costs arising from the impact of recovering from the Covid-19 global pandemic.
Downsizing, Redundancy & Transitional Costs	To fund specific identified salary, pension strain and redundancy costs arising from the Authority's service transformation and downsizing projects, on a short-term (transitional) basis.
Economy Portfolio	To provide match funding for Regeneration Projects.
Education Portfolio	To provide for costs falling within the Education Portfolio, including: Continued funding of the Communities for Work scheme and school based staff redundancy costs.

Usable Earmarked Revenue Reserves (Continued):

Environment Portfolio	To provide for a variety of specific costs falling to the Environment Portfolio including: highways network clearance work in adverse winter weather; Corporate Landlord building rationalisation; and Re:Fit project loan repayments.
Financial Planning / Resilience	To improve the financial resilience of the Authority and support medium term financial planning, specifically for the later years of the MTFS.
Future Interest Rate	To provide protection against cost pressures arising from forecast rises in interest rates on the replacement of maturing debt and new borrowings to fund capital expenditure.
ICT	To meet the anticipated increase in capacity required for ICT in relation to staffing resources, licenses, equipment and training required to future-proof the service.
Individual Schools Budget (ISB)	To fund cost pressures relating to school expenditure including insurance and school reorganisation.
Inflation & Service Cost Pressure	To support budgets against inflationary and service pressures, the ending of the Hardship Fund and continuing to decarbonise services.
Insurance Liabilities	To protect against liabilities incurred but not settled. Such liabilities include insurance claims where an excess remains to be borne by the Authority and claims where no insurance cover exists.
Invest to Save	To provide "one off" funding for initiatives that would generate financial and efficiency savings in the medium to long term, or support commercial and investment opportunities.
Land & Property Charges (Social Services)	To mitigate the impact of establishing Land & Property charge debtors for adult residential care, the actual income for which will not be received until indeterminate points in the future.
LMS Balances	The aggregate amount of balances held by individual schools.

Usable Earmarked Revenue Reserves (Continued):

Local/Strategic Development Plan	To fund the review of the Local Development Plan.
Members Local Grants	To hold unallocated grant monies prior to distribution by Members.
Pay and National Insurance Contingency	To mitigate the risk of an in year cost pressure should pay increases be higher than the assumptions within the Medium Term Financial Strategy and applied to the budget as part of budget setting.
Planning Committee	To provide for a variety of specific costs falling to the Planning Committee, including delivery of affordable housing, infrastructure and other community benefits through the planning process.
Rail Loan Interest	To hold interest received on investing the railway infrastructure loan before application to fund project expenditure.
Revenue Grants & Contributions Unapplied	To hold earmarked sums relating to a range of revenue grants and contributions received for which no accounting liability exists (i.e. do not have to be repaid), until applied to match specific service expenditure.
Silent Valley Waste Services	To provide for aftercare and maintenance costs relating to the Silent Valley site, in conjunction with in-year budgets.
Social Services Portfolio	To provide for a variety of specific costs falling to the Social Services Portfolio including Gwent Supporting People Regional Development; funding future costs of SEW Adoption and Workforce Development Collaborations; and fees related to Children's Services.
Superannuation	To fund specific liabilities arising in respect of the Greater Gwent (Torfaen) Pension Fund falling outside of the normal contributions made by the Authority, including potential costs arising from guarantees provided to allow admission of entities to the Fund (e.g. Aneurin Leisure Trust).
Supporting Additional Capacity	To support additional capacity within services where required including providing transitional funding to support staff costs with changes to grant funding schemes.
Waste Services	To fund any potential financial penalties arising from a failure to meet the statutory recycling recovery target in 2024/2025 and future years.

Movements on earmarked revenue reserves were as follows:

Usable Earmarked Revenue Reserves	Balance at 1 April 2023	Transfers to Reserves	Transfers from Reserves	Balance at 31 March 2024	Transfers to Reserves	Transfers from Reserves	Balance at 31 March 2025
	£000	£000	£000	£000	£000	£000	£000
Building Control Fees	(57)	(60)	28	(89)	(17)	89	(17)
Cardiff Capital Region City Deal	(1,056)	(249)	22	(1,283)	(287)	578	(992)
Community Approach	0	0	0	0	(200)	0	(200)
Corporate Services Portfolio	(678)	(24)	102	(600)	(313)	208	(705)
Covid-19 Response & Recovery	(1,474)	0	0	(1,474)	0	1,474	0
Downsizing, Redundancy & Transitional Costs	(288)	(189)	0	(477)	(623)	0	(1,100)
Economy Portfolio	(104)	(353)	2	(455)	(298)	80	(673)
Education Portfolio	(300)	(40)	0	(340)	(4)	6	(338)
Environment Portfolio	(648)	(227)	173	(702)	(4)	154	(552)
Financial Planning/Resilience	(5,054)	0	0	(5,054)	0	0	(5,054)
Future Interest Rate	(1,497)	(432)	0	(1,929)	(602)	0	(2,531)
I.C.T.	(1,275)	0	152	(1,123)	(20)	329	(814)
Individual Schools Budget (ISB)	(24)	(247)	0	(271)	(71)	164	(178)
Inflation & Service Cost Pressure	(911)	0	0	(911)	0	0	(911)
Insurance Liabilities	(3,515)	0	0	(3,515)	0	113	(3,402)
Invest to Save	(1,395)	(565)	0	(1,960)	(40)	0	(2,000)
Land & Property Charges (Social Services)	(113)	(70)	0	(183)	(54)	0	(237)
LMS (Schools) Balances	(4,710)	(111)	3,616	(1,205)	0	2,481	1,276
Local/Strategic Development Plan	(143)	0	0	(143)	0	0	(143)
Members Local Grants	(44)	0	0	(44)	(3)	0	(47)
Pay and National Insurance Contingency	0	0	0	0	(1,300)	0	(1,300)
Planning Committee	(148)	(388)	44	(492)	(10)	18	(484)
Rail Loan Interest	(904)	(713)	0	(1,617)	0	1,617	0
Revenue Grants & Contributions Unapplied	(3,746)	(851)	358	(4,239)	(788)	586	(4,441)
Silent Valley Waste Services	0	(1,504)	0	(1,504)	(104)	565	(1,043)
Social Services Portfolio	(1,601)	(152)	108	(1,645)	(128)	722	(1,051)
Superannuation	(601)	0	0	(601)	0	0	(601)
Supporting Additional Capacity	(77)	0	51	(26)	(200)	0	(226)
Waste Services	(120)	0	0	(120)	0	120	0
Total: Usable Earmarked Revenue Reserves	(30,483)	(6,175)	4,656	(32,002)	(5,066)	9,304	(27,764)

41.1.3 Revenue Reserves held for Capital Purposes

Revenue reserves earmarked for capital purposes comprise amounts set aside from revenue resources that the authority has formally designated to support the financing of future capital expenditure. These reserves form part of usable revenue reserves and are held within the Council Fund, but are not available for general revenue spending as they have been earmarked for a specific capital-related purpose. Unusable Reserves

The creation of such reserves reflects the authority's medium- and long-term financial planning and supports the delivery of the approved capital programme. Earmarking revenue resources for capital purposes enables the authority to plan for the funding of capital investment over more than one financial year and provides flexibility in managing the timing and affordability of capital expenditure.

Although these reserves are intended for capital use, they remain revenue reserves until they are applied.

Earmarked Revenue Reserves for Capital Purposes are held by the Authority for the following purposes:

Usable Reserves Earmarked for Capital Purposes:

Capital Inflation & Service Cost Pressures	To support the capital programme with the increased cost pressures being experienced when awarding capital contracts in the current market place.
Corporate Landlord	To fund various identified cost pressures impacting the corporate landlord function.
Deminimis Capital Works	Receipts from minor land-related transactions to be utilised to fund associated land disposal fees that cannot be capitalised or off-set by regulation.
Facilities	To fund renovations in relation to the schools programme of works and other buildings.
Energy Centre	Provision for future repairs and maintenance of equipment in the Energy Centre.
Industrial Units	To fund identified works required to the Industrial Unit portfolio.
IT Infrastructure	To fund capital expenditure in relation to the upgrade of IT infrastructure to support workplace transformation.
New Operating Model	To support works required as part of the new operating model going forward.
The Hive	To fund capital expenditure incurred on the development of the High Value Engineering Centre (Hive).
WRAP Regional Vehicles	To fund the future replacement of Waste & Recycling Vehicles through the All-Wales Waste and Resources Action Programme (WRAP).
Asset Decommissioning	To fund capital expenditure incurred in the decommissioning of Council Property.
Waun Y Pound Site	To provide a sink fund to support future investment in the site and to provide financial support to the Authority with its duties as landlord.
Land Drainage Emergency Funding	To fund capital expenditure incurred in relation to flood prevention works throughout the County Borough.
Highways Plant	To fund the purchase of specialist equipment to support the repairs and maintenance of the public highway,

Movements on Revenue Reserves Earmarked for Capital Purposes are as follows:

Usable Revenue Reserves Earmarked for Capital Purposes	Balance at 1 April 2023	Transfers to Reserves	Transfers from Reserves	Balance at 31 March 2024	Transfers to Reserves	Transfers from Reserves	Balance at 31 March 2025
	£000	£000	£000	£000	£000	£000	£000
Capital Inflation & Service Cost Pressure	(1,000)	0	0	(1,000)	(245)	0	(1,245)
Corporate Landlord	(150)	0	0	(150)	0	0	(150)
Deminimis Capital Works	(126)	(13)	0	(139)	(8)	0	(147)
Facilities	(119)	0	0	(119)	0	0	(119)
Energy Centre	(294)	(189)	0	(483)	(166)	97	(552)
Industrial Units	(240)	0	0	(240)	0	0	(240)
IT Infrastructure	(227)	0	0	(227)	0	0	(227)
New Operating Model	(492)	0	0	(492)	0	0	(492)
The Hive	(420)	0	0	(420)	0	246	(174)
WRAP Regional Vehicles	(326)	(12)	0	(338)	(37)	4	(371)
Asset De-Commissioning	0	0	0	0	(715)	0	(715)
Waun Y Pound Site	0	0	0	0	(300)	0	(300)
Land Drainage Emergency Funding	0	0	0	0	(100)	0	(100)
Highways Plant	0	0	0	0	(80)	0	(80)
Total: Usable Reserves Earmarked for Capital Purposes	(3,394)	(214)	0	(3,608)	(1,651)	347	(4,912)

41.1.4 Usable Capital Reserves

Usable capital reserves comprise resources that are available to support the financing of capital expenditure or to manage the accounting consequences of capital transactions. These reserves arise from capital-related activity and are subject to statutory controls governing their creation and use.

The Authority holds the following Usable Capital Reserves:

Capital Accounting Reserves:

Capital Grants Unapplied	Representing the balance of capital grants received (or receivable) for which grant conditions have been met but which have yet to be applied to match relevant capital expenditure.
Usable Capital Receipts	The proceeds of fixed asset sales available to meet future capital investment.

Movements on Usable Capital Reserves were as follows:

Usable Capital Reserves	Balance at 1 April 2023	Transfers to Reserves	Transfers from Reserves	Balance at 31 March 2024	Transfers to Reserves	Transfers from Reserves	Balance at 31 March 2025
	£000	£000	£000	£000	£000	£000	£000
Capital Grants Unapplied	(5,301)	(2,444)	2,662	(5,083)	(2,644)	2,562	(5,165)
Usable Capital Receipts	(8,602)	(803)	306	(9,099)	(1,131)	74	(10,156)
Total: Usable Capital Reserves	(13,903)	(3,247)	2,968	(14,182)	(3,775)	2,636	(15,321)

41.1.5 Summary: Usable Funds and Reserves

Summary: Usable Reserves	Balance at 1 April 2023	Transfers to Funds & Reserves	Transfers from Funds & Reserves	Balance at 31 March 2024	Transfers to Funds & Reserves	Transfers from Funds & Reserves	Balance at 31 March 2025
	£000	£000	£000	£000	£000	£000	£000
Fund Balances	(12,910)	(162)	0	(13,072)	(897)	0	(13,969)
Earmarked Revenue Reserves	(30,483)	(6,175)	4,656	(32,002)	(5,066)	9,304	(27,764)
Revenue Reserves Earmarked for Capital Purposes	(3,394)	(214)	0	(3,608)	(1,651)	347	(4,912)
Capital Reserves	(13,903)	(3,247)	2,968	(14,182)	(3,775)	2,636	(15,321)
Total: Usable Reserves	(60,690)	(9,798)	7,624	(62,864)	(11,389)	12,287	(61,966)

41.2 Unusable Reserves

Unusable reserves are balances that arise from accounting adjustments required by proper accounting practices and statutory provisions. These reserves are not available to support the provision of services or to finance capital expenditure. Instead, they are used to manage the timing differences between accounting recognition and statutory charges to the Council Fund.

41.2.1 Summary of Unusable Reserves

The Authority holds the following reserve balances that are classed as unusable:

Unusable Reserves	2024/2025 £000	2023/2024 £000
Capital Adjustment Account	(113,214)	(95,674)
Revaluation Reserve	(76,500)	(66,027)
Financial Instruments Adjustment Account	3,110	3,214
Financial Instruments Revaluation Reserve	465	0
Deferred Capital Receipts Reserve	(25,504)	(24,567)
Pensions Reserve	85,240	99,215
Accumulated Absences Account	2,706	2,178
Total Unusable Reserves:	(123,697)	(81,661)

41.2.2 Capital Adjustment Account

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

The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to an historical cost basis).

The Account is credited with the amounts set aside by the Authority as finance for the costs of acquisition, construction and enhancement. The Account contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

Capital Adjustment Account	2024/2025 £000	2023/2024 £000
Balance at 1 April	(95,674)	(130,142)
Reversal of items relating to capital expenditure debited or credited to the CIES:		
Charges for depreciation	14,546	11,990
Impairment of non-current assets	63	235
Revaluation gains on Property, Plant & Equipment	6,135	(2,911)
Revenue expenditure funded from capital under statute	4,707	7,116
Capital grants and contributions applied to capital financing	(35,696)	(38,335)
Non-current assets written off on disposal or sale as part of the gain/loss on disposal	47	63,132
Sub-Total: Capital Adjustment Transactions included in the CIES:	(10,198)	41,227
Items not debited or credited to the CIES:		
Statutory provision for the financing of capital investment charged against the Council Fund	(2,423)	(1,807)
Capital expenditure charged against the Council Fund	(1,175)	(182)
City Deal Loans Repaid and Credited to Capital Receipts	227	165
	(3,371)	(1,824)
Capital financing applied in the year:		
Use of the Capital Receipts Reserve to finance new capital expenditure	5	(232)
Write Out of Infrastructure Loan Discount	1,973	(97)
Application of grants to capital financing from Capital Grants Unapplied	(2,562)	(2,662)
	(584)	(2,991)
Sub-Total: Capital Adjustment Transactions included in the MiRS:	(3,955)	(4,815)
Adjusting Amounts written out of the Revaluation Reserve:		
Charges for depreciation & impairment of non-current assets	(3,387)	(1,944)
Non-current assets written off on disposal or sale as part of the gain/loss on disposal	0	0
Sub-Total: Transactions with the Revaluation Reserve:	(3,387)	(1,944)
Balance at 31 March	(113,214)	(95,674)

41.2.3 Revaluation Reserve

The Revaluation Reserve contains the gains made by the Authority arising from increases in the value of its Property, Plant and Equipment.

The Reserve was created on 1 April 2007 and contains only revaluation gains accumulated since that date. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account. The balance on the reserve is reduced when assets with accumulated gains are revalued downwards or impaired and the gains are lost; used in the provision of services and the gains are consumed through depreciation; or disposed of and the gains are realised.

Revaluation Reserve	2024/2025	2023/2024
	£000	£000
Balance at 1 April	(66,027)	(51,084)
Adjustment to balance brought forward	297	0
Revised balance at 1 April	(65,730)	(51,084)
Upward revaluation of assets	(12,369)	(24,324)
Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the Provision of Services	8,886	12,941
Depreciation - write back revaluation reserve	(10,674)	(5,504)
Surplus or deficit on revaluation of non-current assets not posted to the Surplus or Deficit on the Provision of Services	(14,157)	(16,887)
Difference between fair value depreciation and historical cost depreciation	3,387	1,944
Accumulated gains on assets sold or scrapped	0	0
Amount written off to the Capital Adjustment Account	3,387	1,944
Balance at 31 March	(76,500)	(66,027)

41.2.4 Financial Instruments Adjustment Account

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

Financial Instruments Adjustment Account	2024/2025	2023/2024
	£000	£000
Balance at 1 April	3,214	3,359
Proportion of premiums incurred in previous financial years to be charged against the Council Fund Balance in accordance with statutory requirements	(104)	(145)
Amount by which finance costs charged to the Comprehensive Income & Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements	(104)	(145)
Balance at 31 March	3,110	3,214

41.2.5 Financial Instruments Revaluation Reserve

The Financial Instruments Revaluation Reserve holds the cumulative unrealised gains and losses arising from changes in the fair value of financial instruments measured through other comprehensive income. All transactions/balances relate to the Blaenau Gwent share of City Deal activities.

Financial Instruments Revaluation Reserve	2024/2025 £000	2023/2024 £000
Balance at 1 April	0	0
Adjustment to balance brought forward	(297)	0
Revised balance at 1 April	(297)	0
Upward revaluation of investments	0	0
Downward revaluation of investments	762	0
	762	0
Accumulated gains or losses on assets sold and maturing assets written out to the Comprehensive Income and Expenditure Statement as part of other investment income	0	0
Accumulated gains or losses on assets sold and maturing assets written out to the General Fund balances for financial assets designated to fair value through other comprehensive income	0	0
Balance at 31 March	465	0

41.2.6 Deferred Capital Receipts Reserve

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

Deferred Capital Receipts Reserve	2024/2025 £000	2023/2024 £000
Balance at 1 April	(24,567)	(3,151)
New Deferred Receipts	(1,164)	(21,560)
Transfer to the Capital Receipts Reserve upon receipt of cash	227	144
Balance at 31 March	(25,504)	(24,567)

41.2.7 Pensions Reserve

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

Pensions Reserve	2024/2025 £000	2023/2024 £000
Balance at 1 April	99,215	73,222
Remeasurement of pensions assets & liabilities	(11,020)	28,360
Reversal of items relating to retirement benefits debited or credited to the surplus or deficit on the provision of services in the Comprehensive Income & Expenditure Statement	16,849	15,566
Employer's pensions contributions and direct payments to pensioners payable in the year	(19,804)	(17,933)
Balance at 31 March	85,240	99,215

41.2.8 Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the Council Fund Balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the Council Fund Balance is neutralised by transfers to or from this Account. In 2024/2025, £2.178m of accruals for the preceding year were settled or cancelled and £2.706m was accrued at 31 March 2025 (2023/2024: £2.122m of accruals for the preceding year were settled or cancelled and £2.178m was accrued at year end).

Cash Flow Notes

42. Reconciliation of the Deficit on the Provision of Services to Net Cash Flows from Operating Activities

The following tables provide details of the adjustments made between the deficit on provision of services to arrive at a figure for operating activities cashflows.

42.1 Non-Cash Movements

Cash Flow - Adjustments for Non-Cash Movements	2024/2025 £000	2023/2024 £000
Depreciation, Revaluation & Impairment	20,681	9,346
REFCUS (deferred charges)	4,707	7,116
Change in the Fair Value of Investment Properties	63	82
Effective interest adjustment	51	9
Soft Loan Adjustment	1,973	(97)
Unwinding of Discounts	(1,164)	0
Net IAS19 charges made for Retirement Benefits	16,849	15,566
IAS19 Employers Contributions Paid to Pension Fund	(19,804)	(17,933)
Write Down of Donated Assets Account	(45)	(628)
	23,311	13,461
Increase/(Decrease) in Provisions	374	2,013
(Increase)/Decrease in Inventories	148	609
(Increase)/Decrease in Revenue Debtors	(7,329)	(3,912)
Increase/(Decrease) in Revenue Creditors	2,065	(1,252)
Total	18,569	10,919

42.2 Investing or Financing Activities Included in the Deficit on Provision of Services

Cash Flow - Adjustments for Investing & Financing Activities	2024/2025 £000	2023/2024 £000
(Gain)/Loss on Disposal of fixed assets	(311)	40,700
Capital Grants credited to CIES	(38,828)	(40,779)
Total	(39,139)	(79)

42.3 Receipts or Payments of Interest included in Operating Activities

Cash Flow - Interest included in Operating Activities	2024/2025 £000	2023/2024 £000
Interest Received	(1,693)	(2,507)
Interest Paid	6,964	5,788
Dividends Received	0	(1,400)
Net Total	5,271	1,881

43. Analysis of the Amounts of Major Classes of Gross Cash Receipts and Gross Cash Payments

43.1 Investing Activities

The cash flows for investing activities consist of the following:

Cash Flow - Investing Activities	2024/2025 £000	2023/2024 £000
Cash Outflows		
Purchase of Non-Current Assets	(31,244)	(57,924)
Other Capital Cash Payments	(4,417)	(31)
	(35,661)	(57,955)
Cash Inflows		
Sale of Non-Current Assets	358	494
Capital Grants Received	25,082	29,508
Proceeds from Short and Long Term Investments	227	12,065
	25,667	42,067
Total	(9,994)	(15,888)

43.2 Financing Activities

The cash flows for financing activities consist of the following:

Cash Flow - Financing Activities	2024/2025 £000	2023/2024 £000
Cash Outflows		
Repayments of Amounts Borrowed	(79,039)	(87,432)
Capital Element of Finance Lease Rental Payments	(1,138)	(139)
Agency and Other Non-BGC Activities	(1,327)	(31)
	(81,504)	(87,602)
Cash Inflows		
New Loans Raised	601	0
New Short-Term Loans	78,100	64,355
Agency and Other Non-BGC Activities	1,227	5,270
	79,928	69,625
Total	(1,576)	(17,977)

43.3 Liabilities arising from Financing Activities

Movement in liabilities arising from financing activities are as follows:

Cash Flow - Liabilities arising from Financing Activities	2024/2025 £000	2023/2024 £000
Opening Liabilities arising from Financing Activities	197,855	221,062
Cash inflows relating to borrowing and investments	78,701	64,355
Repayments of Amounts Borrowed	(79,039)	(87,432)
Capital Element of Finance Lease Rental Payments	(1,138)	(139)
Net Cash Flows from Financing Activities	(1,476)	(23,216)
Adjustments for Non-Cash and Other Financing Activities		
Effective Interest Adjustment	51	9
Finance Lease Additions	2,502	0
	2,553	9
Closing Liabilities arising from Financing Activities	198,932	197,855

44. Cash and Cash Equivalents

The balance of cash and cash equivalents is made up of the following:

Cash and Cash Equivalents	2024/2025 £000	2023/2024 £000
Cash Held by the Authority	55	53
Bank Accounts	(482)	(4,563)
Short Term Investments	3,000	22,500
Total Cash & Cash Equivalents	2,573	17,990

Other Notes - Joint Operations and Charitable Trusts

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Other Notes

45. Joint Operations - Lime Avenue Joint Venture Agreement

In September 2019, the Council entered into a Joint Venture Agreement (JVA) with Welsh Government for the provision of modular units on land at Lime Avenue, Ebbw Vale. Funding for this development was provided by Welsh Government, WEFO and the Council, with the calculated 'Capital Share' in the assets being calculated on the basis of contributions made (excluding WEFO grants).

Under the original agreement, the majority of funding was provided by Welsh Government and therefore the initial Capital Shares were calculated as:

- Blaenau Gwent CBC: 20.60%
- Welsh Government: 79.40%

As a result, the majority of the financial benefits arising from the development fall to Welsh Government, being the apportionment of the surplus of letting income over reasonable expenses, and capital receipts arising on the disposal of the assets.

The JVA was subsequently amended in August 2021, and further amended in July 2023. Under these supplemental agreements, Welsh Government provided 100% of the funding required for the adjacent Regain 2 development, which from that point was also covered by the terms of the original agreement. Consequently, the Capital Shares were recalculated as follows:

- Blaenau Gwent CBC: 7.60%
- Welsh Government: 92.40%

Following review of the terms of the original contract (and supplemental agreements), it was determined that this JVA should be treated as a Joint Operation, with the Council's accounts including only its proportion of transactions and balances.

Capital Expenditure incurred in the development of the Lime Avenue and Regain 2 Units is as follows:

Lime Avenue Joint Venture Agreement: Capital Expenditure & Financing	Cumulative to 31 March 2025 £000	Cumulative to 31 March 2024 £000
Capital Expenditure:		
Lime Avenue	6,504	6,504
Regain 2	6,693	6,693
Total Capital Expenditure:	13,197	13,197
Sources of Finance:		
Welsh Government	9,797	9,797
WEFO	2,402	2,402
Blaenau Gwent CBC	989	989
Other	9	9
Total Financing:	13,197	13,197

The Council has the option to purchase the Welsh Government Capital Share at any point. However, at 31 March 2024 the JVA placed an obligation on the Council to purchase the WG Share 20 years after signing of the original agreement (i.e. in September 2039), to the extent that the Council has not disposed of all or any of the assets by that time. The terms of the JVA set out the value of the Capital Share at any point over the 20 year period, being either the full value of grant received from Welsh Government or the Market Value of unsold units.

A liability was therefore included in the Council's Balance Sheet in relation to the requirement to purchase the Welsh Government Capital Share. At 31 March 2024, this was calculated at £9.036m, being the value of grant received from Welsh Government at that date.

The Third Supplemental Agreement to the Lime Avenue JVA was signed on 18 March 2025. The effect of this agreement is to remove the obligation on the Council in September 2039. As a result, this long-term liability has been removed from the Balance Sheet in the 2024/2025 Accounts.

The Council is responsible for administration, maintenance and rental of the business units. The JVA allows the Council to deduct all reasonable costs incurred in connection with letting, insuring, repairing and maintaining the units from rental income due, with any surplus being divided between Welsh Government and the Council on the basis of the calculated Capital Shares.

Letting income and expenses were as follows:

Lime Avenue Joint Venture Agreement - Lettings Account	2024/2025 £000	2023/2024 £000
Income & Expenditure:		
Rental Income Due	(93)	(96)
Letting Expenditure	55	11
Insurance	9	4
Repairs & Maintenance	2	1
(Surplus)/Deficit Rental Income	(27)	(80)
Share of Surplus Rental Income:		
Blaenau Gwent CBC	(2)	(6)
Welsh Government	(25)	(74)
Total	(27)	(80)

To 31 March 2025, there have been no disposals of business units covered by the Lime Avenue Joint Venture Agreement, There are therefore no capital receipts arising from disposals.

The Authority's share of assets, liabilities, reserves, income, expenditure and cashflows relating to the Lime Avenue JVA have been included where appropriate in the single entity accounting statements and disclosures. Summary accounting statements for the Lime Avenue JVA are as follows:

45.1 Lime Avenue JVA - Summary Comprehensive Income & Expenditure Statement

Lime Avenue Joint Venture Agreement: Comprehensive Income & Expenditure Statement	2024/2025			2023/2024		
	Lime Avenue JVA	Blaenau Gwent Apportionment	Welsh Government Apportionment	Lime Avenue JVA	Blaenau Gwent Apportionment	Welsh Government Apportionment
	£000	£000	£000	£000	£000	£000
Cost of Services						
Operating Expenditure	42	3	39	40	(48)	88
Operating Income	0	0	0	0	0	0
Net Cost of Services	42	3	39	40	(48)	88
Taxation & Non-Specific Grant Income	0	0	0	(3,284)	(142)	(3,142)
(Surplus)/Deficit on Provision of Services	42	3	39	(3,244)	(190)	(3,054)

45.2 Lime Avenue JVA - Summary Movement in Reserves Statement

Lime Avenue Joint Venture Agreement: Movement in Reserves Statement	Lime Avenue JVA			Blaenau Gwent Apportionment			Welsh Government Apportionment		
	Usable Reserves	Unusable Reserves	Total Reserves	Usable Reserves	Unusable Reserves	Total Reserves	Usable Reserves	Unusable Reserves	Total Reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Balance at 1 April 2023	0	(5,249)	(5,249)	0	(456)	(456)	0	(4,793)	(4,793)
(Surplus)/Deficit on Provision of Services	(3,244)	0	(3,244)	(190)	0	(190)	(3,054)	0	(3,054)
Adjustments between accounting basis & funding basis	3,244	(3,244)	0	190	(190)	0	3,054	(3,054)	0
Net(Increase)/Decrease	0	(3,244)	(3,244)	0	(190)	(190)	0	(3,054)	(3,054)
Balance at 31 March 2024	0	(8,493)	(8,493)	0	(646)	(646)	0	(7,847)	(7,847)
Balance at 1 April 2024	0	(8,493)	(8,493)	0	(646)	(646)	0	(7,847)	(7,847)
Adjustment to Opening Balance	0	41	41	0	3	3	0	38	38
Revised Balance at 1 April 2024	0	(8,452)	(8,452)	0	(643)	(643)	0	(7,809)	(7,809)
(Surplus)/Deficit on Provision of Services	42	0	42	3	0	3	39	0	39
Adjustments between accounting basis & funding basis	(42)	42	0	(3)	3	0	(39)	39	0
Net(Increase)/Decrease	0	42	42	0	3	3	0	39	39
Balance at 31 March 2025	0	(8,410)	(8,410)	0	(640)	(640)	0	(7,770)	(7,770)

45.3 Lime Avenue JVA - Summary Balance Sheet

Lime Avenue Joint Venture Agreement: Summary Balance Sheet	2024/2025			2023/2024		
	Lime Avenue JVA £000	Blaenau Gwent Apportionment £000	Welsh Government Apportionment £000	Lime Avenue JVA £000	Blaenau Gwent Apportionment £000	Welsh Government Apportionment £000
Non-Current Assets	8,410	640	7,770	8,493	646	7,847
Current Assets	0	0	0	0	0	0
Current Liabilities	0	0	0	0	0	0
Non-Current Liabilities	0	0	0	0	0	0
Total Net Assets	8,410	640	7,770	8,493	646	7,847
Usable Reserves	0	0	0	0	0	0
Unusable Reserves	(8,410)	(640)	(7,770)	(8,493)	(646)	(7,847)
Total Reserves	(8,410)	(640)	(7,770)	(8,493)	(646)	(7,847)

45.4 Lime Avenue JVA - Summary Cash Flow Statement

Lime Avenue Joint Venture Agreement: Cash Flow Statement	2024/2025			2023/2024		
	Lime Avenue JVA £000	Blaenau Gwent Apportionment £000	Welsh Government Apportionment £000	Lime Avenue JVA £000	Blaenau Gwent Apportionment £000	Welsh Government Apportionment £000
Net Surplus/(Deficit) on the provision of services	(42)	(3)	(39)	3,244	190	3,054
Adjustments to the provision of Services for non-cash movements	42	3	39	40	3	37
Adjustments for items included in the provision of services that are investing and financing activities	0	0	0	(3,284)	(144)	(3,140)
Net Cash Inflows/(Outflows) from Operating Activities	0	0	0	0	49	(49)
Investing Activities	0	0	0	3,662	278	3,384
Net increase or (decrease) in cash and cash equivalents	0	0	0	3,662	327	3,335
Cash and Cash equivalents at the beginning of the reporting period	(761)	(58)	(703)	(4,423)	(385)	(4,038)
Cash and cash equivalents at the end of the reporting period	(761)	(58)	(703)	(761)	(58)	(703)

46. Joint Arrangements - Cardiff Capital Region City Deal (CCRCD)

On 1 March 2017, the Cardiff Capital Region City Deal between the UK Government, the Welsh Government and the 10 constituent Councils in South East Wales, including Blaenau Gwent, was formally ratified. The City Deal offers the opportunity to deliver an investment package of £1.2 billion into the City Region economy between now and 2036. Whilst much of this is already earmarked for certain activities, particularly investment in the South East Wales Metro, there are funds available as part of the £1.2 billion to leverage wider economic benefits. The City Deal has a number of key targets. Notably, these include the creation of 25,000 new jobs by 2036, leveraging £4 billion of private sector investment and securing economic growth.

Of the £120m Local Authority funding commitment to the Wider Investment Fund, Blaenau Gwent's share is £5.544m (4.62%). This will be paid by the Authority over a period of up to 20 years, subject to the requirement to fund schemes as and when they are approved.

Since inception, the City Deal has evolved from a single funding programme into a broader set of regional functions and accountabilities. The South East Wales Corporate Joint Committee (CJC) was established under the South East Wales Corporate Joint Committee Regulations 2021 and came into effect on 1 April 2021.

A phased transition to the CJC operating as the accountable body for the City Deal was undertaken to ensure business continuity. While the CJC initially operated on a limited basis, a number of technical and legal issues delayed full operational delivery. During 2024/2025, these issues were resolved and the CJC assumed full responsibility for the delivery and governance of the City Deal programme, with the previous 'twin-track' arrangements coming to an end.

The Authority continues to recognise its funding commitment to the City Deal and to monitor associated financial risks and obligations as part of its medium-term financial planning.

The Authority's share of assets, liabilities, reserves, income, expenditure and cashflows relating to the Cardiff Capital Region City Deal Group have been included as a joint arrangement in the single entity accounting statements and disclosures. Summary accounting statements for the CCRCD Group are as follows:

46.1 CCRCD - Summary Group Comprehensive Income & Expenditure Statement

	2024/2025		2023/2024	
	CCRCD Group £000	Blaenau Gwent Apportionment £000	CCRCD Group £000	Blaenau Gwent Apportionment £000
Summary CCRCD Group Comprehensive Income & Expenditure Statement				
Cost of Services				
Operating Expenditure	26,538	1,226	34,397	1,589
Operating Income	(6,571)	(304)	(34,519)	(1,595)
Net Cost of Services	19,967	922	(122)	(6)
Other Operating Expenditure	1,011	47	0	0
Financing and Investment Income & Expenditure	(4,300)	(199)	(2,060)	(95)
Taxation & Non-Specific Grant Income	(60,031)	(2,773)	(23,278)	(1,075)
Tax Expenses	357	17	201	9
(Surplus)/Deficit on Provision of Services	(42,996)	(1,986)	(25,259)	(1,167)
Other Comprehensive Income & Expenditure	16,436	759	(2,075)	(96)
Total Comprehensive Income & Expenditure	(26,560)	(1,227)	(27,334)	(1,263)

46.2 Cardiff Capital Region City Deal - Summary Group Movement in Reserves Statement

Summary CCRC Group Movement in Reserves Statement	CCRC Group			Blaenau Gwent Apportionment		
	Usable Reserves	Unusable Reserves	Total Reserves	Usable Reserves	Unusable Reserves	Total Reserves
	£000	£000	£000	£000	£000	£000
Balance at 1 April 2023	(22,818)	(59,917)	(82,735)	(1,054)	(2,768)	(3,822)
Adjustment to Opening Balance	0	0	0	0	0	0
Revised Balance at 1 April 2023	(22,818)	(59,917)	(82,735)	(1,054)	(2,768)	(3,822)
Total Comprehensive Income and Expenditure	(27,335)	0	(27,335)	(1,263)	0	(1,263)
Adjustments between accounting basis & funding basis	24,147	(24,147)	0	1,116	(1,116)	0
Transfers to/(from) earmarked reserves	(5,363)	5,363	0	(248)	248	0
Net(Increase)/Decrease	(8,551)	(18,784)	(27,335)	(395)	(868)	(1,263)
Balance at 31 March 2024	(31,369)	(78,701)	(110,070)	(1,449)	(3,636)	(5,085)
Balance at 1 April 2024	(31,369)	(78,701)	(110,070)	(1,449)	(3,636)	(5,085)
Adjustment to Opening Balance	5,612	727	6,339	259	34	293
Revised Balance at 1 April 2024	(25,757)	(77,974)	(103,731)	(1,190)	(3,602)	(4,792)
Total Comprehensive Income and Expenditure	(42,996)	16,436	(26,560)	(1,986)	759	(1,227)
Adjustments between accounting basis & funding basis	31,872	(31,872)	0	1,472	(1,472)	0
Transfers to/(from) earmarked reserves	0	0	0	0	0	0
Net(Increase)/Decrease	(11,124)	(15,436)	(26,560)	(514)	(713)	(1,227)
Balance at 31 March 2025	(36,881)	(93,410)	(130,291)	(1,704)	(4,315)	(6,019)

46.3 Cardiff Capital Region City Deal - Summary Group Balance Sheet

Summary CCRC Group Balance Sheet	2024/2025		2023/2024	
	CCRC Group £000	Blaenau Gwent Apportionment £000	CCRC Group £000	Blaenau Gwent Apportionment £000
Non-Current Assets	131,887	6,093	123,548	5,708
Current Assets	78,158	3,611	71,418	3,299
Current Liabilities	(18,195)	(841)	(16,300)	(753)
Non-Current Liabilities	(61,559)	(2,844)	(68,596)	(3,169)
Total Net Assets	130,291	6,019	110,070	5,085
Usable Reserve	(36,881)	(1,704)	(31,369)	(1,449)
Unusable Reserve	(93,410)	(4,315)	(78,701)	(3,636)
Total Reserves	(130,291)	(6,019)	(110,070)	(5,085)

46.4 Cardiff Capital Region City Deal - Summary Group Cash Flow Statement

Summary CCRC Group Cash Flow Statement	2024/2025		2023/2024	
	CCRC Group £000	Blaenau Gwent Apportionment £000	CCRC Group £000	Blaenau Gwent Apportionment £000
Net Surplus/(Deficit) on the provision of services	(42,996)	(1,986)	(25,259)	(1,167)
Adjustments to the provision of Services for non-cash movements	15,494	716	51,556	2,382
Adjustments for items included in the provision of services that are investing and financing activities	67,525	3,119	0	0
Net Cash Inflows/(Outflows) from Operating Activities	40,023	1,849	26,297	1,215
Investing Activities	28,739	1,328	25,603	1,183
Financing Activities	(10,000)	(462)	(61,373)	(2,835)
Net increase or (decrease) in cash and cash equivalents	58,762	2,715	(9,473)	(437)
Cash and Cash equivalents at the beginning of the reporting period	(63,903)	(2,952)	(54,430)	(2,515)
Adjustment to Cash and Cash equivalents opening balance	(487)	(23)	0	0
Cash and cash equivalents at the end of the reporting period	(5,628)	(260)	(63,903)	(2,952)

47. Joint Arrangements - Other

The Authority participates in a number of joint arrangements as a means of delivering services in a more efficient and cost-effective manner. In assessing the joint arrangements in which Blaenau Gwent participates, it has been concluded in each case that no separate legal entity exists and that the Authority does not have control (as defined by the Accounting Code and IFRS10). Consequently, the accounts of these arrangements have not been consolidated in the group accounting statements. In each case, the relevant service line of the Comprehensive Income and Expenditure Account reflects the following transactions occurring between the Authority and the joint arrangement:

Joint Arrangements	2024/2025		
	Gross Expenditure	Gross Income	Net Expenditure
	£000	£000	£000
Greater Gwent Cremation Joint Committee	0	(63)	(63)
Gwent Joint Records Committee	161	0	161
Gwent Transport Unit	1,757	0	1,757
South East Wales Strategic Planning Group	2	0	2
Total	1,920	(63)	1,857

Joint Arrangements	2023/2024		
	Gross Expenditure	Gross Income	Net Expenditure
	£000	£000	£000
Greater Gwent Cremation Joint Committee	0	(72)	(72)
Gwent Joint Records Committee	157	0	157
Gwent Transport Unit	942	0	942
South East Wales Strategic Planning Group	2	0	2
Total	1,101	(72)	1,029

47.1 Greater Gwent Cremation Joint Committee (GGCJC)

The Cremation Joint Committee provides cremation services to the residents of the Greater Gwent area through a facility based at Croesyceiliog, Cwmbran. Further details of the arrangement can be obtained from the lead Authority for the joint committee, Newport City Council.

47.2 Gwent Joint Records Committee (GJRC)

The Gwent Record Office provides the statutory archive service for 5 Local Authorities in the Greater Gwent area. It was founded as the Monmouthshire Record Office in 1938 and moved to Cwmbran in the 1970s. In 2010 a new Gwent Archives Joint Agreement was signed providing for the joint service for the next quarter century and for the construction of a new facility at the General Offices site in Ebbw Vale. This facility opened to the public in October 2011. Further details of the joint arrangement can be obtained from the lead Authority, Torfaen CBC.

47.3 Gwent Transport Unit (GTU)

The GTU is responsible for passenger transport co-ordination in Blaenau Gwent and Torfaen. The principal activities are procurement and monitoring of local bus services; provision of timetables, transport guides and leaflets; and administration of the concessionary fares scheme. Blaenau Gwent CBC was the lead Authority for the GTU, with responsibility transferring to Torfaen CBC on 1 May 2016.

The majority of transactions administered by the unit are associated with concessionary fares, bus subsidies, local transport services grant and 'section 106', the costs of which are allocated based on direct spend relative to the use of each service within the relevant local authority area. Administration costs of the joint arrangement are apportioned between the two Authorities, with Blaenau Gwent being charged 49.54% of these costs. The share of balances apportioned to Blaenau Gwent CBC for the GTU is also 49.54%.

47.4 South East Wales Strategic Planning Group (SEWSPG)

The South East Wales Strategic Planning Group (SEWSPG) produces regional planning guidance for South East Wales in partnership with 10 other local planning authorities in the region, and the Brecon Beacons National Park Authority.

The financial arrangements for the group are provided by the participating authorities on a rota basis - for 2024/2025, Blaenau Gwent was the host Authority, overseeing the following transactions:

South East Wales Strategic Planning Group	2024/2025	2023/2024
	£000	£000
Balance at 1 April	(119)	(51)
Receipts (Member Subscriptions)	(50)	(68)
Payments	154	0
Balance at 31 March	(15)	(119)

48. Joint Venture Agreement - Ebbw Valley Railway

In March 2021 the Council agreed to accept a £70million interest free loan from Welsh Government to progress infrastructure works on the Ebbw Valley Railway project. The acceptance of the loan was subject to the development and acceptance of a quadripartite agreement between Blaenau Gwent Council, Welsh Government, Transport for Wales and Transport for Wales (Rail). This agreement was signed by all parties by September 2021, with the loan to be repaid over a 50-year period after the scheduled conclusion of the infrastructure works. In order to meet the loan repayments the Council will receive a guaranteed sum on an annual basis, generated from the projected increase in income resulting from increased train frequency.

Expenditure totalling £62.735m had been incurred on the project to the end of the 2023/2024 financial year and the asset (at cost) was transferred from the Council's Balance Sheet on commencement of rail operations (effectively in January 2024). Additional expenditure of £0.606m was incurred during 2024/2025, giving a total spend on the project to 31 March 2025 of £63.341m. As a result of practical completion in January 2024, the Council was due to receive the Asset Development Fee payments from Transport for Wales (Rail) with effect from the first Quarter of 2025 and was also due to make loan repayment to Welsh Government from that time.

The project loan has been discounted to its current (fair) value in the 2024/2025 accounts. The Authority is required to account for the difference between the current value and the actual loan amount as capital grant. At 31 March 2024, the discounting rate used to calculate the present value of the loan liability and capital grant element of the arrangement was reassessed, given the significant change in interest rates since the start of the project (the interest rate used for the calculation changed from 2.21% in 2021 to 5.4% in 2024). This resulted in a material change in the level of loan funding recognised as capital grant, with a commensurate reduction in the present value of the loan liability.

The discount on these amounts has been unwound for four years and as a result the present value of loan liabilities recognised at 31 March 2025 is £23.531m (31 March 2024: £24.057m), with £39.879m recognised as capital grants (31 March 2024: £45.943m), applied to the Capital Adjustment Account to match expenditure incurred over the duration of the project.

Debtors have also been included in the accounts to record the sums due from Transport for Wales (Rail) over the next 50 years. This sum has also been discounted to present value, and impaired to reflect the balance of loan funding that was not utilised on the scheme and repaid to Welsh Government in 2025.

The following balances are recorded in the Council's Balance Sheet (and relevant disclosures):

Summary: Joint Venture (Ebbw Valley Railway)		Balance at 31 March 2025	Balance at 31 March 2024
		£000	£000
TfW Rail Debtor:	Current	2,800	1,400
	Non-Current	22,556	22,657
	Impairment	(2,631)	(2,497)
Rail Loan:	Current	(2,800)	(1,400)
	Non-Current	(20,731)	(22,657)
Unspent Loan Funding (Bank/Investments)		68	7,265
Deferred Capital Receipts		(22,724)	(21,560)
Capital Adjustment Account:	Capital Grant	(39,879)	(45,943)
	Expenditure Written Down on Disposal	62,735	62,735
	REFCUS	606	0
Balance Sheet Total		0	0

49. Charitable Trusts

The Authority acts as trustee for the following charitable trusts:

- Bedwellty House and Park
- Cwm, Ebbw Vale and Tredegar Recreation Grounds.

Bedwellty Park is a 26 acre historic park and landscape. It has 6 listed structures within its grounds including a Grade II listed ironmaster's dwelling. The site has been the subject of a £5 million restoration project and is now a public open access space available for events such as weddings, art exhibitions and displays.

Cwm, Ebbw Vale and Tredegar recreation grounds are open access outdoor spaces used for sporting activities such as rugby, football, cricket and walking.

The summarised transactions for these charitable trusts are as follows:

Summary Statement of Financial Activities	2024/2025					2023/2024				
	Bedwellty House & Park £000	Cwm Recreation Ground £000	Ebbw Vale Recreation Ground £000	Tredegar Recreation Ground £000	Total £000	Bedwellty House & Park £000	Cwm Recreation Ground £000	Ebbw Vale Recreation Ground £000	Tredegar Recreation Ground £000	Total £000
Income										
Donations & Legacies	(104)	(3)	0	(4)	(111)	(104)	(24)	(69)	(3)	(200)
Other	(94)	(3)	(39)	(3)	(139)	0	(4)	(11)	(4)	(19)
Total Income	(198)	(6)	(39)	(7)	(250)	(104)	(28)	(80)	(7)	(219)
Expenditure										
Charitable Activities	186	6	33	7	232	186	28	80	7	301
Other	198	0	6	0	204	104	0	0	0	104
Total Resources Expended	384	6	39	7	436	290	28	80	7	405
Net Expenditure	186	0	0	0	186	186	0	0	0	186
(Gains) and Losses on Revaluation of Fixed Assets	0	0	0	0	0	(3,268)	0	0	0	(3,268)
Net Movement in Funds	186	0	0	0	186	(3,082)	0	0	0	(3,082)

Property, Plant and Equipment assets held by the charitable trusts are as follows:

Charitable Trusts - Property, Plant & Equipment	2024/2025			2023/2024		
	Gross Book Value	Accumulated Depreciation	Net Book Value	Gross Book Value	Accumulated Depreciation	Net Book Value
	£000	£000	£000	£000	£000	£000
Bedwellty House and Park	7,996	(431)	7,565	7,996	(245)	7,751
Cwm Recreation Ground	15	(15)	0	15	(15)	0
Ebbw Vale Recreation Ground	298	(134)	164	298	(121)	177
Tredegar Recreation Ground	86	(76)	10	86	(76)	10
Total	8,395	(656)	7,739	8,395	(457)	7,938

The Authority also acts as sole trustee for 30 education trust funds, the main purpose of which is the provision of prizes to pupils based on examination success. At year-end, balances held were as follows:

Education Trust Funds	2024/2025	2023/2024
	£000	£000
Cash	62	59
Balance at 31 March	62	59



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...the Statement of Group Accounts comprise the group financial statements and notes, including the summary of significant group accounting policies...



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Group Comprehensive Income and Expenditure Statement

The Group Comprehensive Income and Expenditure Statement (GCIES) 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.

Amounts relating to expenditure are disclosed as positive and amounts relating to income are disclosed as negative (i.e. enclosed in brackets). Consequently, total figures disclosed in brackets are surpluses, representing net income to the Group, whilst those not in brackets are deficits, where expenditure exceeds income.

Group Comprehensive Income & Expenditure Statement	2024/2025			2023/2024			Note:
	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	
	£000	£000	£000	£000	£000	£000	
Continuing Operations							
Corporate Services	49,314	(22,425)	26,889	48,665	(22,842)	25,823	G4
Education	30,154	(10,027)	20,127	22,599	(9,553)	13,046	
Education - Schools	65,951	(6,395)	59,556	71,131	(6,290)	64,841	
Environment	39,519	(15,445)	24,074	41,307	(14,796)	26,511	
Cardiff Capital Region City Deal	1,468	(733)	735	1,650	(1,662)	(12)	
Regeneration & Economic Development	22,624	(27,018)	(4,394)	8,136	(11,658)	(3,522)	
Social Services	79,508	(27,791)	51,717	79,773	(27,937)	51,836	
Licensing	218	(106)	112	230	(96)	134	
Planning	1,400	(293)	1,107	1,064	(766)	298	
Total Deficit on Continuing Services	290,156	(110,233)	179,923	274,555	(95,600)	178,955	G3
Other Operating Expenditure	12,475	(358)	12,117	74,255	(22,054)	52,201	
Financing and Investment Income and Expenditure	39,355	(28,380)	10,975	30,663	(26,019)	4,644	
Taxation and Non-Specific Grant Income	0	(219,568)	(219,568)	0	(225,267)	(225,267)	
(Surplus)/Deficit on Provision of Services	341,986	(358,539)	(16,553)	379,473	(368,940)	10,533	G3
Tax Expenses			16			19	46
Group (Surplus)/Deficit			(16,537)			10,552	G3
(Surplus)/Deficit Arising on the Revaluation of Non-Current Assets			(13,395)			(20,155)	
Remeasurement of the net defined benefit pension liability			(11,020)			28,360	
Other Comprehensive Income & Expenditure			(24,415)			8,205	G5
Total Group Comprehensive Income & Expenditure			(40,952)			18,757	GMIRS

Group Movement in Reserves Statement

The Group Movement in Reserves Statement (GMiRS) shows the in-year movement on the reserves held by the Group.

Group Movement in Reserves Statement	2024/2025			2023/2024			Note
	Total Authority Reserves	Charity & Subsidiary Reserves	Total Group Reserves	Total Authority Reserves	Charity & Subsidiary Reserves	Total Group Reserves	
	£000	£000	£000	£000	£000	£000	
Opening balance at 1 April	(144,629)	(7,647)	(152,276)	(166,364)	(4,669)	(171,033)	
Total Group Comprehensive Income & Expenditure	(41,138)	186	(40,952)	21,839	(3,082)	18,757	GCIES
Adjustments between accounting basis & funding basis under statutory provisions	0	0	0	0	0	0	G6
Adjustments between Group Accounts and Authority Accounts	(198)	198	0	(104)	104	0	
Transfers(to)/ from Earmarked Reserves	0	0	0	0	0	0	
(Increase)/Decrease in year	(41,336)	384	(40,952)	21,735	(2,978)	18,757	
Balance at 31 March	(185,965)	(7,263)	(193,228)	(144,629)	(7,647)	(152,276)	GBS

Group Balance Sheet

The Group Balance Sheet (GBS) shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Group.

The net assets of the Group (assets less liabilities) are matched by reserves held, reported in two categories:

- Usable reserves are those reserves that the Group may use to provide services, subject to any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt) and the need to maintain a prudent level of reserves.
- Unusable reserves are those that the Group is not able to use to provide services. This category includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Group Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations' (e.g. the Capital Adjustment Account, Pensions Reserve and Accumulated Absences Account).

Group Balance Sheet	31 March 2025		31 March 2024		Note:
	£000	£000	£000	£000	
Property, Plant & Equipment	390,329		364,156		G7
Investment Properties	7,147		2,888		
Heritage Assets	726		726		G7.3
Intangible Assets	94		0		
Non-Current Investments	593		1,018		
Non-Current Debtors	25,185		24,753		
Non-Current Deferred Tax Asset	115		0		
Sub Total: Long Term Assets		424,189		393,541	
Current Investments	3,119		31		
Inventories	247		395		
Current Debtors	55,488		37,290		
Deferred Tax Asset	0		99		
Cash and Cash Equivalents	2,573		17,990		G10
Sub Total: Current Assets		61,427		55,805	
Current Borrowing	(75,625)		(54,299)		
Current Creditors	(34,153)		(22,160)		
Current Grants Receipts in Advance	(3,732)		(2,886)		
Current Donated Assets	(28)		(73)		
Current Provisions	(2,213)		(936)		
Sub Total: Current Liabilities		(115,751)		(80,354)	
Non-Current Borrowing	(80,241)		(95,647)		
Non-Current Provisions	(6,520)		(7,423)		
Other Long-Term Liabilities	(89,876)		(113,646)		
Sub Total: Long-Term Liabilities		(176,637)		(216,716)	
Total Net Assets/(Liabilities)		193,228		152,276	
Usable Reserves	(61,966)		(62,864)		
Unusable Reserves	(131,262)		(89,412)		G8
Total Reserves		(193,228)		(152,276)	

Group Cash Flow Statement

The Group Cash Flow Statement summarises the cash and cash equivalent transactions of the Group during the reporting period. The statement shows how the Group generates and uses cash and cash equivalents by classifying cash inflows and (outflows) as operating, investing and financing activities.

Group Cash Flow Statement	2024/2025		2023/2024		Note:
	£000	£000	£000	£000	
Net surplus/(deficit) on the provision of services less tax expenses	16,537		(10,552)		GCIES
Adjustments to the provision of services for non-cash movements	18,755		11,105		G9.1
Adjustments for items included in the provision of services that are investing and financing activities	(39,139)		(79)		
Interest received	0		0		
Net Cash Inflows from Operating Activities		(3,847)		474	
Investing activities		(9,994)		(15,888)	
Financing activities		(1,576)		(17,977)	
Net increase or (decrease) in cash and cash equivalents		(15,417)		(33,391)	
Cash and cash equivalents at the beginning of the reporting period		17,990		51,381	GBS, G10
Cash and cash equivalents at the end of the reporting period		2,573		17,990	GBS, G10

- The amount of net cashflows arising from operating activities is a key indicator of the extent to which the operations of the Group are funded by way of taxation and grant income or from the recipients of services provided.
- Investing activities represent cashflows relating to the acquisition, disposal and funding via capital grant of resources which are intended to contribute to the Group's future service delivery, i.e. non-current assets.
- Cashflows arising from financing activities represent the extent to which borrowing and similar charges have increased/decreased during the year and are useful in predicting claims on future cash flows by providers of capital to the Group.



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G1. Group Accounting Policies

G1.1 Group Boundary

The Blaenau Gwent County Borough Council Group comprises:

- Blaenau Gwent County Borough Council; and
- Bedwellty House and Park Charitable Trust, of which Blaenau Gwent CBC is the sole trustee and with whom the assets of the trust formally vest.

G1.2 General Principles

The Group Accounts summarise the transactions of the Authority and the Charitable Trust for the 2024/2025 financial year. The Accounts have been prepared in accordance with proper accounting practices as required by the Accounts and Audit (Wales) Regulations 2014.

The Group Accounts only include those statements and disclosures where consolidation has resulted in a difference to the Blaenau Gwent CBC single entity equivalent. Therefore, with the exception of those notes included in the group statements, all single entity notes are applicable to the Group.

These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2024/2025 and the Service Reporting Code of Practice 2024/2025, supported by International Financial Reporting Standards (IFRS). Where there is no relevant IFRS or International Accounting Standard (IAS), reference is made to International Public Sector Accounting Standards (IPSASs); if there is no relevant IPSAS, domestic Financial Reporting Standards (FRSs) are applied.

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.

In preparing a set of Accounts for the Blaenau Gwent Group, it has been necessary to align the Accounting Policies adopted by the constituent entities. The Group Policies are largely the same as those used in preparing the Accounts for the Parent Authority, as recorded on pages 24-33. However, where Policies differ, the Group Policy is included in this section.

Accounts for the 2024/2025 financial year have been completed by the Bedwellty House and Park Charitable Trust for submission to the Charity Commission. These have been prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, being the appropriate accounting standard for charitable trusts.

Further details in relation to the submissions made to the Charity Commission for the Bedwellty House and Park Charitable Trust can be obtained from:

Head of Legal & Corporate Compliance,
Blaenau Gwent County Borough Council,
The General Offices,
Steelworks Road,
Ebbw Vale,
NP23 6DN

G1.3 Intra Group Transactions and Balances

To the extent that balances and transactions have been identified and agreed between the entities that comprise the Blaenau Gwent County Borough Council Group, these have been eliminated as part of the consolidation process. However, there are no significant or material transactions to consider between the Group parties.

G1.4 Acquisitions and Discontinued Operations

Bedwellty House and Park is an historic, Grade II listed Regency residence set in the heart of Tredegar, held in trust for the benefit of the residents of the town.

All operations were classified as continuing in 2024/2025 and there were no acquisitions or discontinuations of service during the financial year.

G1.5 Employee Benefits

G1.5.1 Post Employment Benefits

Bedwellty House and Park is operated by the Aneurin Leisure Trust, which is an admitted body to the Greater Gwent Local Government Pension Scheme. There are no direct employees of the Bedwellty House and Park Charitable Trust and therefore no group disclosures are required for post employment benefits.

G1.6 Property, Plant and Equipment

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

G1.6.1 Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Authority and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

For 2024/2025, only expenditure in excess of £10,000 has been capitalised by the Parent Authority, with amounts below this threshold being charged directly to revenue. The exceptions to this are highways and health & safety assets that individually fall below this de-minimis level but are capitalised because they are treated as one single item of expenditure in the year and expenditure that has a capital grant approval.

G1.6.2 Measurement

As a Grade II Listed building, Bedwelty House has been valued on a replacement cost basis. Heritage assets in the park are included at a nominal value.

G1.6.3 Depreciation

Bedwelty House was revalued as at 1 April 2023 and an assessment of its remaining Economic Useful Life has been applied from that date.

Consequently, a completely uniform set of standard lives has not been introduced for Group Accounting purposes and no adjustments have been made to depreciation amounts in the Group Comprehensive Income and Expenditure Statement, Group Balance Sheet or Group Cash Flow.

G2. Notes to the Group Financial Statements

These notes should be read in conjunction with the notes to the Authority's Core Financial Statements. Notes have been included to the Group Financial Statements where:

- specifically required by the Accounting Code of Practice;
- a note to the single entity statements has been amended by the consolidation of the charitable trust; or
- the note relates solely to the activities of the charitable trust and has not been included in the Accounts of the Local Authority.

G3. Group Expenditure and Funding Analysis

The Expenditure & Funding Analysis shows how annual expenditure is used and funded from resources (i.e. government grants, council tax and business rates) by the Group in comparison with those resources consumed or earned in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes. Income and Expenditure accounted for under generally accepted accounting practices is presented more fully in the Group Comprehensive Income and Expenditure Statement.

Group Expenditure & Funding Analysis	2024/2025					2023/2024				
	Management Account Net Expenditure	Accounting Code Adjustments	Net Expenditure Chargeable to the Council Fund	Funding & Accounting Basis Adjustments	Group CIES Net Expenditure	Management Account Net Expenditure	Accounting Code Adjustments	Net Expenditure Chargeable to the Council Fund	Funding & Accounting Basis Adjustments	Group CIES Net Expenditure
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Corporate Services	26,293	107	26,400	489	26,889	16,103	9,643	25,746	77	25,823
Education	76,069	(59,091)	16,978	3,149	20,127	72,825	(58,572)	14,253	(1,207)	13,046
Education - Schools	6,320	49,008	55,328	4,228	59,556	1,044	54,230	55,274	9,567	64,841
Environment	33,068	(13,661)	19,407	4,667	24,074	33,961	(13,177)	20,784	5,727	26,511
Cardiff Capital Region City Deal	0	707	707	28	735	0	(67)	(67)	55	(12)
Regeneration & Economic Development	3,575	(3,516)	59	(4,453)	(4,394)	1,656	(851)	805	(4,327)	(3,522)
Social Services	53,171	79	53,250	(1,533)	51,717	54,039	(1,707)	52,332	(496)	51,836
Licensing	125	0	125	(13)	112	156	(15)	141	(7)	134
Planning	1,178	1	1,179	(72)	1,107	1,198	(868)	330	(32)	298
Capital Adjustments	0	(5)	(5)	5	0	0	0	0	0	0
Pension Adjustments	0	929	929	(929)	0	0	648	648	(648)	0
Silent Valley	0	0	0	0	0	0	0	0	0	0
Net Expenditure on Continuing Operations	199,799	(25,442)	174,357	5,566	179,923	180,982	(10,736)	170,246	8,709	178,955
Other Operating Expenditure	0	12,747	12,747	(630)	12,117	0	11,121	11,121	41,080	52,201
Financing & Investment Income & Expenditure	0	9,020	9,020	1,955	10,975	0	3,143	3,143	1,501	4,644
Taxation & Non-Specific Grant Income	0	(194,103)	(194,103)	(25,465)	(219,568)	0	(186,424)	(186,424)	(38,843)	(225,267)
(Surplus)/Deficit on the Provision of Services	199,799	(197,778)	2,021	(18,574)	(16,553)	180,982	(182,896)	(1,914)	12,447	10,533
Tax expenses	0	0	16	0	16	0	0	19	0	19
Group (Surplus)/Deficit	199,799	(197,778)	2,037	(18,574)	(16,537)	180,982	(182,896)	(1,895)	12,447	10,552
Transfers to/(from) earmarked reserves			(2,934)					1,733		
(Increase)/Decrease in year			(897)					(162)		
Opening Group Balances as at 1 April			(13,072)					(12,910)		
Closing Group Balances as at 31 March			(13,969)					(13,072)		

G4. External Audit Fees

External Audit services for Blaenau Gwent CBC are provided by Audit Wales and for the Bedwellty House and Park Charitable Trust by Blaenau Gwent CBC (Internal Audit). Audit fees incurred by the Group are therefore those reported for the Council in note 17.

Group Movements in Reserves Notes**G5. Other Comprehensive Income and Expenditure**

The following unrealised gains or losses and actuarial gains or losses arose during the year:

Other Comprehensive Income & Expenditure	2024/2025 £000	2023/2024 £000
(Surplus)/Deficit arising on the revaluation of Non-Current Assets	(13,395)	(20,155)
Remeasurement of the net defined benefit pension liability	(11,020)	28,360
Other Comprehensive Income & Expenditure	(24,415)	8,205

G6. Adjustments Between Accounting Basis and Funding Basis Under Statutory Provisions

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Group in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Group to meet future capital and revenue expenditure. These adjustments include transactions relating to depreciation & impairment, pensions provision, employee accruals, unequal pay and capital grants.

In 2024/2025, adjustments for the Group Accounting Statements were limited to depreciation transactions between the Comprehensive Income & Expenditure Statement and the Capital Adjustment Account. Group adjustments with the Capital Adjustment Account were as follows:

	2024/2025		2023/2024	
	Council Fund Balance £000	Movement in Unusable Reserves £000	Council Fund Balance £000	Movement in Unusable Reserves £000
<i>Group Adjustments between Accounting Basis and Funding Basis under Statutory Provisions</i>				
<i>Adjustments to/from Group Capital Adjustment Account:</i>				
Charges for depreciation	(14,732)	14,732	(12,176)	12,176
Impairment of non-current assets	(63)	63	(235)	235
Revaluation gains on Property, Plant & Equipment	(6,135)	6,135	2,911	(2,911)
Capital grants & contributions applied	35,696	(35,696)	38,335	(38,335)
Revenue expenditure funded from capital under statute	(4,707)	4,707	(7,116)	7,116
Write Out of Infrastructure Loan Discount	(1,973)	1,973	97	(97)
Amounts of non-current assets written off on disposal or sale as part of the gain on disposal to the Comprehensive Income & Expenditure Statement	(47)	47	(63,132)	63,132
Transfer of New Deferred Capital Receipts to Reserve	1,164	(1,164)	21,560	(21,560)
Statutory provision for the financing of capital investment	2,423	(2,423)	1,807	(1,807)
Capital expenditure charged against the Council Fund	1,175	(1,175)	182	(182)
<i>Total: Adjustments to/from Group Capital Adjustment Account</i>	12,801	(12,801)	(17,767)	17,767

Summary adjustments between accounting basis and funding basis under statutory provisions for the Blaenau Gwent Group were therefore:

	2024/2025				2023/2024			
	Council Fund Balance £000	Capital Receipts Reserve £000	Capital Grants Unapplied £000	Movement in Unusable Reserves £000	Council Fund Balance £000	Capital Receipts Reserve £000	Capital Grants Unapplied £000	Movement in Unusable Reserves £000
Group Adjustments between Accounting Basis and Funding Basis under Statutory Provisions								
Total: Transactions between Group Funds & Usable Reserves:	3,242	(598)	(2,644)	0	2,864	(420)	(2,444)	0
Total: Adjustments to/from Group Capital Adjustment Account:	12,801	0	0	(12,801)	(17,767)	0	0	17,767
Total: Transactions involving Other Group Unusable Reserves:	2,531	0	0	(2,531)	2,456	0	0	(2,456)
Total: Other Group Capital Reserve Transactions:	0	(459)	2,562	(2,103)	0	(77)	2,662	(2,585)
Total Adjustments:	18,574	(1,057)	(82)	(17,435)	(12,447)	(497)	218	12,726

Group Balance Sheet Notes

G7. Property Plant & Equipment

G7.1 Carrying Amount of Non-Current Assets

The Carrying Amount of Group Non-Current Assets in the Balance Sheet can be divided between Infrastructure and 'Other PPE' Assets as follows:

Group Property, Plant & Equipment	31 March 2025	31 March 2024
	£000	£000
Infrastructure Assets	88,114	88,508
Other PPE Assets	302,215	275,648
Net Book Value	390,329	364,156

G7.2 Carrying Amount of 'Other' Property, Plant & Equipment Assets

The gross carrying amount and accumulated depreciation relating to Property, Plant and Equipment (excluding Infrastructure Assets) was:

Group Property, Plant & Equipment (Excluding Infrastructure)	31 March 2025	31 March 2024
	£000	£000
Gross Carrying Amount	321,400	294,413
Accumulated Depreciation	(19,185)	(18,765)
Net Book Value	302,215	275,648

Details of the transactions relating to the carrying amounts and depreciation of non-current assets (excluding Infrastructure Assets) are set out on the following pages.

Movements in 2024/2025:

	Operational Assets					Total Property, Plant & Equipment £000
	Other Land and Buildings £000	Vehicles, Plant and Equipment £000	Community Assets £000	Surplus Assets £000	Assets Under Construction £000	
Property, Plant & Equipment (Excluding Infrastructure)						
Cost or Valuation as at 1 April 2024	227,568	22,447	106	8,583	35,709	294,413
Adjustment to Balances Brought Forward	1,130	0	0	0	0	1,130
Revised Cost or Valuation as at 1 April 2024	228,698	22,447	106	8,583	35,709	295,543
Appropriations	20,710	17	0	(3,130)	(17,597)	0
Additions	6,408	2,459	245	0	20,489	29,601
Revaluation increases/(decreases) recognised in the Revaluation Reserve	1,862	0	0	350	0	2,212
Revaluation increases/(decreases) recognised in the Provision of Services	(6,365)	0	0	410	0	(5,955)
Derecognition - disposals	0	(82)	0	0	0	(82)
Other movements in cost or valuation	81	0	0	0	0	81
Cost or Valuation as at 31 March 2025	251,394	24,841	351	6,213	38,601	321,400

	Operational Assets					Total Property, Plant & Equipment £000
	Other Land and Buildings £000	Vehicles, Plant and Equipment £000	Community Assets £000	Surplus Assets £000	Assets Under Construction £000	
Property, Plant & Equipment (Excluding Infrastructure): Depreciation & Impairment						
Accumulated Depreciation & Impairment as at 1 April 2024	(4,800)	(13,950)	(14)	(1)	0	(18,765)
Adjustment to Balances Brought Forward	(1,107)	0	0	0	0	(1,107)
Revised Accumulated Depreciation & Impairment as at 1 April 2024	(5,907)	(13,950)	(14)	(1)	0	(19,872)
Depreciation Charge & Appropriations	(9,303)	(1,813)	0	(1)	0	(11,117)
Depreciation written out to the Revaluation Reserve	10,673	0	0	1	0	10,674
Depreciation written out to the Surplus/Deficit on the Provision of Services	1,095	0	0	0	0	1,095
Derecognition - disposals	0	35	0	0	0	35
Accumulated Depreciation & Impairment as at 31 March 2025	(3,442)	(15,728)	(14)	(1)	0	(19,185)

Note: Balances Brought Forward were adjusted to include assets related to Silent Valley Waste Services Ltd., transferred in 2023/2024.

Movements in 2023/2024:

Property, Plant & Equipment (Excluding Infrastructure)	Operational Assets					Total Property, Plant & Equipment £000
	Other Land and Buildings	Vehicles, Plant and Equipment	Community Assets	Surplus Assets	Assets Under Construction	
	£000	£000	£000	£000	£000	
Cost or Valuation as at 1 April 2023	212,248	20,482	106	5,946	51,269	290,051
Appropriations	(125)	66	0	125	(66)	0
Assets reclassified to/from held for sale	(10)	0	0	0	0	(10)
Additions	1,571	1,899	0	0	47,306	50,776
Revaluation increases/(decreases) recognised in the Revaluation Reserve	12,153	0	0	1,552	0	13,705
Revaluation increases/(decreases) recognised in the Provision of Services	1,747	0	0	1,006	(65)	2,688
Derecognition - disposals	(16)	0	0	0	(62,735)	(62,751)
Other movements in cost or valuation	0	0	0	(46)	0	(46)
Cost or Valuation as at 31 March 2024	227,568	22,447	106	8,583	35,709	294,413

Group Property, Plant & Equipment (Excluding Infrastructure): Depreciation & Impairment	Operational Assets					Total Property, Plant & Equipment £000
	Other Land and Buildings	Vehicles, Plant and Equipment	Community Assets	Surplus Assets	Assets Under Construction	
	£000	£000	£000	£000	£000	
Accumulated Depreciation & Impairment as at 1 April 2023	(3,822)	(12,544)	(14)	(3)	0	(16,383)
Depreciation Charge & Appropriations	(7,208)	(1,406)	0	(1)	0	(8,615)
Depreciation written out to the Revaluation Reserve	6,136	0	0	18	0	6,154
Depreciation written out to the Surplus/Deficit on the Provision of Services	86	0	0	(15)	0	71
Derecognition - disposals	8	0	0	0	0	8
Accumulated Depreciation & Impairment as at 31 March 2024	(4,800)	(13,950)	(14)	(1)	0	(18,765)

G7.3 Heritage Assets

In addition to the heritage assets held by the Council (set out in note 26) the Group also includes the following Grade II Listed heritage assets. These have not been included on the Group Balance Sheet as no cost or valuation information is available:

Heritage Assets (Not Reported on Balance Sheet)	Description
Bedwellty Park Bandstand	Octagonal bandstand of iron construction presented to the people of Tredegar by the Morgan family of Tredegar House in 1912, for recreational purposes.
Bedwellty Park Boundary Stone	Dated 1818 and former boundary stone of Sirhowy Ironworks. It is not known when the stone was removed to Bedwellty House. A similar stone survives near the Sirhowy Ironworks Site. Listed as a rare survival of an early 19th century industrial boundary stone with unusual history.
Bedwellty Park Ice House	Early 19th century with chamber built above in later 19th century. Listed as a remarkable survival of an ice-house with former chapel above.
Bedwellty Park Lump of Coal	Celebrated lump of coal cut as a special exercise to form a monument at the 1851 Great Exhibition. Reputed to be the largest block of coal ever cut. Listed as a unique monument to the coal industry in South Wales and to the skill of South Wales miners.
Bedwellty Park War Memorial	Erected circa 1920 as a First World War Memorial. Made of a tall tapering ashlar pedestal and bronze figure of a fully kitted soldier, standing against a tall plain Celtic Cross with wheel-head. Listed as an impressively designed war memorial in attractive parkland setting.

Bedwellty House is regarded as being operational in nature and has therefore been included in the 'Other Land and Buildings' classification of Group Property, Plant & Equipment.

G8. Reserves

Group Unusable Reserves include amounts held by Blaenau Gwent CBC and Bedwellty House and Park Charitable Trust.

G8.1 Group Capital Adjustment Account

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

The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to an historical cost basis).

The Account is credited with the amounts set aside by the Group as finance for the costs of acquisition, construction and enhancement. The Account 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.

Group Capital Adjustment Account	2024/2025 £000	2023/2024 £000
Balance at 1 April	(99,995)	(134,560)
Reversal of items relating to capital expenditure debited or credited to the CIES:		
Charges for depreciation	14,732	12,176
Impairment of non-current assets	63	235
Revaluation gains/losses on Property, Plant & Equipment	6,135	(2,911)
Revenue expenditure funded from capital under statute	4,707	7,116
Capital grants and contributions applied to capital financing	(35,696)	(38,335)
Non-current assets written off on disposal or sale as part of the gain/loss on disposal	47	63,132
Sub-Total: Capital Adjustment Transactions included in the CIES:	(10,012)	41,413
Items not debited or credited to the CIES:	(3,371)	(1,824)
Capital financing applied in the year:	(584)	(2,991)
Sub-Total: Capital Adjustment Transactions included in the MiRS:	(3,955)	(4,815)
Adjusting Amounts written out of the Revaluation Reserve:		
Charges for depreciation & impairment of non-current assets	(3,476)	(2,033)
Balance at 31 March	(117,438)	(99,995)

G8.2 Group Revaluation Reserve

The Revaluation Reserve contains the gains made by the Group arising from increases in the value of its Property, Plant and Equipment.

The Reserve was created on 1 April 2007 and contains only revaluation gains accumulated since that date. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account. The balance on the reserve is reduced when assets with accumulated gains are revalued downwards or impaired and the gains are lost; used in the provision of services and the gains are consumed through depreciation; or disposed of and the gains are realised.

Group Revaluation Reserve	2024/2025 £000	2023/2024 £000
Balance at 1 April	(69,457)	(51,335)
Adjustment to balance brought forward	297	0
Revised balance at 1 April	(69,160)	(51,335)
Upward revaluation of assets	(12,369)	(27,592)
Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the Provision of Services	8,886	12,941
Depreciation - write back revaluation reserve	(10,674)	(5,504)
Surplus or deficit on revaluation of non-current assets not posted to the Surplus or Deficit on the Provision of Services	(14,157)	(20,155)
Difference between fair value depreciation and historical cost depreciation	3,476	2,033
Amount written off to the Capital Adjustment Account	3,476	2,033
Balance at 31 March	(79,841)	(69,457)

Note: Balances Brought Forward were adjusted to correct mis-posting of City Deal entries related to the Financial Instruments Revaluation Reserve.

Summary Group Unusable Reserves were:

Unusable Group Reserves	2024/2025	2023/2024
	£000	£000
Capital Adjustment Account	(117,438)	(99,995)
Revaluation Reserve	(79,841)	(69,457)
Financial Instruments Adjustment Account	3,110	3,214
Financial Instruments Revaluation Reserve	465	0
Deferred Capital Receipts Reserve	(25,504)	(24,567)
Pensions Reserve	85,240	99,215
Accumulated Absences Account	2,706	2,178
Total Unusable Group Reserves:	(131,262)	(89,412)

Group Cash Flow Notes

G9. Reconciliation of the Deficit on the Provision of Services to Net Cash Flows from Operating Activities

The following tables provide details of the adjustments made between the deficit on provision of services to arrive at a figure for operating activities cashflows.

G9.1 Non-Cash Movements

Cash Flow - Adjustments for Non-Cash Movements	2024/2025 £000	2023/2024 £000
Depreciation, Revaluation & Impairment	20,867	9,532
REFCUS (deferred charges)	4,707	7,116
Change in the Fair Value of Investment Properties	63	82
Effective interest adjustment	51	9
Soft loan adjustment	1,973	(97)
Unwinding of Discounts	(1,164)	0
Net IAS19 charges made for Retirement Benefits	16,849	15,566
IAS19 Employers Contributions Paid to Pension Fund	(19,804)	(17,933)
Write Down Donated Assets Account	(45)	(628)
	23,497	13,647
Increase/(Decrease) in Provisions	374	2,013
(Increase) / Decrease in Inventories	148	609
(Increase) / Decrease in Revenue Debtors	(7,329)	(3,912)
Increase / (Decrease) in Revenue Creditors	2,065	(1,252)
Total	18,755	11,105

G10. Cash and Cash Equivalents

The balance of group cash and cash equivalents is made up of the following:

Cash and Cash Equivalents	2024/2025 £000	2023/2024 £000
Cash Held by the Authority	55	53
Bank Accounts	(482)	(4,563)
Short-term investments	3,000	22,500
Total Cash & Cash Equivalents	2,573	17,990





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